



Haier | 海尔智慧家庭
定制美好生活

Qingdao Haier 2018 Corporate Social Responsibility Report

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Report Description

Reporting period

From 1 January to 31 December 2018. Some contents exceed this time range.

Reporting cycle

The report is an annual report.

Report data description

The data in the report are extracted from the 2018 Annual Report of Qingdao Haier Co., Ltd. and other data derives from the Company's internal systems or manual collation.

Report scope

Qingdao Haier Co., Ltd. is the subject. , and some data cover Haier Group.

Report compilation basis

Sustainability Reporting Guidelines (G4 version) issued by the Global Reporting Initiative (GRI), Guidelines on Preparation of Corporate Social Responsibility Reports of Chinese Enterprises issued by the Chinese Academy of Social Sciences, Guidelines on Environmental Information Disclosure of Listed Companies on Shanghai Stock Exchange issued by Shanghai Stock Exchange.

Access to the report

The report is published in both printed and electronic form, and the electronic edition is available on the Company's official website and Shanghai Stock Exchange website (<http://www.haier.net/cn/>, <http://www.sse.com.cn/>).

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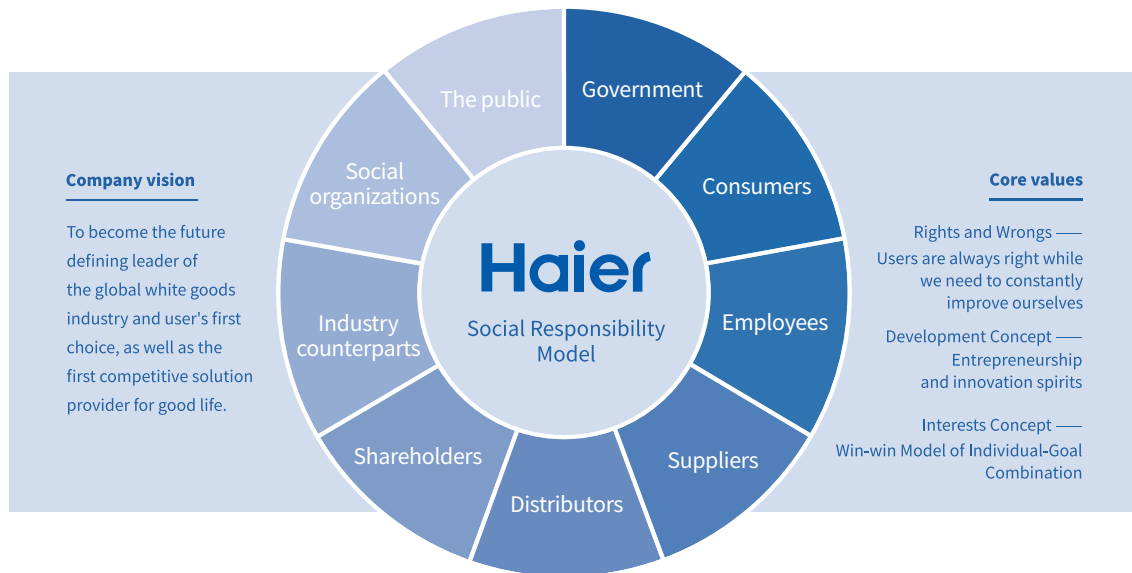


PART1

Qingdao Haier

Good Things, For Living

Social Responsibility Model



Entity	Connection
Government	Comply thoroughly with the national laws and regulations and accept the government's supervision
Consumers	Provide consumers with zero-defect, differentiated and supply-upon-demand products and services
Employees	Treat employees as the best assets and provide a platform for their development
Suppliers	Achieve mutual benefits and win-win situation with suppliers
Distributors	Establish a steady supply relationship and offer high-quality and environment-friendly products
Shareholders	Create a global excellent brand to enhance shareholders' interests
Industry	Foster competition and cooperation with industry counterparts according to the national laws and work together to promote development of the home appliances industry of China
Social organizations	Maintain close ties with different social organizations for mutual support and shared development
Industry	The public's understanding and support create a positive environment for the Company's development

Social Responsibility Philosophy

“

Haier should contribute to society and human beings like the sea. As long as we are 'true forever' in our love to society and human beings, the social acceptance will last forever. Haier will, just as today, last forever.

— Zhang Ruimin, Haier Group's CEO ”

“

I would like to drive Qingdao Haier's development with my team and create a better future with each of Haier's stakeholders by making solid and constant progress, pioneering reform, advancing innovation and accumulating strength.

— Liang Haishan, Qingdao Haier's Chairman ”

Chairman's Statement



Since listing, Haier has overcome all types of obstacles to lead the development of its industry. Looking forward to 2019, Haier will continue to pursue excellence and strive to create a world-class Internet of Things business model with the advantages of being the No.1 brand in smart homes.

2018 marks the 40th anniversary of China's reform and opening-up, and it is also a crucial year for China's economy to shift from high-speed growth to high-quality development. In this great era, Haier has generated its competitive advantage, learned to deal with challenges, kept innovating, listened to the pulse of the society, and completed five strategic reforms during 35 years, namely brand building, diversification, internationalization, global branding and networking strategy. It has gone through a century of enterprise experience in developed countries. During the past 35 years, Haier has scaled up from its humble origins, pursued excellence and adhered to the "user-centered" theme of its products.

In the current era, Haier is creating an ecological brand of the Internet of Things from household electrical appliances to smart appliances to smart homes, in order to provide users with the concept of life X.0, based on global layout, brand and network advantages. Haier will provide a customizable lifestyle for users through smart homes and achieve an iterative upgrade of user experience through a variety of scenes and connections in smart life. Since the launch of the "4+7+N" smart full scene & customized solution package in 2018, the number of households using our smart home solutions has reached over 10 million, and our global layout of seven synergistic major brands has accelerated the expansion and implementation of Haier's smart home around the world. Thousands of families will experience the connection between home and the world, enjoy scenes based on input from health consultants, cleaning and maintenance housekeepers, with clean air, clean environment and safe food brought by the smart home solution - Haier has brought a wonderful life into a new era.

While Haier targets a global branding strategy, the wonderful life provided by Haier does not stop here. As the No.1 brand of white goods in the world, Haier has been practicing a green development strategy with the strength and responsibility of a global brand. By adhering to the green development strategy, Haier has made continuous breakthroughs in the R&D of environmentally friendly products and attached great importance to the development and upgrading of energy-saving technology. Haier has built a green supply chain, played a leading role in innovation, environmental friendliness, man-machine interaction, created a win-win situation for the industry and contributed to China's green development.

It is the responsibility of an enterprise to contribute to society. Haier has always been enriching and creating corporate social responsibility. Haier insists on putting consumers at the heart of the matter and continuously creating value for consumers and employees. The original win-win model of "RenDanHeYi Model" stimulates internal motivation for employees, turns employees into masters, and realizes their own value when creating value for consumers. Meanwhile, Haier opens its resources and strives to cultivate innovation. Haier targets performance growth and dividend returns to shareholders alongside the promotion of poverty alleviation, the Hope Project and other public welfare projects, and explores the sustainable development path of harmony and a win-win situation between enterprise and society.

'Fighting for a cause, the one who tries hard will lead the way'. For Haier, entrepreneurship is not just an action, but a spirit. For Haier, continuous improvement is its entrepreneurial spirit. Since its initial listing, Haier has overcome all types of obstacles to lead the development of its industry. Looking forward to 2019, Haier will continue to pursue excellence and strive to create a world-class Internet of Things business model with the advantages of being the No.1 brand in smart homes.

Qingdao Haier Co., Ltd.

Chairman:

April 2019

Company Overview



- Company name: Qingdao Haier Co., Ltd.
- Stock code: 600690
- Main business: R&D, production and sales of white goods and channel integrated services business, provision of one-stop smart home solutions for users
- Founding time: 1989
- Listing time: 1993 (one of the earliest listed companies in China)

Digital Haier - Indicators of Sustainable Development

Economic indicators

Indicator	2013	2014	2015	2016	2017	2018
Revenue (RMB million)	864.88	887.75	897.48	1190.66	1592.54	1833.17
Net profits attributable to shareholders of the listed company (RMB100 million)	41.68	49.92	43.01	50.37	69.26	74.4

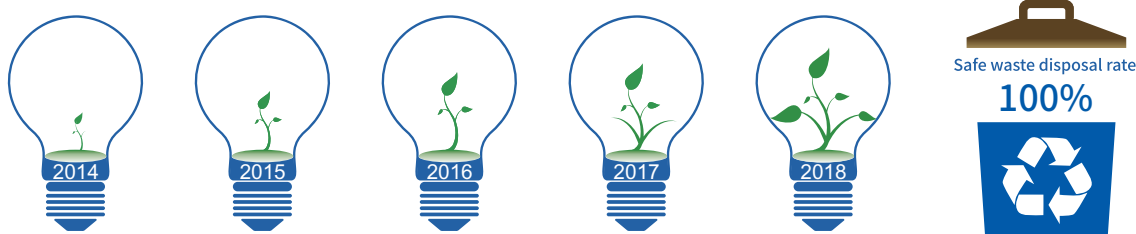
Environmental indicators

Energy consumption per unit of output value

In 2018, Haier's energy consumption per unit of output value was **7.45** kg/RMB10,000, down by **10.5%** yoy.

Carbon dioxide emissions per unit of output value

In 2018, Haier's carbon dioxide emissions per unit output value was **9.13** kg/RMB10,000, down by **8.02%** yoy. The waste safety disposal rate was **100%**.



Social indicators

In 2018, social contribution value per share = RMB5.1/share

Social contribution value per share = $\text{EPS} + (\text{total tax payments} + \text{employee expenses} + \text{interest payments} + \text{total public interest inputs} - \text{social costs}) \div \text{total equity at the end of the period}$. The calculation standard is derived from the Notice on Strengthening the Social Responsibility of Listed Companies and Issuing the Guidelines on Environmental Information Disclosure of Listed Companies on Shanghai Stock Exchange. Among them, the tax payments are various taxes paid, and employee expenses include cash paid to and paid for employees.

Digital Haier - Leading the Industry with Champion Strength

In house R&D and leading technology

- **International**

Haier has won more than **150** world-class industrial design awards. In 2018, Haier won the iF Award and Red Dot Award, and in total **20** awards, taking the cumulative number of awards to **137**. It ranked first for awards in the global white goods industry.

Haier has participated in the development and amendment to **60** international industry standards, and ranked No.1 among household appliances companies in China in terms of the number of proposals raised.

Haier has accumulated over **10,000** invention patents, covering **25** countries, making Haier the leader in household appliances companies in China in terms of overseas invention patents.

- **Domestic**

Haier has led or participated in **490** developments and amendments to national industry standards cumulatively, and also ranked No. 1 among domestic home appliances companies in terms of the number of national standards initiated.

Haier has won a total of **14** national prizes for progress in science and technology, including the industry's only first prize. In the Shandong Provincial Science and Technology Award in 2017 and 2018, Haier became the only home appliances enterprise in the list of first prize winners, as a recognition of its leading technology by the state.

Each classification industry leads in an all-round way



Euromonitor international, the authoritative market research organization in the world 2018

The market share of large household appliances has been the largest in the world for ten consecutive years

Note: brand share is measured by retail volume

Refrigerator: The global leader of the refrigeration industry

On January 10, 2019, Euromonitor, the world's leading market research organization, released data showing Haier refrigeration has achieved the No.1 retail sales volume among global brands for the 11th consecutive year in 2018. Also, it is the first refrigerator brand with more than 35% share in the history of CMM. In 2018, its cumulative share topped 35.5%, breaking the mark for the first time.

On December 25, 2018, Haier won the first "China Patent Gold Award" on behalf of the refrigerator industry in 29 years by virtue of full-space preservation technology. Haier's refrigerator has been recognized internationally in the aspects of innovative technology, patent R&D and standard development. Meanwhile, it also won the 11th world champion metal.



Washing machine: The world trend maker for washing machines

The latest data released by Euromonitor at the beginning of 2019 showed Haier's washing machine ranked No.1 in the world for 10 consecutive years. Haier's washing machine is the world's first ecological platform for Internet of Clothing which provides users with full-process smart solutions from clothing to footwear, including washing, care, storage, matching, purchase by integrating more than 4,000 types of resources.

The list of "individual champion demonstration enterprises in manufacturing" is jointly issued by the Ministry of Industry and Information Technology and the China Federation of Industrial Economics. Its evaluation involves many criteria such as sustainable R&D capability and number of valid patents. As the only enterprise in the washing machine industry that won the honor, Haier's strength in intelligent manufacturing has been recognized by the government.



Air conditioner: No.1 in the world in terms of interconnected air conditioners

In 2018, Haier joined the UL Standard Technical Committee of the United States to promote the standardization of "indoor air quality" standard for air conditioners in the International Electrotechnical Commission and the International Organization for Standardization (ISO).

By virtue of the "external circulation" model, Haier's fresh air self-cleaning air conditioner obtained the only characteristic air conditioning certification of "air ventilation integration" in the industry.

Haier fresh air self-cleaning air conditioner

General air conditioner



After the air conditioner is turned on, the air in the ordinary air-conditioned glass room has a concentration of 2800ppm CO₂, while CO₂ in the air in Haier's Xinfeng self-cleaning air-conditioned room is reduced to 590ppm, which is similar to the outdoor fresh air.

Commercial air conditioning: The Creator of the Internet of Things central air-conditioner

Statistical data in the central air conditioner category show that during the National Day of 2018, Haier's central air conditioner won the most market share in both Tmall and JD.com in the field of e-commerce, and achieved the No.1 sales volume in Suning markets in Southwest China, Northwest China, North China, Southeast coast and Northeast China.



Water heater: ranked first in the world for seven consecutive years. Setting international standard and exceeding Europe' s standard

Euromonitor certified Haier' s electric water heater as the No.1 in terms of sales volume in the world. It is the only enterprise that ranked first for seven consecutive years.

Haier' s electricity-proof wall was selected as the IEC international standard. For the first time, China's water heater developed an international standard, as the only enterprise in the industry.

Haier led the development of the world's first standard for bath water quality and safety.

Haier passed the certification of Europe's highest standards for hot water comfort with full marks, the only Chinese brand winning this honor.

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Kitchen appliances: The leader of full kitchen appliances in the world

On October 10, 2018, the General Technical Conditions for Smart Kitchen, the industry's first smart kitchen standard which Haier took the lead in formulating, was officially released, providing a standard for the intelligence and ecology of smart kitchens. It ushered in the age of standardization of smart kitchens and filled a gap in the industry.

Digital Haier - Ecological Brand in the Era of Internet of Things



U' Smart Home Cloud Platform

There are **3500+** experience contact networks involving the smart home; the activation of smart household appliances increased by **79.8%**; **10** million users of complete smart homes. The full-house integration revenue increased by **100%+** yoy; the ecological revenue of Internet of Things increased **16** times yoy;



COSMOPlat Industrial Internet Platform

11 interconnection factories; empowering **15** major industries; replicated across **20** countries; The platform has connected **26** million industrial equipment, built thousands of industrial APPs/industrial models, applied **12** types of programming languages/tools, and engaged tens of thousands of platform developers. Users, customers and stakeholders participate in the whole-process customization. The R&D cycle of new products is shortened and the efficiency rises. The non-storage rate reaches **71%**.



OSO Shunguang Community Cloud Platform

reached over **30,000** brick-and-mortar stores, over **1** million social groups and over **1.6** million micro-store owner network contacts, representing an increase of **100%**.



PART2

Economic Responsibility

No. 1 Ecological Brand of Smart Homes

In 2018, Haier adhered to "putting consumers at the heart of the matter", and achieved the lead as the No.1 global household appliances brand and the No.1 ecological brand of Internet of Things smart homes. Under the guidance of "Individual and Goal Combination" model, Haier created a world-class Internet of Things business model with fruitful results.

Innovative Leadership Builds the Power of Technology

Haier continued to enhance its original scientific and technological strength, built a global open innovation system and created a 10+N innovation model. With its 10 major R&D centers around the world, Haier has connected millions of resources around the world. Haier promotes innovation of technology through the integration of global high-quality resources.

Focus on the R&D field

No. 1 in patents. As of December 2018, Haier has applied for 6,225 patents of invention and 814 patent cooperation treaties (PCT). It has applied for over 43,000 patents cumulatively. Haier has accumulated over 10,000 overseas invention patents, covering 25 countries, making Haier the leader in household appliances companies in China in terms of overseas invention patents.

No.1 in standard strength. As of December 2018, Haier has participated in the development and amendment to 60 international standards, and ranked No.1 among household appliances companies in China in terms of the number of proposals raised. Haier has led or participated in 490 developments of and amendments to national industry standards cumulatively, and also ranked No. 1 among domestic home appliances companies in terms of the number of national standards initiated.

In April, in response to the state's "One Belt One Road" initiative, Haier created an output template of the "One Belt One Road" initiative standard.



In May, Haier signed a strategic cooperation agreement with IEEE, and a cooperation would take place at the two levels of standard development and technical resources.



In June, the China's first technical standard innovation level of field category of Haier passed the inspection of the National Standards Commission, which is also the second standard innovation level passing the inspection throughout the country.



In September, the smart home and Internet of Clothing international standards projects led by Haier were officially launched through the IEEE project.



In October, the world's first AI standard white paper that Haier took the lead in formulation was officially released.



In October, the development of IEC refrigerator insurance international standard led by Haier made a material breakthrough.



No. 1 in industrial design. As of December 2018, Haier has accumulated more than 150 world-class industrial design awards. In 2018, Haier won the iF Award and Red Dot Award, and a total of 20 awards, taking the cumulative number of awards to 137. It ranked first in the global white goods industry.



No. 1 in national recognition. As at December 2018, Haier has won a total of 14 national prizes for progress in science and technology, including the industry's only first prize. In the Shandong Provincial Science and Technology Award in 2017 and 2018, Haier became the only home appliances enterprise in the list of first prize winners, as a recognition of its leading technology by the state.

No. 1 in competitiveness. With its innovation, R&D and patents strength, Haier has shown a strong intellectual property competitiveness. On November 8, Hurun Research Institute released the Report on Intellectual Property Right Competitiveness of Chinese Enterprises in 2018. Haier ranked first with a total score of 98.6 in the core content in the List of Top 100 in Intellectual Property Right Competitiveness of Chinese Enterprises in 2018.

The world is Haier's R&D department

Haier has always adhered to the innovative concept of "the world is my R&D department" and built a 10+N R&D contact network. With its 10 major R&D centers around the world, Haier connects millions of resources at any time and it has constantly consolidated its leading role in the Internet of Things era. Currently, Haier has 24 industrial parks and 108 factories all over the world. From the banks of the Kama River, Russia to Pune, India, manufacturing bases with the Five-Starred Red Flag and Haier flag can be found everywhere on five continents.

Haier Global resource network



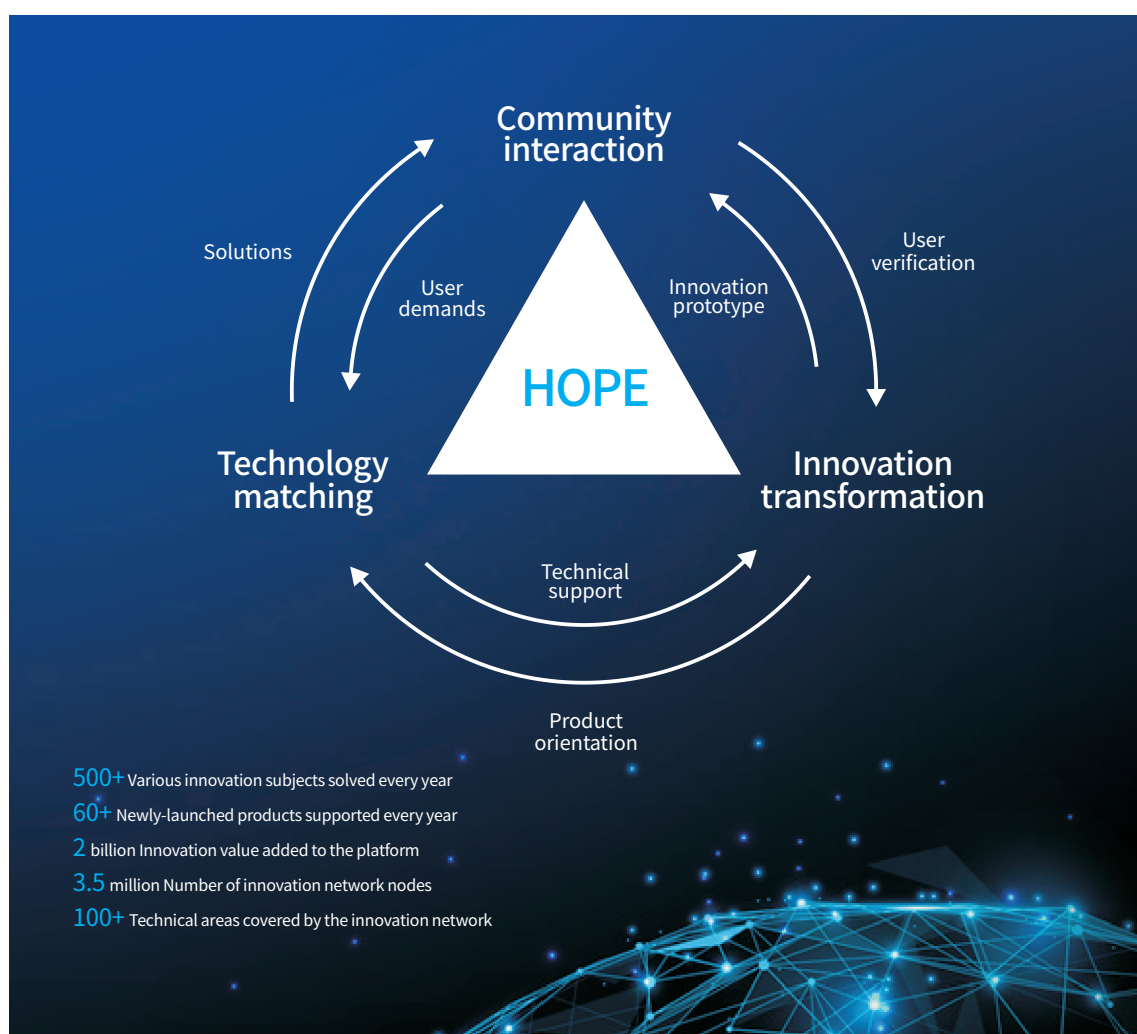
Open innovation, connecting to global resources

Haier has established an open innovation platform that integrates online and offline resources to form a self-driven innovation ecosystem: With its 10 major R&D centers around the world and N R&D contacts that connect at any time, Haier has established a "10+N" open innovation system, achieving that "R&D is accessible in the place where user demand and innovation resources are located".

Haier connects global resources in an open way, through the open innovation platform HOPE, which removes barriers between users and resources, and brings users, enterprises and resources into the same interactive ecosystem. In addition, the community of innovative partners with over 10,000 interdisciplinary experts and innovators delivers cross-border and revolutionary innovations through effective collaboration and zero-distance interaction among people within the community. At present, the HOPE platform reaches 3.8 million individuals.

Different kinds of top resource nodes, with an average of more than 6,000 ideas a year and over 200 incubation projects a year, support the continuous leadership of products and technologies. A series of revolutionary "cool techs" including MSA nutrition controlling and preservation technology, natural airflow conditioner, full-space preservation technology and infrared dry heating prevention technology were born from the platform.

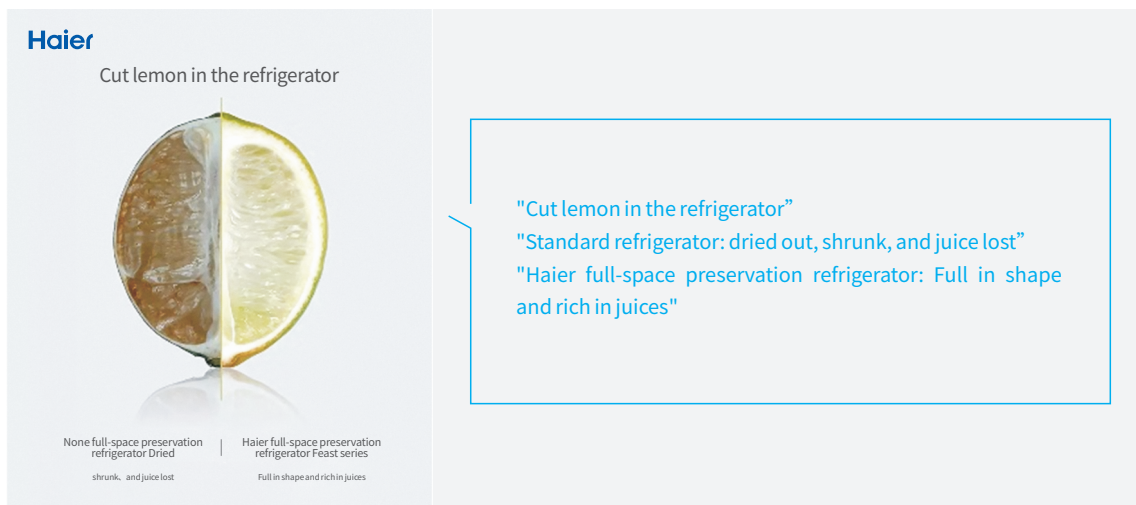
In the future, the open platform HOPE will create an innovation ecology with "cooperation, win-win and sharing" as its core, extending innovative services to more industries, enterprises, scientific research institutions and experts in addition to the home appliances industry, and helping more industries realize industrial upgrading.



Original technology, creating a better life for users

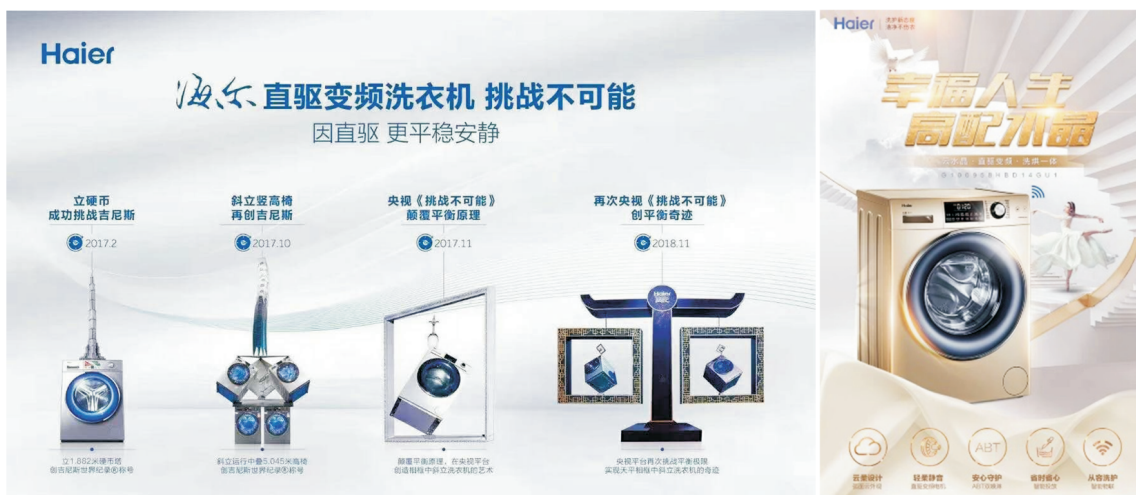
Relying on strong R&D and innovation capacity, Haier provided 6 major life-changing original technologies in 2018, including "full-space preservation", "cleaning-free", "fresh air self-cleaning", "washing with clean water", "dry heating prevention" and "frost-free vertical freezer", which were recognized by users. Data from Euromonitor, CMM and other institutions showed that our product categories adopting these leading technologies achieved No.1 in the industry in terms of sales volume.

Haier's full-space refrigerator is equipped with innovative micro-air duct refrigeration, intelligent constant temperature, the world's first precision control technology of dry and wet storage and other features. Humidity in the wet compartment is maintained at about 90%, which means nutrients remain better preserved.



The cut fresh lemon is put into a general refrigerator and a Haier full-space preservation refrigerator, respectively, and after 7 days, the lemon in the general refrigerator is dehydrated and deteriorated, but the lemon in the Haier full-space preservation refrigerator is still fresh and succulent.

On June 20, 2018, the world's first Haier Yunmeng washing machine equipped with dual direct drive technology was launched in Chengdu, China. It adopts two drives in a single machine and solves the issue of taking a long time when using traditional front-loading washing machine which features "wrestling-style" washing. With the same capacity and the same rate of washing ability, the front-loading washing machine was sped up by 55%, and achieved the fastest speed in the world. In addition, Haier Yunmeng washing machine saves 52% of power compared with the general front-loading washing machine, and saves 72% of power compared with the European standard A+++. Dual direct drive technology has been recognized by the China Light Industry Council as the world's pioneering technology, reaching the international leading level.



Smart Homes Assist in Ecology Transformation

"4+7+N" full scene solutions launched by Haier provide users with a customizable, iterative and one-stop solution package, covering 4 major physical spaces including lounge, kitchen, bedroom and bathroom, and involving 7 major ecology scenes, such as Internet of Clothing, food and entertainment. By establishing the industry's first Internet of Clothing and Internet of Food, Haier took the lead in achieving the lead among ecological brands.

Large-scale implementation of smart homes

Haier's smart home employs the Internet of Things, artificial intelligence and big data and transforms traditional electrical appliances into intelligent network devices via the U+ Open Internet of Things Platform. By combining scenario with ecological services, it provides users with software and hardware solution packages and achieves a better life experience. These scenarios target a wholly new experience of smart homes through the "4+7+N" business model: users can enjoy seven full-house solutions, such as air, security, water and cleaning and maintenance in four physical dimension such as kitchen and bedroom, so that users can enjoy N customized life scenes, customize a better life, and realize life X.0.

In March 2019, Haier launched a strategic system for smart homes, which relies on the three major platforms of the U+ Open Internet of Things platform, Shunguang and COSMOPlat, utilizing five integrated capabilities (products, programs, displays, personnel, and services), and providing users with three core values of a single product, i.e. the value of the ultimate experience, the smart interaction and the comprehensive experience of the respective scene. Haier has progressed from the No.1 world home appliance maker to the No.1 smart home ecological brand.



Smart home full scene

Haier's Smart Home builds a full-scene smart home experience based on physical scenes, providing users with a wholly new scene-based life experience.

Smart kitchen, with food as the center, achieves the link with hood-stove, prevention of dry heat, one-touch baking, refrigerator-controlled household appliances, food management, personalized recipe recommendation and intelligent dish combination through an intelligent control system. It provides users with smart solutions for healthy food. At the same time, the embedded U+ Ecological Resource Platform meets users' resource needs and creates enjoyable life experiences involving smart kitchen food.

Smart bathroom provides smart ecological solutions such as sanitary, water, cleaning and maintenance, one-touch shoe washing and protection, and voice activated laundry. By integrating the interactive platform and various resources to meet users' needs, bathroom cleaning and maintenance become more convenient, smarter and healthier.

Smart bedroom provides smart solutions including temperature regulation, air quality, home experience, control of light, curtain and others through one-touch bedtime, one-touch wake-up, and air conditioner self-adjustment and self-comfort, which adds value to the health of users and creates an enjoyable and comfortable life in the bedroom.

Smart lounge is based on entertainment and integrates image, music and other relevant entertainment facilities through the U+ Smart Platform. It provides users with one-stop home entertainment solutions including remote video calls, TV voice activation, one-touch film viewing and private home cloud.

Smart lounge ▼



▼ Smart bedroom



Smart bathroom ▲



▲ Smart kitchen

Internet of Things ecology, creating a smart home ecosystem

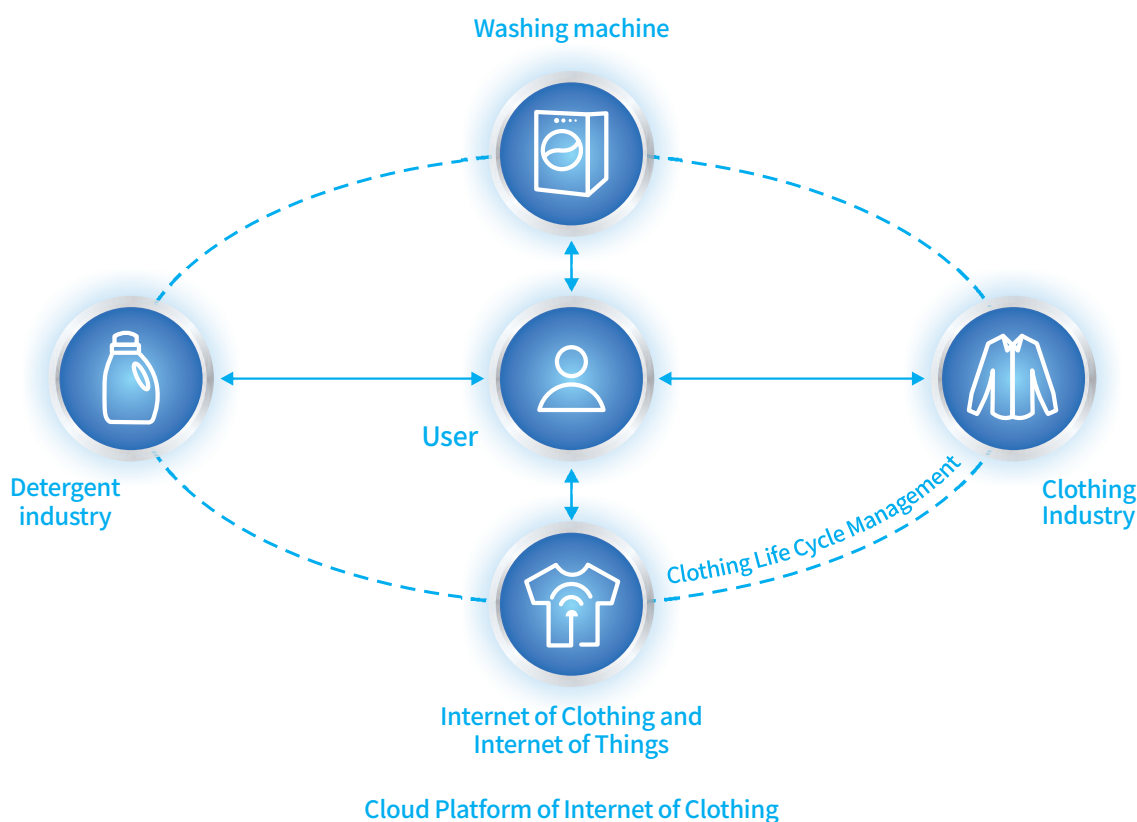
Internet of Clothing: Standard internationalization, brand globalization

As a typical case of COSMOPlat mass customization for clothing, the Haier Internet of Clothing links washing machines, smart wardrobes, 3D fitting mirrors and other products relying on RFID Internet of Things technology to provide users with a full life cycle clothing solution covering the washing, caring, storage and purchasing phase.

For laundry, Haier's smart washing machine is equipped with RFID identification technology that can identify clothing fabrics, materials and brands to match the best washing program. For clothing storage, Haier's smart wardrobe for children is capable of automatically displaying the storage location, brand and number of times of care, and it can provide services such as dehumidification and drying. For clothing combination purchase, the smart fitting mirror is able to carry out intelligent clothing recommendations and the 3D virtual wearing experience makes recommendations according to weather conditions and planning scenarios. The one-touch fitting and one-button ordering are equivalent to bringing the clothing store back home.

Haier's Internet of Clothing also extends RFID Internet of Things technology to the whole supply chain of the industry with smart traceability and intelligent manufacturing, and connects with the smart clothing management needs of manufacturers and stores. For brand manufacturers, RFID technology helps solve the efficiency problem of the stock-in and stock-out process of large quantities of clothing, which brings several improvement to the logistics process, greatly reduces costs and achieves data sharing in the entire clothing supply chain. At the same time, with the digital management of the Internet of Clothing ecology, store merchants are able to obtain timely user feedback information, adjust marketing strategies according to user's individual demands and achieve mutual benefit.

Haier's washing machine adopts clothing as the medium to combine relevant resources such as clothing enterprises, fitting mirror manufacturers and Internet of Clothing technology providers. It realizes services such as exclusive clothing washing customization and clothes matching purchase through RFID technology.



Internet of Food: Healthy food, leading eco-branding

Haier's Internet of Food closely integrates the value chain of producers, distributors, consumers and government regulators to create a comprehensive food solution based on traceability to satisfy consumers' right to know about the health and safety of ingredients.

Haier's Internet of Food ecology includes six parts: smart purchase, smart storage, smart processing, smart cooking, smart cleaning and smart environment. It combines family and commercial data to make food big data more comprehensive. In a closed-loop database, the smart home kitchen provides users with more food safety options, and surrounding commercial data gives users more purchasing solutions, achieving a new experience for the entire ecosystem.

Today's consumers pay more attention to the quality of ingredients, and more comprehensive information about the ingredients enables consumers to rest assured while eating. Users can purchase fresh food by ordering on the screen of Haier's Smart Refrigerator. Haier's Smart Refrigerator cooperates with suppliers of the Internet of Food eco-platform to provide users with an integrated experience of safe ingredients with information about the origin of ingredients, inspection and quarantine, food purchase and cold chain transportation. It integrates the world's authoritative appraisal institutions to provide source control for food identification, including information about logistics and cold chain supply to provide industry-leading fresh-keeping distribution services. Haier's Smart Refrigerator includes a highly sensitive frontal camera, which is able to scan the QR code of food and through RFID technology it can automatically obtain information such as the origin, price and expiration date of food ingredients and enter it into the system. When using the refrigerator, the user can click on the ingredients management to view the ingredients inside the refrigerator and acquire details. Haier's Smart Refrigerator reduces product deterioration through temperature-controlled induction technology, extending the shelf life and saving energy. If ingredients are expired, users will be automatically reminded to ensure the quality, freshness and better utilization of ingredients.



By leading the core technology products and turning the platform into an ecosystem, Haier has taken the lead in finding the key to build trending products. At present, the sales of Haier Smart Home Network devices has exceeded 210 million units, and the number of end users in the world has reached 130 million. More than 400 billion of network interactions are generated every day.

Smart home cross-domain empowerment

As a leader in the smart home field, Haier has been committed to creating a new and intelligent life for its customers. Haier's Smart Home has customized solutions for comprehensive applications, included in 15 industries and governmental institutions including real estate, hotels, education, manufacturing and finance to help each industry achieve smart upgrades.

Real estate industry:

Haier has cooperation projects with 86 companies among the country's top 100 real estate developers and has strategic cooperation with nearly 60 companies. Since 2018, well-known communities such as Shanghai Daning Jinmao Palace and Chengdu Guojin Center have adopted Haier appliances.

Long-term rental apartment industry:

At present, Haier has provided services to 655 brand apartment companies accumulatively and cooperated with brand apartments such as Vanke Port, Longfor Guanyu and Xuhui Lingyu.

Hotel industry:

In 2018, Haier reached a cooperation relationship with GreenTree Inn, Vienna, France Louvre, Accor, Intercontinental, Wyndham and many other TOP hotel groups.

Education industry:

Haier has signed cooperation agreements with 1,511 of the country's 3,000 colleges and universities to provide schools with smart water heaters, smart water purification, smart laundry, smart desks and other campus projects.

Health care industry:

In housing for the elderly, Haier's Smart Community has built a life scene plan including personnel management, living room, bathroom, balcony and bedroom to ensure the safety of the elderly. In the ecological scene plan of the smart health care community, Haier's Smart Community has built a series of Internet of Things scenarios with the support of the smart life platform.

Public infrastructure industry:

Haier relies on the experience and advantages of the Internet of Things, smart home and engineering market to create a smart and intelligent urban living environment together with China State Grid, and jointly built 11 urban smart exhibition halls including the districts in Shanghai.



Three platforms create a world-class Internet of Things model

Haier's success of becoming the only company in the industry to target integrated solutions is inseparable from the smart home life cloud platforms, including its unique Shunguang, COSMOPlat and U⁺ Smart Life Platform. Shunguang is a "user sensor", COSMOPlat allows products, services and solutions to be manufactured and delivered quickly, while U⁺ Smart Life Platform gathers more developers, all of which are indispensable.

U⁺ Smart Life Platform

U⁺ Smart Life Platform (U⁺ platform in short) is a smart life platform that is fully open, fully compatible and fully interactive in Haier's smart home field. U⁺ platform is based on U⁺ IoT platform, U⁺ big data platform, U⁺ interactive platform and U⁺ ecological platform. It aims to lead smart homes in the Internet of Things era with the user community as the center. It includes the Internet of Things and cloud brain of the U⁺ smart life platform with human-computer interaction and distributed scenarios network devices, and provides intelligent full scene experiences involving kitchen food, bathroom care, living, security, entertainment and other family ecological experiences.

U⁺ platform creatively develops an ecological operating system customized for smart homes. Its fully open network device has reached the level of 10 million network users, and has the leading TB network database for home appliances, providing users with customized home scenario services.



U⁺ IoT Cloud 1×3 industry solution

Haier U⁺ platform provides the industry solution for the Internet of Things smart home field – "U⁺ IoT Cloud 1×3". The solution consists of UHomeOS solution, U⁺ Internet of Cloud (connectivity) solutions, U⁺ cloud computing (big data) solutions, and U⁺ cloud (artificial intelligence) solutions.

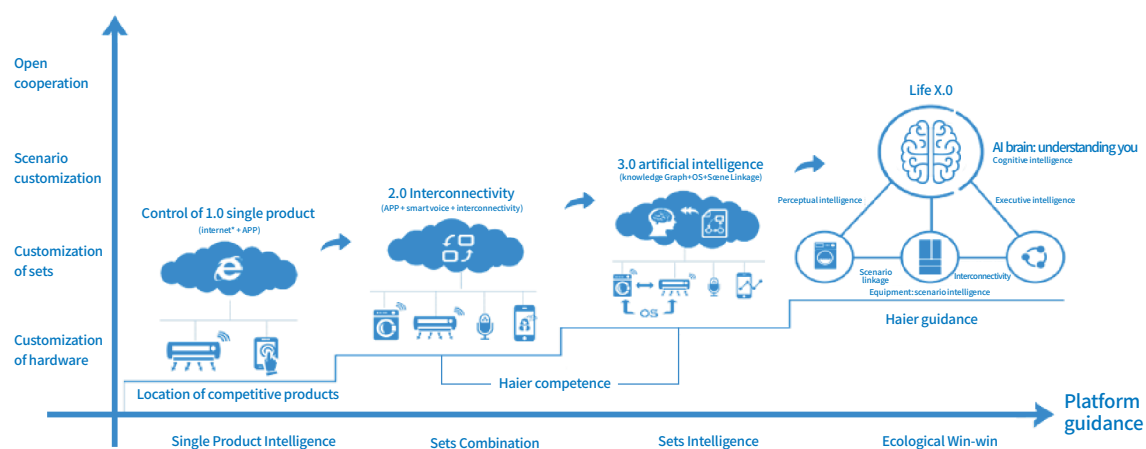
The "U⁺ Internet of Cloud 1×3" industry solution has been promoted in seven areas such as home appliances, furniture, home improvement, medical care, security, robotics and communication. It not only provides technical support for users' smart life experience, but also promotes the transformation of the Internet of Things from "hardware manufacturing" to "hardware + software + services", creating new innovative business models in the Internet of Things era.



U+ Wisdom Life X.0=1+2+3n

Previously, smart home experienced three stages: smart home 1.0 has single product hardware control; smart home 2.0 has multi-device interaction; smart home 3.0 has full scenario intelligent interaction. Haier U+ Wisdom Life X.0 will lead smart homes into a whole new home intelligence era.

User/customer experience



Based on UHomeOS, Haier U+ Smart Life X.0 platform realizes customized interaction, scenes and services through "IoT+AI" dual-engine driver, offering users "N" different scenarios or solutions.

Customized interaction

the world's first smart home voice assistant - Xiaoyou Butler

Haier U+ Smart Home Voice Assistant: "Xiaoyou Butler" is a distributed voice interaction system based on Haier's U+ artificial intelligence platform, which is able to provide voice interaction experience including speech recognition, semantic analysis and speech synthesis. Relying on Haier's smart home, Xiaoyou Butler is the only voice interactive service for intelligent home appliances that can provide deep customization in the industry. In addition, Xiaoyou Butler has a large number of entertainment audio sources, dozens of personal assistants, information inquiry and other related services, providing an intelligent life experience in a natural, interactive way.



Customized scenario

Through the store, users can customize a scenario and upload/publish the scenario for other users to achieve broad scenario sharing. Users can customize the scenario according to their own needs through the mobile APP to create a smart life with infinite imagination.



Customized service

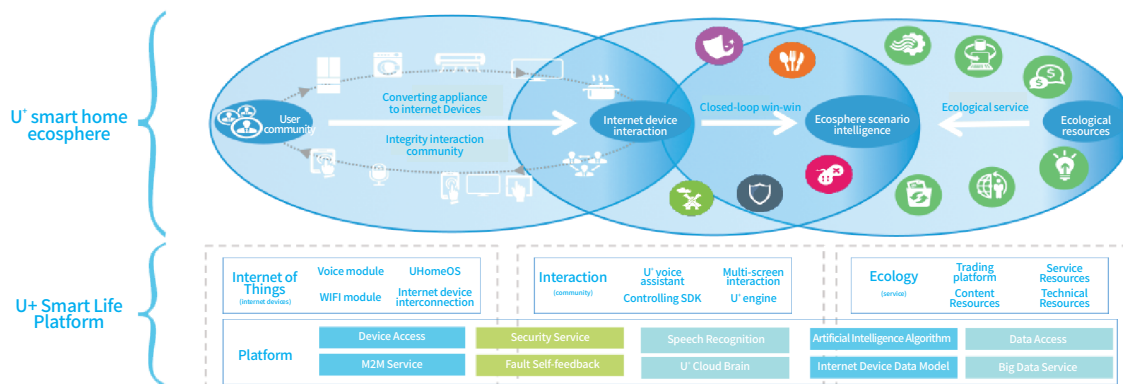
Based on the U+ big data, achieving customized service customization according to the users' small data

With the support of U Cloud Brain, verify the active service of smart homes. Based on U+ big wisdom, the knowledge map enables home appliances to conduct deep learning, independent thinking and decision-making. Haier U+ Big Data is the leading data platform in the smart home industry with more than 18 million of existing network devices, more than 55 million of online users, and 432.7 billion of online interactions generated every day.



U+ link open ecology

As an ecological platform open to the smart home field in the Internet of Things industry, the U+ platform attracts large numbers of outstanding partners from around the world to build a U+ smart life ecosystem, including hardware manufacturers, eco-service providers, technology partners and developer communities. The ecological platform that U+ is dedicated to build accelerates the construction of a full-scenario intelligent ecosystem while providing users with more convenient and efficient services.



Strategic cooperation Ecological resources Industry clients Technical cooperation

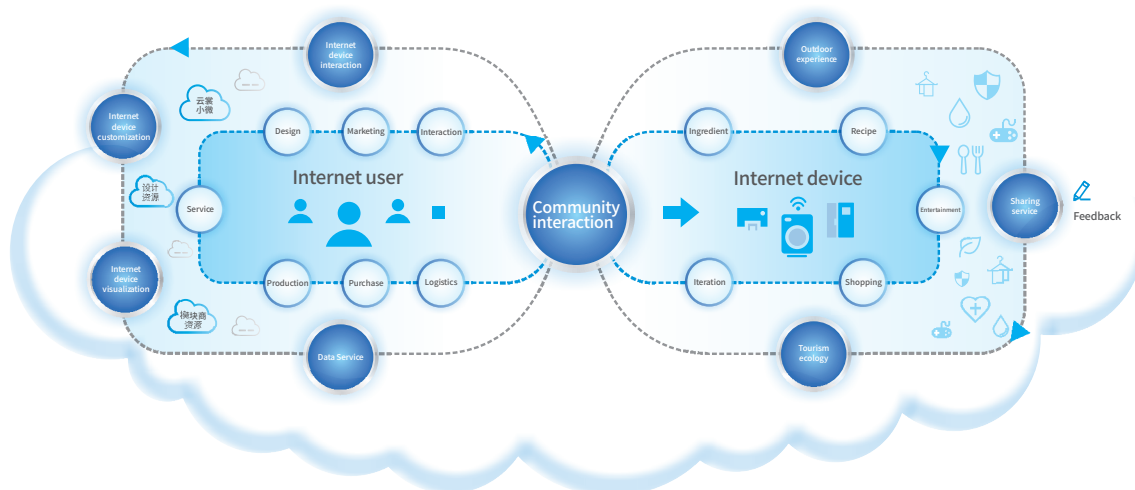


COSMOPlat mass customized industrial internet platform

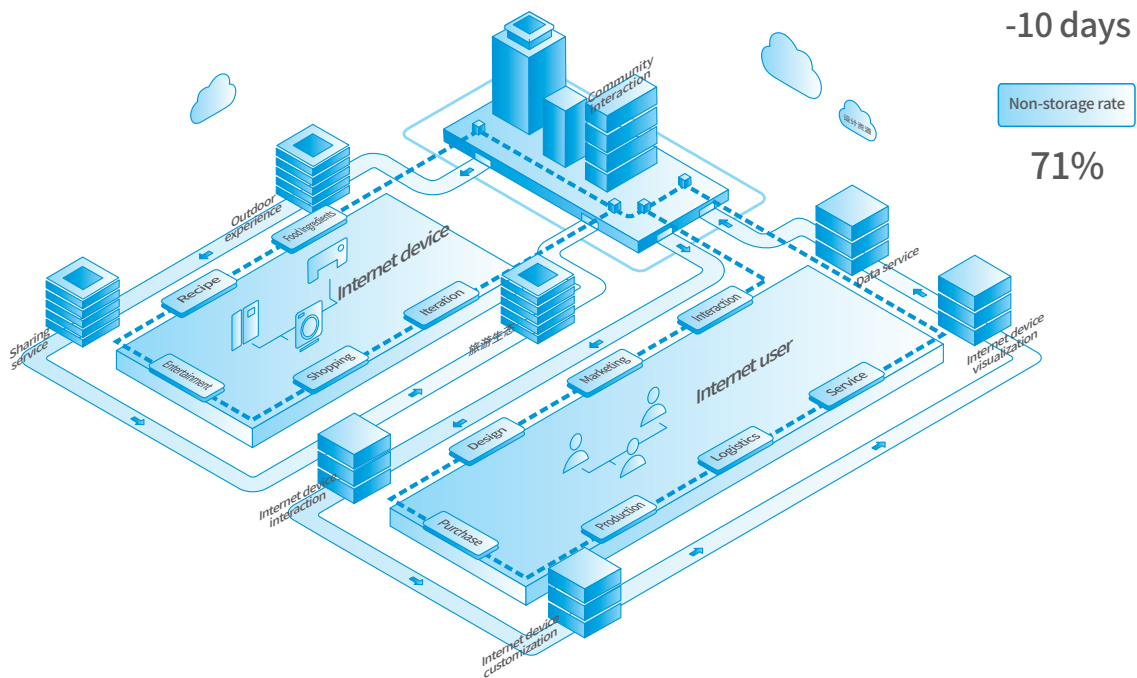
Independently developed by Haier, Haier COSMOPlat is protected by China's independent intellectual property rights and represents the world's first industrial internet platform to introduce user participation in the product development and manufacturing process. User participation creates lifetime value and co-establishment, win-win and sharing among enterprises, users and resources. It mainly has two features: First, a new industrial system and supply chain is created from inventory production to direct delivery of products to users; Second, the small data of users creates big data, meaning small data of users' individual needs is being used for mass customization.

Massive customization

High-efficiency under high-accuracy guidance, Small data based on big data

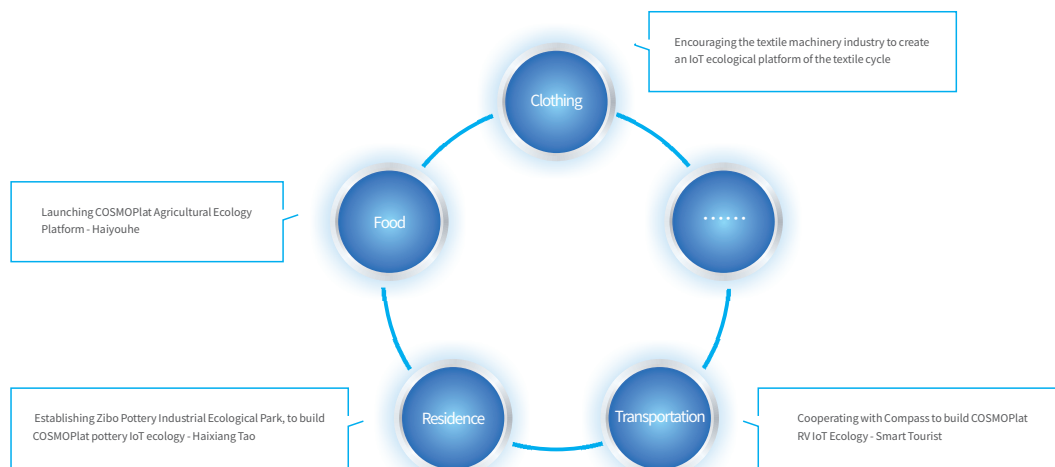


From creation to delivery



Creating a new ecosystem of "double span" industrial internet

Haier's COSMOPlat is a platform that can be replicated across industries, across fields and across cultures. It means that it is not only applicable to the home appliance and manufacturing industry, but across many others. All industries and business can enhance the industrial competitiveness with COSMOPlat and created interaction with users' life experiences.

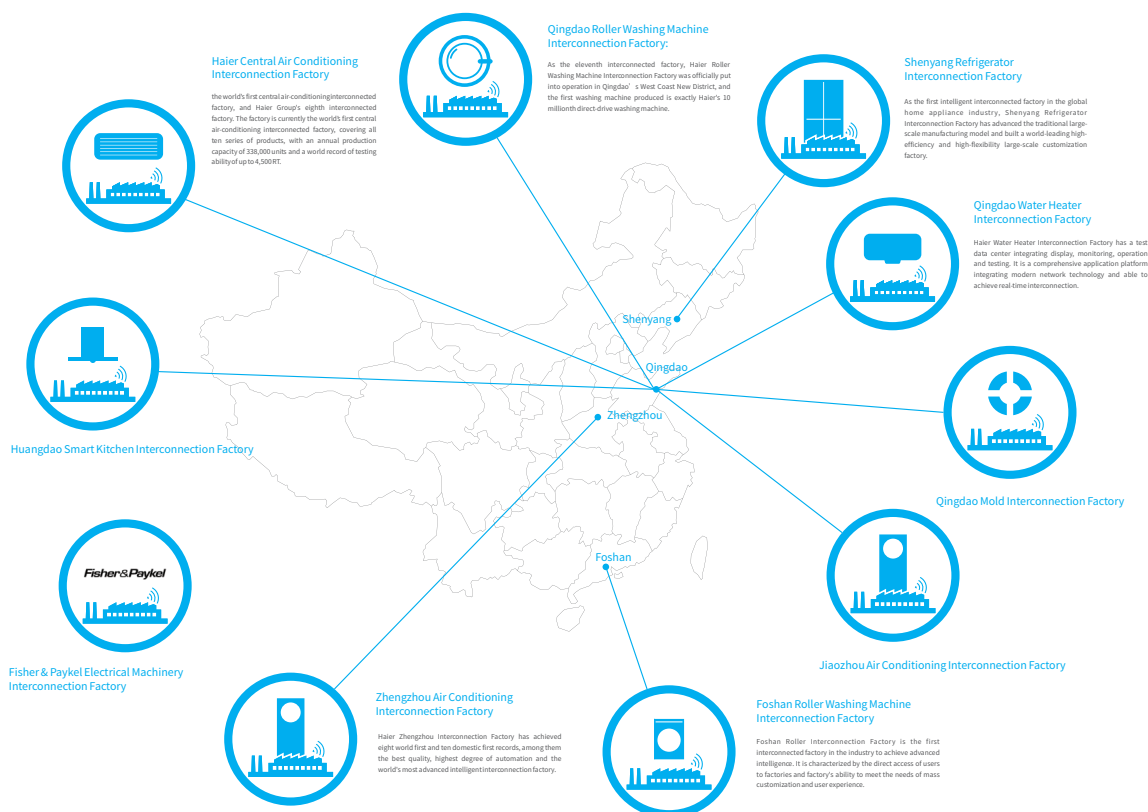


COSMOPlat interconnects with the seven modules through the eco-sphere model, empowering 15 industries such as the Internet of Clothing, Internet of Food, agriculture and transportation, and implements inter-disciplinary ecological exchange of information. This is replicated in 11 regions and 20 countries to provide large-scale customized social services and promote enterprise transformation and upgrading.

Under the "Individual and Goal Combination" management mode, Haier took the lead in opening an ecological brand building in the Internet of Things era, accelerating the creation of COSMOPlat, helping to accelerate the development of "enterprise on the cloud" and improving the efficiency of resource allocation. At the same time, COSMOPlat is constantly evolving around the dynamic needs of users and more industries are expected to join this platform. COSMOPlat aims to achieve the ecologic IoT of industries and form an "interstellar ecology", a world-class IoT eco-brand platform.

Walking into the "Lighthouse Factory" and building a model of the interconnected factory

On September 7, 2018, Haier successfully won the competition among more than 1,000 factories around the world. It became the only Chinese company selected in the list of the world's first batch of nine advanced "lighthouse factories" announced by the World Economic Forum, initiating a global enterprise transformation as well as bringing the "Chinese model" to the world. Up to now, Haier's COSMOPlat has built 11 models of interconnected factories, including Shenyang Refrigerator, Zhengzhou Air Conditioning, Foshan Roller Washing Machine, Qingdao Water Heater, Jiaozhou Air Conditioning, Qingdao Mold, Fisher & Paykel Electrical Machinery, Qingdao Central Air Conditioning, Qingdao Smart Kitchen, Qingdao Stove and Qingdao Roller Washing Machine Interconnection Factory. The overall rate of the products not requiring inventory reached 71%, and the central air-conditioning interconnection factory reached 100%.



Shunguang platform - creating the future, changing objects

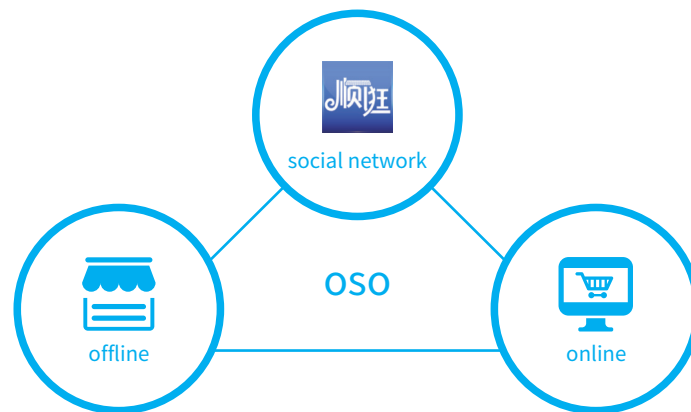
Shunguang is Haier's official community interactive platform, focusing on community interaction, advancing traditional e-commerce, aiming to create an IoT platform of "three stores in one" including online store, offline store and Wechat micro-store. In the sharing economy, Shunguang offers a platform for online stores, offline stores and Wechat micro-stores to provide social interaction tools and build a unique "cost-free platform" for Wechat micro-shopkeepers as well as bringing the user the best experience of a smart home.

Since its first launch, Shunguang has gathered 800,000 Wechat micro-store owners such as employees, college students, entrepreneurial youth, and full-time mothers to integrate Haier Group's front-end product development, production resources, and back-end logistics and service resources. "Three stores in one" provides users with differentiated products and services. The competitiveness manifests itself in:

Service competitiveness: to create the best user experience of "delivery as promised, integration of delivery and packing, free of charge if timeout". The logistics service network combining on- and offline covers 2,600 districts and counties across China. Among these, 1,500 districts and counties achieve "24 hour time of arrival", and 1,900 districts and counties support "payment after satisfaction."

Product competitiveness: focusing on interconnected smart homes. Breaking the traditional business model, obtaining user needs through interaction and driving iterative upgrade of products from appliance to network device and then to the website; at the same time, online and offline product resources will provide users more abundant product choices to achieve "full network goods collection."

Marketing competitiveness: focusing on personalized social marketing. Changing the traditional marketing strategy, moving from external advertising to focusing on users' own experiences, improving the membership system, and advancing new tools such as mobile social media marketing.



Various developments

In 2018, the Shunguang platform produced a solution "From Matching to Washing and Protecting of Clothes" to solve clothing related needs in one stop. In another campaign, customized small red wine bottles were offered, and the first 3,000 bottles were sold out in 22 minutes. 1.2 million packages of customized tissue were sold in one hour and broke the monthly sales record of the e-commerce platform of the same brand. "Dream hand painted shoes" graffiti competition attracted more than 30,000 users to participate in the color painting activity.

At the same time, Shunguang took the lead in drafting the world's first Community Economic Platform Operation Norms to provide norms and guidance for the community. It released the first demand interaction system "Xu Qiu Bao" in the industry to create a connection between contacts and users. It led the establishment of the world's first "Home Ecology Alliance" to provide users with a one-stop customized solution for smart homes. It established the first "Community Business College" in China, the Shunguang business college to empower the Shunguang contact network, optimize the community user interaction experience, and achieve common innovation in the ecosphere. It released the first home-wide customization platform for smart homes and integrated the decoration industry into the ecosphere. The innovative development in various fields has made the Shunguang platform recognized both nationally and internationally.

In addition, the Shunguang platform broke the Guinness World Record twice in 20 days. Shunguang condensed 27,000 demands of users for food, clothing, housing and entertainment produced by the No.1 community into a Hello Life folder with an area of 705.39 m², which was officially certified by Guinness as "the largest folder book in the world" on August 16. In the "Dream Hand-Painted Shoes" graffiti competition, Shunguang attracted 31,685 users to participate in and upload creative coloring schemes, and successfully achieved a Guinness World Record for the "Largest Digital Coloring Competition".



Through the platform core values of contact, community and integrity, the Shunguang platform has achieved 14 million+ network contacts in 2018, including 1.6 million+ Wechat micro-shopkeepers, 10 million+ communities, 50,000+ offline physical stores and 400+ cooperative brands.

By December 2018, 400+ brands have reached strategic cooperation with Shunguang. From all aspects of clothing, food, housing and transportation, we will work together to achieve "wonderful home" for everyone.



Haier's theme of "Individual and Goal Combination" has always taken users as its center and interaction as its means to create an open ecological economy and realize platform sharing. Haier has founded the No.1 community interactive ecological brand in the Internet of Things era and promoted the transformation of enterprises with the power of the community. In the future, Shunguang will continuously iterate from "demand - single solution - system - system solution" to jointly build "Wechat micro-store - O2O-OSO - community ecology" and build an Internet of Things community ecological brand of "reputation - integrity - win-win".

Independent brand creation deepens global deployment

As the No.1 Chinese enterprise in the field of household appliances in the world, Haier's differences on the road of globalization are mainly reflected in five aspects:

The earliest: Haier is the first brand in China's household appliances industry to create a brand overseas;

The most: Haier is the Chinese household appliances brand that has entered most global official registration lists;

The deepest: Haier is the Chinese household appliances brand with the highest brand penetration rate in mainstream stores of key countries;

The highest: Haier is the household appliances brand with the highest user interaction index through Google Big Data among overseas Chinese enterprises.

The strongest: Haier is the household appliances brand with the strongest brand integration and has built "the world's first brand cluster of household appliances".

Remarkable achievements in globalization brand creation

Haier's internationalization strategy began in 1998. In 2005, this strategy was upgraded to a global strategy in a comprehensive way. From "international" to "global" implies Haier's idea of global brand creation. Haier's globalization strategy represents the ability to build localization in various regions of the world, integrate global R&D resources, innovate according to the personalized needs of users in different regions, and meet the needs of local users.

Relying on the establishment of independent brands, Haier has gradually established its own brand in the world and become a representative of Chinese brands in the global market by establishing a "triple" center of localized design, manufacturing and marketing overseas to better understand the personalized needs of local users. At present, Haier has 10 R&D centers, 24 industrial parks, 108 manufacturing plants and 66 marketing centers in the world. In more than 160 countries and regions around the world, it has gained the recognition of over 1 billion users. In the mature and developed European and American markets, Haier has achieved a leading position of its global brands with its brand coverage ability from niche products to mainstream brands.

In overseas markets, Haier's strategy of duplicating "Individual and Goal Combination" has been effective. In the United States, GE's high-end household appliances market share accounts for 13.2%. Haier's share of refrigerators with more than three doors accounts for more than 25% of the Russian market, becoming the most popular brand of high-end household appliances among the local people. In Japan, Sanyo has taken the "No.1 spot" in the commercial washing market with 75% market share. In New Zealand, Haier and Fisher&Paykel have a combined market share of 42%, continuing to rank first in the industry.

Haier has over 1 billion users in more than 160 countries around the world



Two times Emmy Awards winner Sandra Alwarado became a Haier user



Prince Prinz Ferdinand of Prussia, Germany chose Casarte as his private housekeeper



Haier's complete set of household appliances entered the 210-year-old castle of Prince of Conti in Paris, France



Casarte Bofen Wine Cooler landed at the Eiffel Tower in Paris, France



Haier Dizun Air Conditioning entered the office in Colosseum of Ancient Rome, Italy



Casarte Gemini Cloud Drum Washing Machine entered Kremlin, Russia



Haier Refrigerator was admitted to the Koch Institute of Massachusetts Institute of Technology



Casarte Yunding Air Conditioning entered the Presidential Suite of Trump International Hotel, USA



Haier Refrigerator was admitted to the Koch Institute of the Massachusetts Institute of Technology, USA



Former Governor of the United States praised Haier's Air Magic Cube on CES Exhibition.



Former Chilean President Eduardo Frei Ruiz-Tagle received the "National Gift" – Casarte Gemini Cloud Washing Machine



Internationally renowned jewelry designer Myrtille Mousson chooses Haier Refrigerator



New Zealand fitness coach Jake Lyndsay Bryant uses a washing machine capable of washing paper towels



Famous Chinese actor Hu Jun chose Casarte Refrigerator to create family feasts for his loved ones



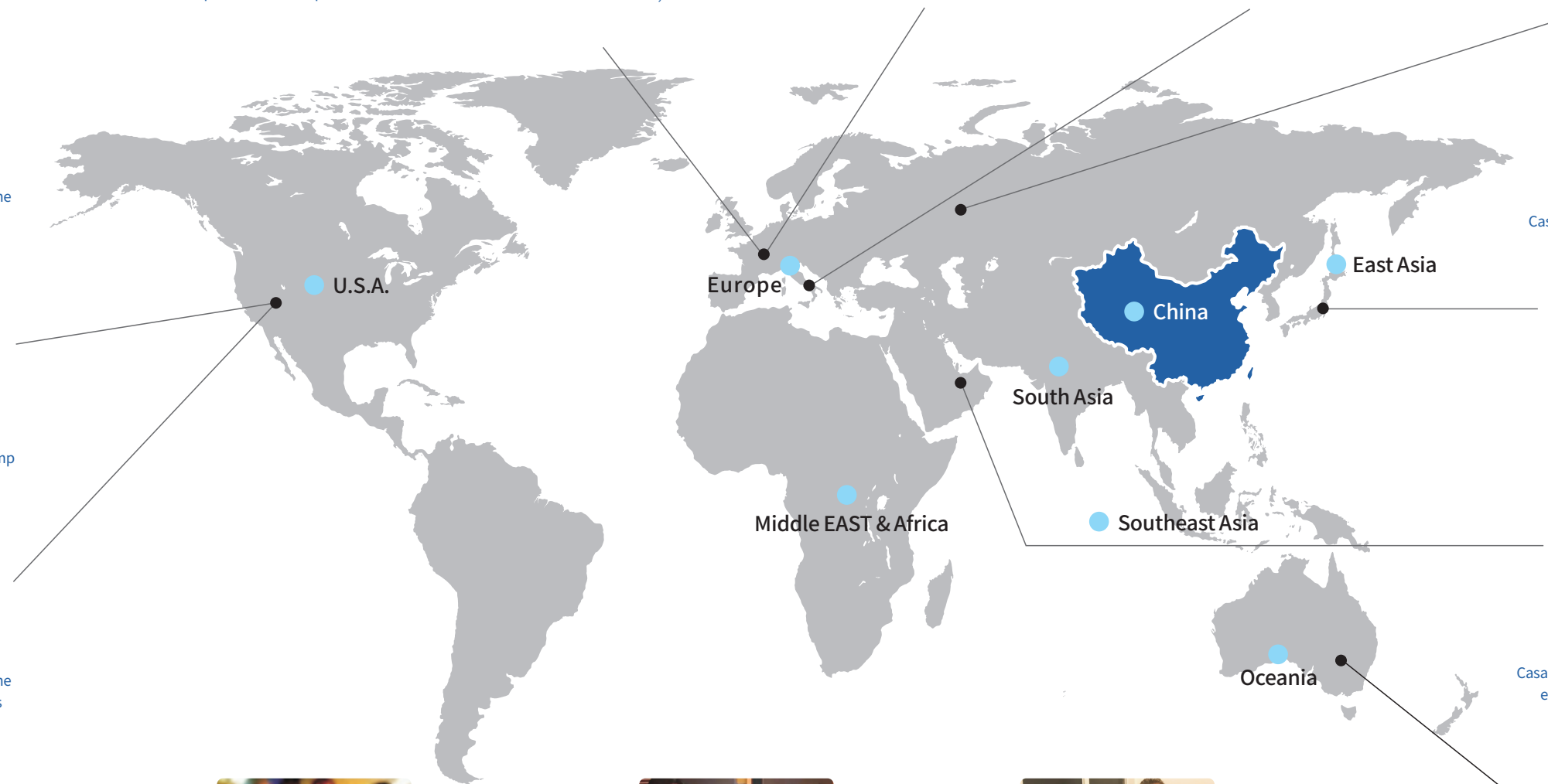
Haier neon lights are particularly dazzling in Ginza, Tokyo, Japan



Casarte Gemini Cloud Drum Washing Machine entered the Kremlin in Moscow, Russia



Haier's logo shines at Melbourne Cricket Ground



A leading brand cluster of household appliances in the world

Up to now, seven global brands, including Haier, GE Appliances of the United States, Fisher&Paykel of New Zealand, AQUA of Japan, CANDY of Italy, Casarte and Leader, have become the main forces of Haier's brand globalization. In the household appliances industry, it has become a "leading household appliances brand cluster" with multiple brands, products and global presence.

| BRAND STORY

Candy: Surprise "Candy"

Candy is a household appliance brand born on the dining table. When the founder was eating in a restaurant, he overheard a love song from the radio. The "Candy" in that song inspired the founder. In addition, Candy and Candido (white and clean) have similar pronunciations in Italian, so a brand of household appliances called Candy was born. Since 1945, Candy has been a professional brand in household appliances. They are the pioneers in the global washing machine market and are always committed to providing surprising home solutions for consumers around the world. Today, Candy has been able to develop practical smart appliances, which makes remote management of household appliances no longer a problem.



Haier

Haier: Born for Brand

Haier has developed from a small collective factory that was insolvent and on the verge of bankruptcy to the world's No.1 brand of white goods. For 34 years, Haier has been taking the road of brand instead of product. Innovation is the soul of Haier. Users are the focus of Haier. Being humble is the value of Haier. Today, Haier is committed to creating a world-class Internet of Things brand, while inviting all ecological parties around the world to join in and create ecological value together around the needs of users. Haier's brand building has never stopped.

GEA: From Maker Edison to Re-startup Company

In 1878, a light bulb illuminated the world, and GE (General Electric) began its century of innovation. Later comes the first electric oven and the first audio broadcast. From the first thermal induction furnace to the first nuclear power plant, GE has constantly refreshed the world's understanding of No.1. In 2016, Haier acquired GEA, and a new innovation chapter was officially opened. In two years, GEA was ranked No.1 of "Top Ten Influential Brands in American Household Appliance Industry in 2018" by TWICE. FirstBuild, which is closely related to GEA, was rated by the Wall Street Journal as "One of the most ambitious attempts in open innovation". GEA has proved to the enterprise the replicability of ReInventer, and has also shown the world the unlimited potential of re-start-up companies.

AQUA: Precious for Treasuring

"AQUA" comes from Italian and means "water". This brand, which was born in Japan's largest freshwater lake, always pays attention to environmental protection in production. Therefore, AQUA has been focusing on the concept of "water-saving washing machine" since its birth, carrying the first technology and function in the world. AQUA is the representative of the glorious history of Sanyo Electric's washing machines for more than 50 years. A variety of pioneering washing machines have won No.1 in Japan and No.1 in the world for many times. For example, the coin-operated self-service washing machine which was first invented in 1972 has promoted the economic growth of washing machines. The water electrolysis washing which was first developed in 2001 made laundry no longer depend on detergent.

Fisher&Paykel: The Work of Supermodel

In 1934, Wolff Fisher and Maurice Paykel founded Fisher&Paykel after their names. As a national treasure brand of household appliances in New Zealand, Fisher&Paykel communicates with users with its unique ideas and creativity, enabling users to feel top-match works at zero distance. Fisher&Paykel's designs are inherited from their unremitting pioneering spirit and the enterprise culture of seeking knowledge and innovation. They dare to challenge the traditional designs of household appliances and constantly introduce products tailored to the needs of users.

Accelerating the process of globalization and reinvigorating the European market

The First "A+D" Stock Company in China

On October 24, 2018, Qingdao Haier, officially joined the D-share market of CEINEX and passed the admission to the Frankfurt Stock Exchange and listed. Haier thus became the first D-share stock to list in the D-share market of CEINEX. Entering the European capital market is an important step of Haier's globalization strategy. By listing in Germany, Haier plans to use the capital markets of China and Europe to diversify its capital sources, optimize its capital structure and expand its investor base. At the same time, through the opportunity of listing in Germany, Haier aims to improve its supply chain, enhance its global brand awareness, support its business strategy and global deployment, especially its further expansion in the European household appliances market.



Acquisition of Italian company Candy to accelerate global layout

On January 8, 2019, Qingdao Haier Co., Ltd. (SH600690) and the Fumagalli Family in Italy announced that Qingdao Haier had completed the acquisition of Candy S.p.A (hereinafter referred to as "Candy") and that Candy had officially become a wholly-owned subsidiary of Qingdao Haier. After joining Haier, Candy has made further improvement according to Haier's small and micro models of "Individual and Goal Combination" to enhance processes and market approaches, in parallel with resources at Haier's Qingdao headquarters. In just over a month, Candy has achieved double-digit growth in its main business, becoming the fastest growing enterprise in Europe among peers of the same size.

Candy is one of the leading professional household appliances manufacturers in Europe. Its products cover a variety of large independent and embedded household appliances as well as small household appliances. It is famous for its high performance, energy conservation and environmental protection. Candy has two major international brands, "Candy" and "Hoover", as well as Rosières in France and Jinling in China to target different market demands. Candy Group has 45 subsidiaries and representative offices in the world and 7 production bases in Europe, Turkey and China and a total of nearly 5,000 employees. The group's headquarters, design center, core facilities and R&D department are all located in Brugherio, Italy.

After the acquisition of Candy, Haier's sales accounted for 15.1%, 22.7% and 19.8% of the global markets of large household appliances, independent refrigeration equipment and household washing machines, respectively (according to the statistics of Euromonitor International). This transaction fits Haier's strategy of leading in various markets around the world. Benefiting from the high complementarity of Haier and Candy's brand portfolio and product platforms, the combined company will meet the demand of market segments for product portfolios at different prices and provides sustainable and better life solutions for European and global users. Candy, Hoover and Rosières, the brands of Candy, will work with Haier, GE Appliances and Fisher&Paykel as Haier's core international brands to build Haier's position as the No.1 preferred brand for global consumers in their respective segments and their respective markets.



High-end brand deduces a high-value leadership

GE Appliances: start from heart, the art of life

GE Appliances was founded more than 100 years ago. It is currently the second largest consumer appliances company in the United States, with about 12,000 employees, 9 manufacturing bases in five U.S. states, five R&D centers in the world (two of which are in the United States), and the largest distribution network in the industry in the United States. After its acquisition by Haier, GEA is committed to building a leading, consumer-focused and modernized home appliances business in the United States. At present, its products have entered about 50% of American households. Under the guidance of Haier's "Individual and Goal Combination" model, GEA has further improved its internal and external competitiveness. In 2018, GEA grew against the trend in the subdued American household appliances market and became the fastest growing household appliances company in the United States. It ranked first among the top ten most influential household appliances companies in the United States in 2018 by an authoritative magazine of the United States.



Realize enjoyable life with technology innovation

The GEA fully embedded dishwasher adopts embedded design, which can save significant kitchen space. The interior of the machine adopts Chinese-style storage and is also equipped with an intelligent washing system, which can sense intelligently and stop immediately after washing. In addition, it has 6 main and 6 additional washing functions and adopts a 360-degree and three-dimensional cleaning system to thoroughly clean stubborn stains. It integrates washing, disinfection and sterilization as a whole and adopts high-temperature boiling and washing to realize the automation of the whole process of disinfection and sterilization.



At the AWE in 2019, GEA exhibited a new type of Icing-Baking Machine. The temperature range of the Icing-Baking Machine is from -30°C up to 75°C . The temperature in the chamber can be set to -30°C for the preservation of high-end food materials, as well as 50°C , 60°C or other temperatures needed for low-temperature vacuum cooking. It has overturned people's understanding of the traditional oven.



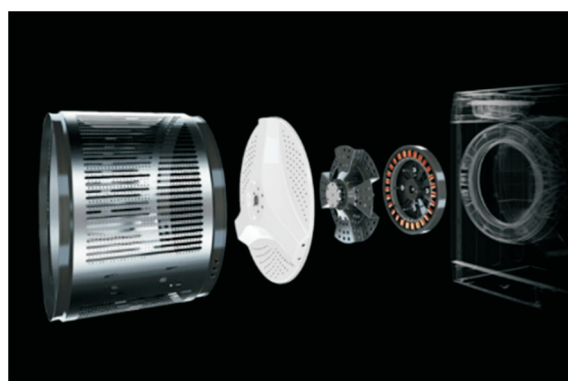
Fisher & Paykel: dare to Be different, the art of innovation

Founded in 1934, Fisher & Paykel, is a national treasure brand of electrical appliances in New Zealand, a top brand of kitchen appliances in the world and a world-famous high-end brand. It has created world-class innovative products of kitchen and laundry appliances. At present, Fisher & Paykel has 4 production bases in China, Italy, Mexico and Thailand. As a global high-end household appliances brand, Fisher & Paykel not only leads in New Zealand and Australia, but also extends its business scope to the United States, Canada, China, the United Kingdom, Europe, Singapore, the United Arab Emirates and Pacific island countries.

For more than 80 years, quality and innovation have been the core driving forces of Fisher & Paykel. As a global brand of high-end household appliances, Fisher & Paykel provides a full range of household appliances products with top-class innovative technologies in the world.

Design innovation to create visual enjoyment

The WashSmart™ drum washing machines adopt the SmartDrive™ technology instead of belt brake and achieve superior care of clothes. The direct drive motor used in this washing machine almost completely eliminates noise. It also adopts revolutionary direct-drive technology to wash clothes faster. In fact, when the cleaning temperature is set to 30°C or below, most of the cycles in the 13 cycles will be completed in much less than an hour.



Fisher & Paykel introduced the integrated column refrigerator for the first time in 2019, which can be installed separately or integrally, with stainless or fully customized door panels as selections. In order to achieve the best food preservation, variable temperature zone technology has created a perfect microclimate for food storage in two zones.



Casarte: born with love, the art of home

Casarte, Haier's international high-end household appliances brand, was born with love and expresses the art of home. Casarte has high-end original technology capabilities. It owns five R&D centers in the world. A series of global mergers and acquisitions by Haier have accumulated global advantages for Casarte, such as the technology of GE Appliances in the United States, the techniques of Sanyo White Electric in Japan and the quality of Fisher&Paykel in New Zealand. At the same time, Casarte has high-end art design capabilities. It has 14 design centers in the world and has won 33 top design awards in the world, making it the most award-winning brand of high-end household appliances in China.

Under the guidance of "Individual and Goal Combination", Casarte adheres to a high-end strategy and carries out innovation and R&D with iteration. Casarte incentivizes customers to become lifelong users. It is gradually upgrading from a product and platform brand to an ecological brand. In 2018, Casarte's revenue grew by 44%.

High-end originality, close to users' life

Casarte Yunding Air Conditioner is equipped with four original technologies: dry-wet self-control, BNT temperature self-balance, LIEP light ion purification, and double eddy current noise suppression. It has four major air comfort standards: 23°C golden human body temperature, 52% golden human body humidity, 99% natural freshness and cleanliness, and 18dB comfortable silence.



In 2000, the first independent wine cooler in China was released by Haier. During 18 years, Casarte products have been continuously improved. The Casarte Bofen Frequency Conversion Series wine cooler, equipped with HBP Frequency Conversion System and Water Cube Self-circulating Bacteriostatic and Moisturizing System, can create a climate like an underground wine cellar so as to keep wines in constant humidity and stay fresh.





PART3

Environmental responsibility

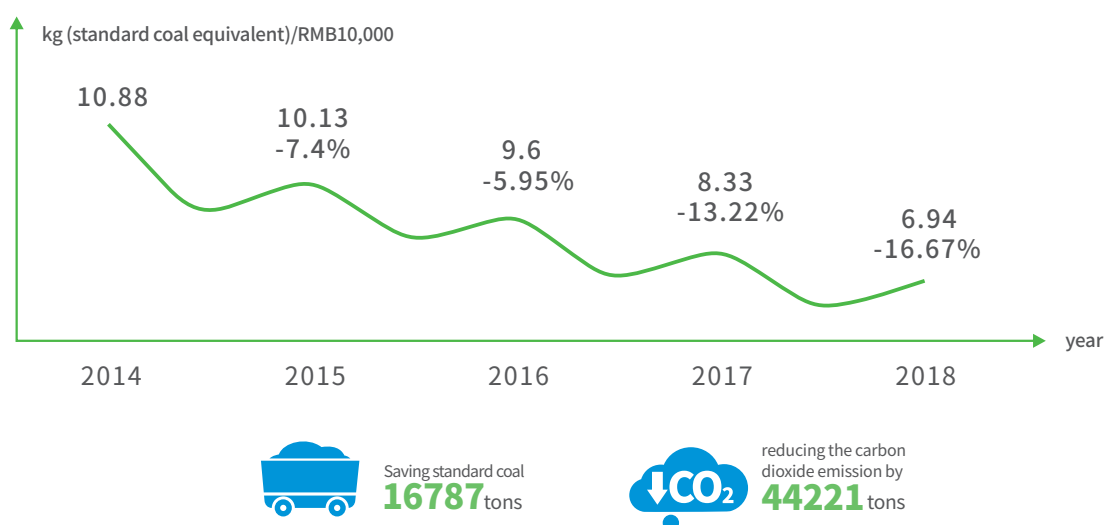
dedicated to the practice of Green China

As the No. 1 brand of white goods in the world, Haier has been dedicated to its practice of Green China, making efforts and bearing responsibilities that are duly expected from a globalized brand. By following the business strategy of "green products, green enterprises and green culture", Haier not only has made breakthroughs in the R&D of increasing levels of greenness, but also attaches great importance to the application and upgrading with energy-saving technology. Haier has extended the green supply chain, innovation and national green development.

Green strategy creates a green ecosystem

In 2018, Haier effectively implemented the 4G green strategy of “green design, green manufacturing, green marketing and green recycling” to continuously promote green development and green consumption, which resulted in a 16.67% reduction in its energy consumption per unit of output value (achieved a reduction for 5 consecutive years), saving an equivalent of 16,787 tons of standard coal and reducing the carbon dioxide emission by 44,221 tons.

Energy consumption per unit of output value



Green design creates an energy-saving trend in the country

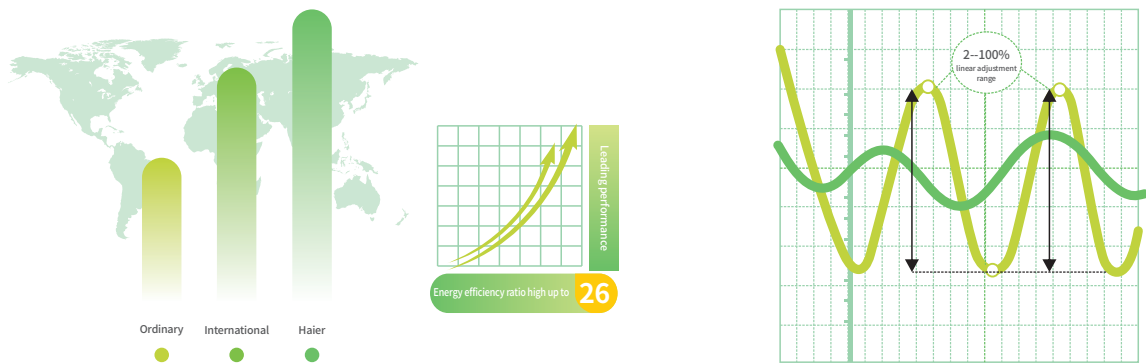
The maglev central air conditioner, first choice of multiple industries

Under the guidance of the energy conservation and emission reduction policies set forth in "the 13th Five-Year Plan" of China, more and more industries have begun to pay attention to energy conservation. As the main element that consumes most energy in large buildings, the energy-saving index of central air-conditioning system has become the focus of building operators.

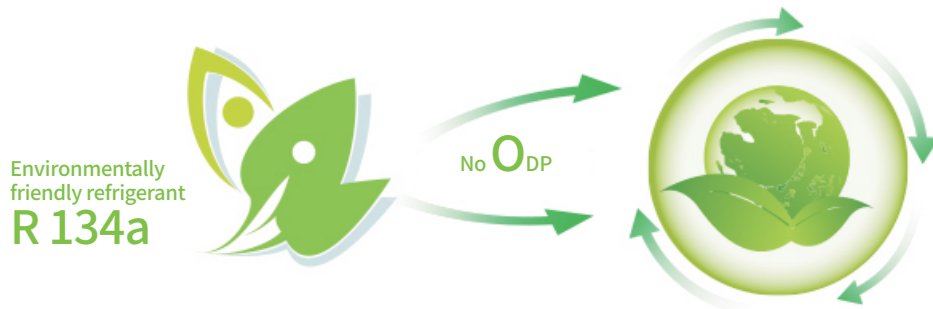
Haier's maglev central air conditioners have outstanding advantages such as zero friction with no maintenance, 50% energy saving, 3-year warranty, 2 Amp low current start-up, 30-year long life span, 70 dB low-noise operation, all of which have set a benchmark for energy-saving in buildings and maintained Haier's leading position in the green development of central air conditioners.

The technological advantages of the maglev central air conditioner are as follows:

- (1) The energy efficiency ratio of its main unit is 26 at maximum and the integrated energy efficiency ratio is 11.98 at maximum.
- (2) Its main unit adopts the DC variable-frequency technology, in which the speed of the compressor adjusts linearly at the range of 2-100% as the load changes to optimize energy consumption of the unit;



(3) Its main unit uses the environmentally friendly refrigerant 134a whose ozone depletion potential (ODP) is 0 and which also avoids the risk that air intrudes into the system.



Commercial real estate projects

Such projects create great demand for cooling products with a cooling season of up to 10 months. Haier's maglev high temperature chillers and independent temperature and humidity control have adopted several green, ecosystem and energy-saving technologies, which are the best green and environmental solution for commercial real estate projects, whose average power consumption is 60% lower than buildings with other chillers. At present, Haier Central Air Conditioning has a cooperation with 33 real estate companies among China's top 50, of which Vanke, China Resources Land, Evergrande, Shimao, Green City, CMPD, Gemdale, and Longfor, etc. have all established long-term strategic partnership with Haier Central Air Conditioning.



Maglev high temperature chillers and independent temperature and humidity control

Rail transit projects

Metro stations often have very large space and crowded, where air conditioners produce high output power and need to be switched on/off with one button and unattended. In this regard, Haier' s central air-conditioning solution of maglev chiller, water system frequency variation and integrated system control can reasonably predict air-conditioning load, achieving 45% energy-saving while ensuring comfort. The pump and cooling tower fan operate at variable frequencies and thus lower the consumption of auxiliary parts.

Public building projects

Large and centralized crowding in hospitals pose great difficulty for air ventilation, and thus higher air quality and comfort are required. Haier' s central air-conditioning solution of maglev chiller, water system frequency variation, and integrated system control has greatly reduced energy consumption of the cooling system, which is expected to save more than 50% energy compared to previous units.

Haier has issued a technical report, "Haier' s Smart and Energy-saving Central Air-conditioning Solution for Hospitals" , which highlights the advantages of "Smart & Energy-saving, Green & Smart Hospitals", and elaborates the products of Haier Central Air Conditioning for hospitals.



Central air-conditioning solution of maglev chiller, water system frequency variation and integrated system control

Industrial real estate projects

Factories are usually large-scale, and workshops have harsh demands for temperature and humidity control, where the central air conditioner must have great stability and reliability. In this regard, the use of Haier' s maglev oil-free centrifugal central air conditioners can improve the energy efficiencies by 100-200% with an energy-saving rate higher than 50%.

“Smart Trend & Global Green Promotion” 2018 Haier’ s Maglev Cup of Green Design and Energy-saving Operations Competition

By consolidating high-quality resources of the industry and gathering many industry associations, experts, design institutes and designers, Haier’ s Maglev Cup of Green Design and Energy Conservation Operations Competition has inspired many energy-saving innovative designs and applications for various industries. Two competitions have attracted more than 10,000 designers and received more than 4,000 works and resulted in 4.89 billion kWh of energy-saving.



Launch of maglev central air conditioning IoT platform for full energy saving

By using Internet of Things technologies such as self-networking, self-energy saving and self-optimization, Haier’ s maglev central air conditioners, MRV5 multi-split central air conditioners and E + cloud service platform can access the global brands of central air conditioners and make real-time interaction with users available. Other brands of air conditioners can be synchronously connected for information sharing and analyses of user needs and habits are made so that the every-saving control of products becomes available for the full lifespan.



Commercial multi-line, full-space green energy-saving

Residential real estate projects

Due to the large numbers of floors and floor area, residential real estate projects require well-matched air conditioning solutions. High-end residential buildings have higher requirements for the style and size of air conditioners. By integrating advanced technology, low-carbon and energy-saving concepts, Haier’ s commercial SA series of multi-split central air conditioners help to reduce electricity expenses, realizing highly energy-saving while ensuring that users have comfortable air-conditioning environments.



Haier' s SA series of multi-split central air conditioners

I.Clean air conditioning systems for green and healthy breathing

After China' s Ministry of Environmental Protection, Ministry of Education and other ministries repeatedly emphasized the improvement of teaching environments, many provinces started to pay attention to the improvement and promotion of campus and classroom environments. With its powerful after-sales service system across the country, Haier' s Central Air Conditioning has helped to make comfortable and healthy environments in campuses, protecting students from the influence of high temperatures, improper humidity and cold, thanks to its light commercial series that is smart, energy-saving, with 3D air-supply, and self-cleaning.

Household refrigerators keeping foods fresh in winters and summers

On January 18, the Ministry of Industry and Information Technology issued the list of the second batch of green demonstration units in accordance with the requirements of the Ministry of Industry and Information Technology Office on Building of Green Manufacturing System (Notice of MIIT Office No. 586 [2016]) and the Notice on Recommendation of the Second Batch of Demonstration Units of Construction of Green Manufacturing System 2017 (Notice of MIIT Office No. 564 [2017]). As Haier' s products were highly accepted, Haier Refrigerator became the only listed enterprise from the white household appliances industry in the list of demonstration units of green supply chain management.

In addition, 16 models of Haier' s Refrigerator became the nominees for the demonstration list of green design products (26 household refrigerator models in total), of which 12 different models were finally listed. Haier Refrigerator became the enterprise with the largest number of products listed in the industry, which received extensive attention and unanimous praise from relevant national departments, industry experts and users at home and abroad.

Solar water heaters realizing dual-source heating and energy-saving

The merger and acquisition of GREENoneTEC in Europe means that Haier has officially become the largest provider of flat panel solar thermal and green energy system solutions in the world, which breaks through the bottlenecks of the domestic solar energy industry technologies and opens an opportunity to enter the global solar thermal market.

At present, Haier solar energy and green energy interconnection factory, for which Haier has invested nearly RMB400 million, has started construction in the Sino-German Ecological Park on the West coast of Qingdao. According to the plan, it will be completed in 2019 and its capacity is 1.2 million units per year. Its products will include photovoltaic products, flat panels and other products, which will cover full applications in life, production and office, provide personalized smart home solutions for global users, and promote Haier's global distribution.

In 2018, Haier Solar exhibited the smart solution package for a whole house with zero energy consumption, creating a new "four in one" model involving creation, storage, use and connection of solar energy. The traditional solar industry is non-interconnected, passive and non-packaged. Haier's solution is part of Haier's Smart Home 4+7+N customized smart solution package, which was the latest achievement of Haier's smart home strategy, and also a demonstration of Haier's ambition to develop the No. 1 platform brand of smart home.



Green manufacturing develops a new benchmark for the industry

Management innovation in energy saving and consumption reduction

Haier Smart Energy Center

Established a leading energy data analysis system in the industry. It uses automation, information technologies and centralized management mode to centralize dynamic monitoring and digital management of water, electricity, gas and other major energy consumption in factories throughout the country. It collects energy data and monitors energy consumption 24 hours in real time. In the meantime, through the system arithmetic module, energy consumption data prediction and analysis are completed; energy scheduling is optimized; energy consumption of a single product is reduced; performance of the energy management system is improved; and low-carbon production is realized.

Successful version update of the ISO 14001 environment management system

In March 2018, Haier's updated version of ISO14001 environment management system was successfully approved by the professional certification body.

On-line sewage monitoring system

Haier strictly adheres to the requirements of laws and regulations, and has built standard sewage outlets, through which sewage collected and processed will be released after it complies with discharge standards. In addition, Haier has installed a sewage on-line monitoring system at the front end of the sewage outlet, whose data can be transferred to Haier Smart Energy Center, to monitor the 24-hour discharge of sewage released that meets the discharge standards both externally and internally and enables early warning.

Exhaust gas pollution prevention and control management

Haier has strengthened the management of pollution prevention facilities that exhaust gas. Clearances and inspections on a weekly, monthly and quarterly basis are conducted, and check lists are filled out so as to ensure compliant operation of exhaust facilities. In addition, air ducts are regularly inspected to ensure there are no foreign objects and loose parts, and facilities are prepared in accordance with the emergency response plan.

Technological innovation of energy saving and consumption reduction

Haier is carrying out various energy-saving and environmental protection innovative projects by implementing energy-saving transformation projects such as photovoltaic power generation, injection molding machines, substitution of hot stoves, staggered charging of forklift trucks, substitution of natural gas, operation of air compressors, reuse of reclaimed water, identifying high energy consumption processes, raw material substitution and others, covering many cities and factories in China. Haier aim at being an enterprise with energy-saving and environmental protection status.

Chongqing

Energy saving and emission reduction project on refrigerator circulating water: Water consumption in all areas decreased by 17% yoy.

Energy saving and emission reduction project on the pickling line of water heaters: Annual water consumption dropped by 2,120 tons, electricity consumption dropped by 243,550 kWh, sewage discharge dropped by 1,160 tons, and SO₂ emission is reduced by 16.24 kg.

Dalian

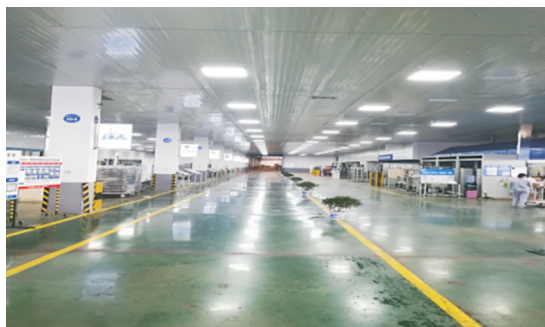
Energy saving and emission reduction project on the painting line:

Annual electricity is cut by 648,300 kWh, sewage discharge dropped by more than 6,000 tons, hazardous waste dropped by 7.52 tons and an exhaust outlet was eliminated.



Energy saving and emission reduction project on the No.1 two-product workshop:

The workshop has been promoted to a “five zeroes” workshop, where the environment is clear, bright, environmentally friendly, energy-saving and odor free, 434 no-wind fans have been removed and the concentration of particles is 0.35 PPM lower.



Qingdao

Energy saving and emission reduction project on the electricity and gas shift for debinding furnaces: Hourly consumption is reduced by 13.57 Nm³.

Upgrading project on the sewage station: Sludge is cut by 322 tons a year.

Wuhan

Energy saving and emission reduction project on electric evaporator: Gas consumption dropped by 45m³ per hour.

Environmental paint-removing project on the hanging hooks used in painting processes: Zero emission of pollutants has been achieved with batch processing, which is also more efficient.

By integrating low carbon, cycling, energy saving and emission reduction into all aspects of the enterprise, Haier has been obtaining both environmental and economic benefits.

Painting process improvement: Haier has achieved zero sewage discharge by implementing painting process improvements, technical modification of U-shaped housing and removing the painting process based on phosphating pretreatment, the pretreatment line, the painting device, drying ovens and curing ovens.

Improvement of the filtering process for refrigerator door foaming: Activated carbon filtering equipment was added to welding exhaust, which was designed to prevent the foami from absorbing the welding exhaust. The activated carbon is replaced every three months and replacement records are kept. The activated carbon waste is put into the hazardous waste warehouse.

Improvement of the cooking fume decomposition process: Electric ion cooking fume decomposition devices have been added to Haier' s restaurants, which are monitored to ensure the devices are operating well.

Green supply drives the transformation of traditional and new driving forces

Integrated alternative energy solutions

Coal and clean energy shift solutions for clean air:

In order to actively support national environmental protection strategies and by using coal and clean energy shift solutions for clean air, Haier has formulated various standards according to requirements of local authorities. Haier launched a project in more than 20 urban areas such as Beijing, Tianjin, Hebei, Shandong, Shanxi, Henan and Ningxia and has been continuously advocating the application of clean heating to accelerate the process of reducing the use of coal in the country.



The air source heat pump technology:

Haier' s air source heat pump solution has an energy efficiency of up to 350%, several times higher than ordinary electric products. In recent years, as a result of the promotion of industrial ecological model, Haier Energy has successively won the bidding for Qingdao' s North Railway Station project, Nanyang Institute of Technology BOT hot water project, the project of Shanxi Coal Transportation and Sales Group and other projects. Haier' s air source heat pump solution can transform low grade heat energy into high grade heat energy that can be used without producing any pollutants in the process.



Haier smart energy customization platform

In 2018, Haier's Smart Energy Center was upgraded to a smart energy customization platform, which has included the national strategy of "strengthen the country with internet". With the supports of devices, instruments and cloud computing, Haier is meticulously analyzing all manufacturing processes and integrating the energy industry chain for its industrial parks.

Smart energy will gradually become the highest technology system of energy management. Haier has 15 industrial parks in China. Haier's energy supply covers four main product lines: refrigerator and freezer, washer, air conditioner and water heater. Haier's Smart Energy Customization Platform has been extended to automotive, textile and other industries, and has achieved remarkable results in energy saving and emission reduction.

As a result, an equivalent of 1,660.8 tons of standard coal is saved every year, and the annual reductions of the chemical emissions are 4,351.5 tons of carbon dioxide, 14.1 tons of SO₂, 12.3 tons of NO_x, 15.9 tons of dust, and the energy saving rate of the whole system is high at 42%.

Haier Energy Big Data has two main modules, 60 sub-modules and 563 application scenarios at the equipment, instrument, communication and application layer. It has used cables with a total length more than 3,000 km and optical fiber with a total length of more than 60 km, and more than 30,000 devices including more than 100,000 local measuring instruments, transformers, switch cabinets, air compressors, water pumps, etc.

Local data collection applies to the nine systems of power, water resources, air compressor, compressed air, natural gas, steam, sewage on-line, elevator, photovoltaic power, and 14 energy media of electricity, tap water, pure water, softened water, domestic sewage, industrial wastewater, steam, compressed air, natural gas, liquefied gas, high temperature hot water, hot water used in waste heat recovery, solar power generation, and reclaimed water.





PART4

Social responsibility

genuine Haier provides a better life

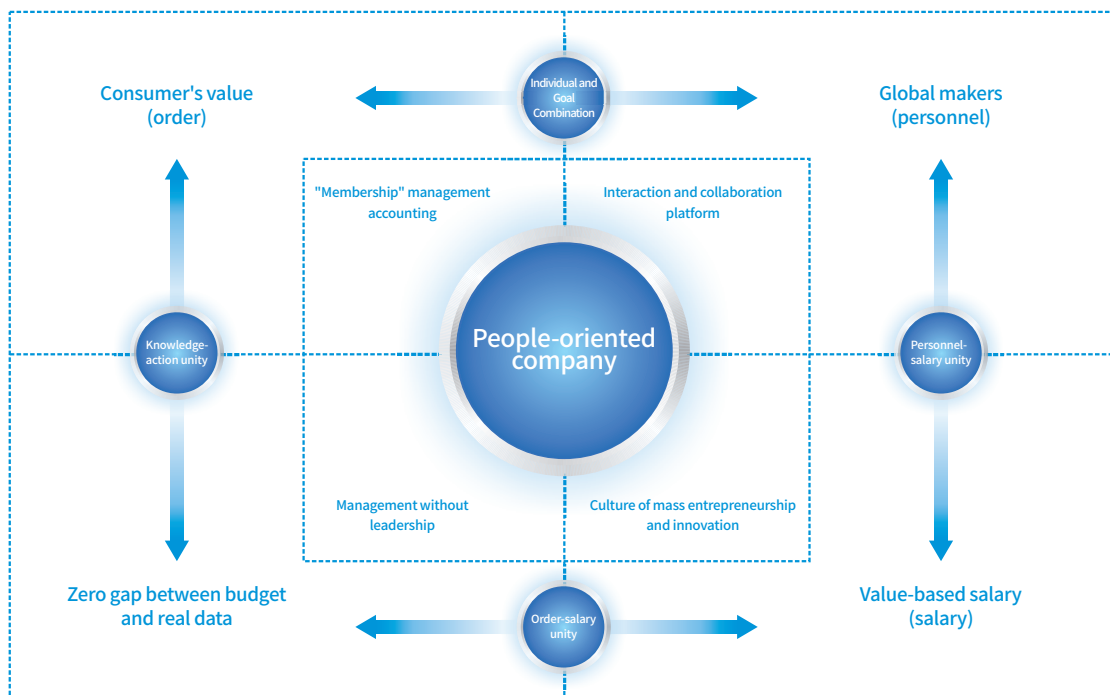
As an globally outstanding brand, Haier has been undertaking social responsibility and regards it as necessary for enterprises.

Today, Haier has become a highly active social force in the development of social welfare undertakings. In the future, Haier will continue to enhance Haier's performance in corporate social responsibility and Haier will contribute back to the society with sincerity.

"Individual and Goal Combination" model becomes a driving force for employees

Gary Hamel argues that "people are the force that drives social progress".

For more than 30 years since its foundation, Haier has been adhering to the principal of "human value comes first". Haier is not the first and not the only company to adhere to the concept of "respecting employees and inspiring them to be innovative and energetic". Haier's founder Zhang Ruimin puts forward the assumption that everyone is an independent person. He thinks that each person has unlimited potential, and everyone can create value on their own. People are always the source of value creation. Haier's unconventional innovation mechanisms, such as the organizational and salary mechanisms of the "Individual and Goal Combination" model, truly guarantee the stimulation of each employee's energy.



From a large integral enterprise to micro-enterprises

Haier divides the Company into more than 4,000 micro-enterprises (MEs), more than half of which have 10 to 15 employees. The number of ME employees engaged in manufacturing is larger, but even so, business decisions are still made by the micro-enterprise teams.

Micro-enterprises are divided into three categories. One category refers to transformed micro-enterprises. There are about 200 such micro-enterprises. Rooted in Haier's original household appliances, they are market-oriented, consumer-oriented and internet-based. A "smart" refrigerator for young urban consumers is a typical example.

The second category refers to more than 50 incubating micro-enterprises equivalent to startup firms, such as Thunderobot which focuses on emerging markets like video games, and "XCOOK" - providing consumers with third-party fresh organic food materials and "smart" refrigerator delivery within 30 minutes. These are micro-enterprises that develop new business models based on existing products.

The third category refers to about 3,800 node micro-enterprises. These micro-enterprises provide services such as components and design, manufacturing and human resources support to other market-oriented micro-enterprises.

Transition from employees to owners

At Haier, micro-enterprises implement a self-management approach and have autonomy in three aspects:

Strategy Micro-enterprises can independently decide to pursue what kind of opportunities, arrange work priorities, and establish internal and external partnerships.

Personnel Micro-enterprises can independently employ and adjust employees and their duties and define working relationship.

Right of distribution Micro-enterprises can establish salaries and bonus independently. They enjoy these rights and also bear the corresponding responsibilities. The goal is separated into quarterly, monthly, and weekly small goals that are specifically assigned to each member of the micro-enterprises teams. In such way, each employee's performance can be seen clearly. Salary is in close relation with business performances. The opportunity to get excess profit share depends on business thresholds.

Building a consistent basis for employees, shareholders and social interests: since 2009, Haier has launched a total of four equity incentives and three phases of employees stock ownership schemes. The incentive targets cover nearly 2,500 employees including directors, supervisors, senior management and core technology (business) personnel of Haier.

An ecosystem for makers promotes upgrades of mass entrepreneurship and innovation

Since the launch of Haier's mass entrepreneurship and innovation demonstration base in 2016, Haier has attracted more than 4,300 business incubation resources, more than 1,300 venture capital institutions and 118 incubator spaces. Haier jointly constructed 19 mass entrepreneurship and innovation demonstration bases with social associations by the end of 2018. Over 3,000 projects are collected on the Haier platform. Haier's emphasis on mass entrepreneurship and innovation also creates nearly 1.6 million jobs for the society.

An accelerator for makers - Haier University

In 2018, Haier University focused on the echelon creation of talents and the enhancement of business. It established 36 training projects, implemented 192 training sessions, and organized 31 open classes, covering 12,831 members of micro-enterprises inside the group. On the other hand, Haier's micro-enterprises actively assume social responsibility, organized four camps for public welfare ecological enhancement, and trained more than 860 people.

The echelon creation of talents promotes the construction of micro-enterprise ecosystem and the improvement of organizational capabilities mainly through micro-enterprises' training certification as well as the diagnosis and promotion of organizational capacity, and builds echeloned talents based on the Internet of Things.

Micro-enterprises' training camp

- Attracting 155 trainees from more than 20 industries.
- Since its opening in May, it has provided learning resources for 42 times and 6 learning forms.
- The trainees realized 246 community interactions and promoted 12 industries to achieve 19 cross-industry cooperation projects.

Shared star eco-camp

- Attracting 28 reserve talents to participate actively
- Since its opening in August, it has provided 7 major courses for upgrades and several secondary courses for upgrades.
- The project has encouraged three trainees to be very excellent enough to participate in model group and driven 11 trainees to achieve upgrades of micro-enterprises.

Shared class

- Free public classes have been run for 41 times.
- Haier opened English corners for makers 10 times, training classes 12 times, energy-awakening series 9 times, and soft skills upgrades 10 times.
- Attracting over 30,000 makers of Haier to participate.

Business skills enhancement for value adding solves micro-enterprises' business problems, optimize business models, build product competitiveness, and generate actual business value mainly through adding value to business scenarios.

Quantum theory

- Based on a five-step management method with vertical and horizontal matching, the U-3D guidance model tool was developed to help micro-enterprises resolve business and operational problems in a multi-dimensional way.
- By implementing the quantum theory for the internal micro-enterprise, Gooday Logistics supply chain platform resolved the issue of delivery to districts and counties on the same day or the second day in the East China region. Eventually its proportion in districts and counties increased by 64%, The time used in the full chain is shortened by 63%.

Lean workshops based on the interconnected factory

- Haier combines performance to improve tools, site surveys in factories and readjusts mission, helping to address problems with workshops and lean knowledge. At the same time, based on the needs of users, Haier implements the "double tutors" model "internal tutor + external expert" for energization to improve quality and efficiency.
- 11 factories are selected for the project, including 5 model factory projects and 6 key projects. After 7 months of curriculum and learning by action, those 11 factories have achieved overall improvement in quality and performance, with an income of RMB21.06 million.

Team empowerment camp

- Haier connects industry HR, external expert resources and R&D project teams to build a borderless team to help the interaction between project participants and users, community operations, as well as the improvement of innovative thinking and product planning capabilities.
- In 2018, 10 innovative product concepts that can be implemented are produced.

Point-contact system project for empowerment

- Focusing on the intensity, accuracy and people-oriented service, Haier reorganizes the key tasks and knowledge points of the point-contact system through the extraction of the Lenong and Lejia operation experience. Haier sets up a point-contact course system with 93 courses and five sets of competency models to build an online certification learning platform and holds 10 offline training sessions, which empowered 130,000 people. It holds community competitions for practices. The five-star upgrade rate has increased by 35% through the point-contact reform, accelerating micro-enterprises' upgrades.

"Individual and Goal Combination" model export

- Haier University summarizes the successful cases and exports the "Individual and Goal Combination" model to the society. In 2018, with the help of eight local government[不确定原文“联合政府8个”含义]s, Haier energized 2,350 companies through the Ministry of Industry and Information Technology; Haier University accommodated 19,423 visits by enterprises, and held 12 exchange activities with universities such as People's University, Shanghai Jiao Tong University and Fudan University.

Open resources to entrepreneurship and innovation education at colleges and universities

In order to open Haier's resources fully and completely for college students, Haier's Maker Labs has made long-term planning and developed courses of entrepreneurship and innovation based on Haier's industrial line jointly with colleges, incorporating cases, experiences, and resources over the 34 years of Haier's entrepreneurship and innovation into the entrepreneurship and innovation education systems in colleges and universities.

"New Driving Forces for the Future: Joint Entrepreneurship and Innovation Project" was launched in April 2018. Haier, together with CYL of Shandong and CYL of Qingdao, focuses on the improvement of young makers' capacity for innovation and entrepreneurship and promotes the training of application-oriented talents and the integration of production and education. Haier is responsible for implementation and Haier Maker Labs concentrates on the specific operation and commitment to the exploration and cultivation of innovative talents in colleges and universities.



The Ministry of Education issued Documents on Announcing the List of the First Batch of Industry-University Collaborative Education Projects Supported by Enterprises in 2018 in October 2018. Haier Maker Labs from many universities actively responded to that. In the end, among the six universities with which Haier reached cooperation, Haier Maker Labs and Beijing University of Posts and Telecommunications (BUPT), Shanghai Jiao Tong University (SJTU) and Shandong University reached a cooperation on technical fields including industrial design, smart manufacturing, artificial intelligence, etc. to jointly promote the implementation of industry-education integration projects.

Haier Maker Labs focuses on the cultivation of college students' consciousness of entrepreneurship and innovation. College students with thoughts of entrepreneurship and innovation, or those who think with a perspective of entrepreneurship and innovation, adapt better to society. One of the goals of Haier Maker Labs is to reduce distance between college students and enterprises as well as society, and shorten the adaptive time.

There is an increasing number of colleges and universities joining the camp of Haier Maker Labs, facilitating the establishment and construction of key Haier Maker Labs. Haier Maker Labs has covered 28 provinces, nearly 200 colleges and universities and 22 key labs have been established by December 2018.

As a platform for Haier to be connected with colleges and universities, Haier Maker Labs brings college makers “into the lab”. Haier Maker Labs will also enter colleges and universities with Haier's internal resources and external social resources. Haier Maker Labs helps college makers through the “the Maker’s Summer Camp” and “Chuang Campus” activities.



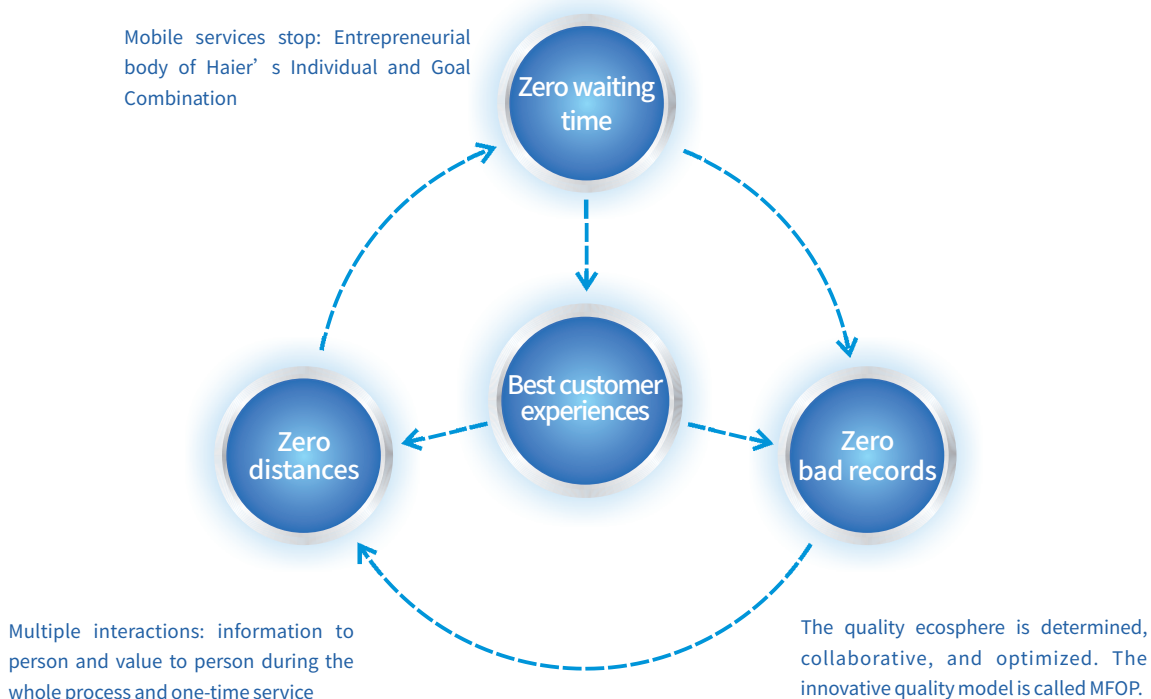
Guard with security to establish a safe factory

In 2018, Haier seriously and thoroughly implemented work safety requirements. Haier has undertaken five safety objectives with no fire alarm at its core, as well as fire control, production, energy, environment protection and food. Haier has promoted the smart service mode of the factory and implemented the construction of HSE6S cloud platform system and ITPM. Haier has achieved a recordable injury rate of 200,000 working hours at 0.07, a ratio that has declined for two consecutive years. It has decreased by 46.58% in 2018 and successfully reached the annual production safety target.

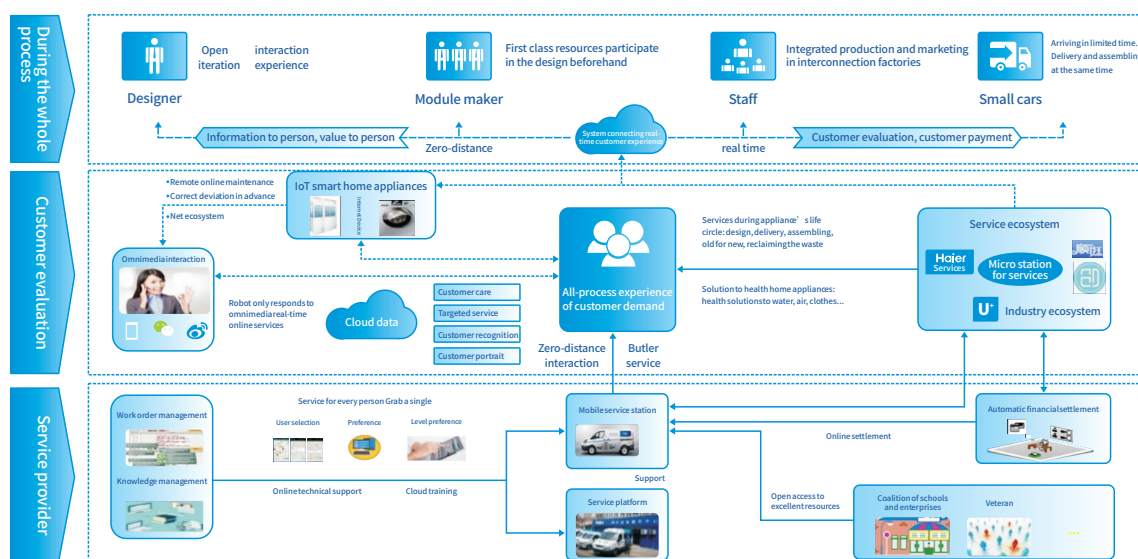


- System of responsibility in safe production
- Building a safety management team
- Building a safety certification system
- Costs of safety for insurance and guarantees
- Building safety culture and safety supervision platform
- Special safety training
- Developing safety production technology
- Safety management of major hazard installations
- Checking and rectifying work safety
- Fulfilling the promises of security examination
- Emergency plans to ensure security

Intelligent service: faster, closer and more intelligent



Customers' reputation platform focuses on three "Zeros," and builds the TCE&Q system in the Internet of Things era, bringing faster, closer and smarter service experience to customers, and committed to the upgrading of customers' experience.



Making an innovative service model for a sincere community.

Smart connections: building a smart service ecosystem

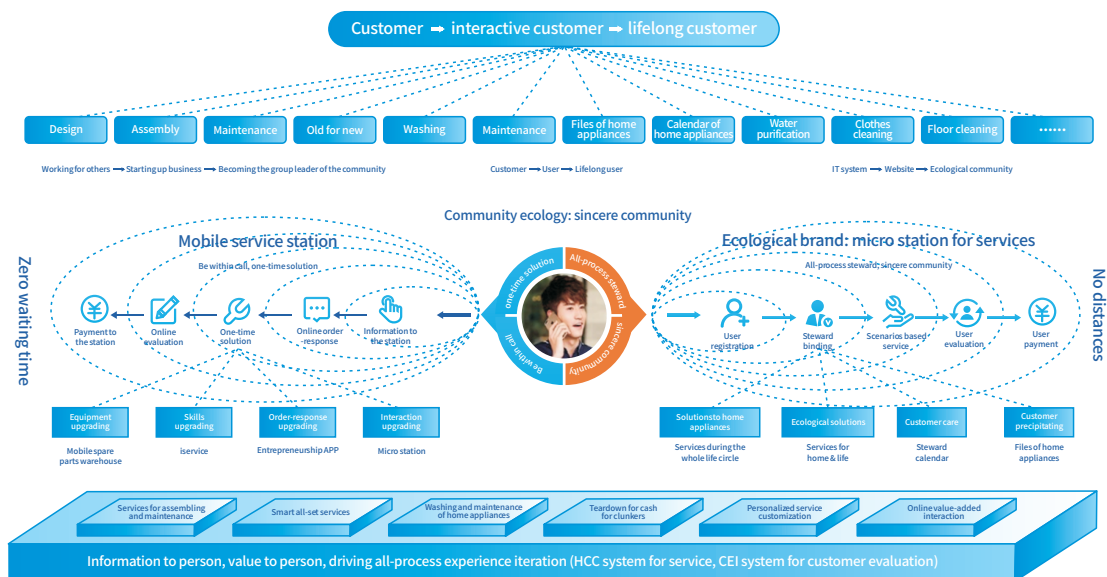
Start from the customers' demand, smart cloud services promote the integration of supply and demand to create a service ecology in home appliances.

New model of IoT services

Based on the construction of customers' lifetime value, the smart cloud service model rebuilds the entire service process to create a visualized, digitalized and smart service experience.

Breaking down barriers and leading to transformation

The establishment of entrepreneurship platform “mobile service station” and social interaction platform “micro-station” under the smart cloud service mode is the implementation of Individual and Goal Combination in the service system.



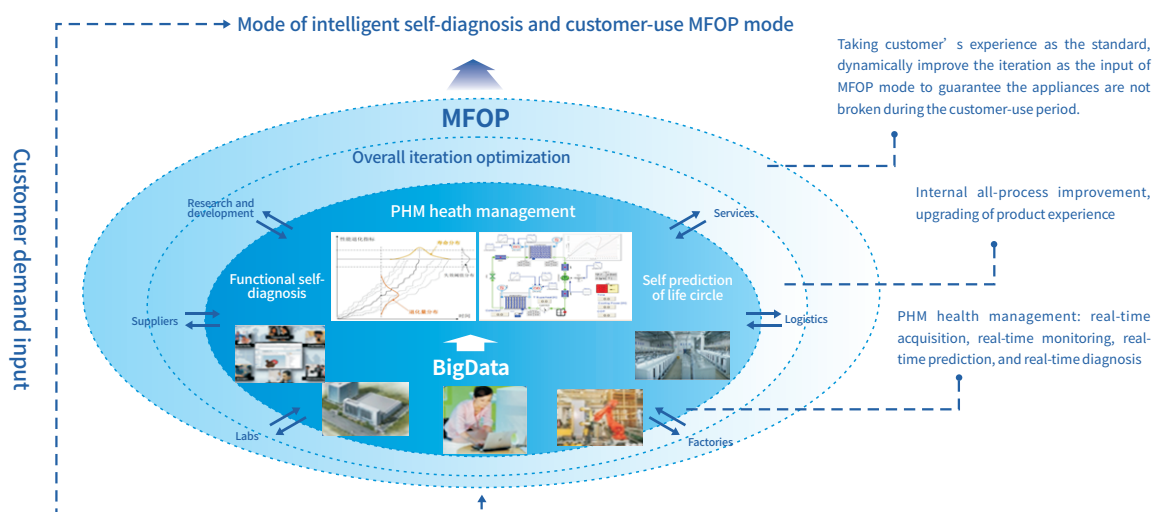
Enhance the industry 's warranty period and initiate Haier' s warranty period

The MFOP created by Haier greatly improves the liabilities of product quality through the integration of IoT and the home appliance industry. It takes the lead in upgrading from repairing the broken home appliances in the field to a brand new experience that the products are not bad.

Haier' s MFOP is the first application in the home appliances industry with two advantages. First, it checks the function of the component or the system state and the service life in advance through the core technology of PHM, and provides customers with services of product maintenance, remote maintenance and correction of deviation based on their needs, ensuring that the product does not deteriorate. Second, it exposes the issues via comprehensive analysis of big data, so as to provide precise guidance for further upgrading of products and services to give customers' best experiences.

MFOP mode

Maintenance Free Operating Period



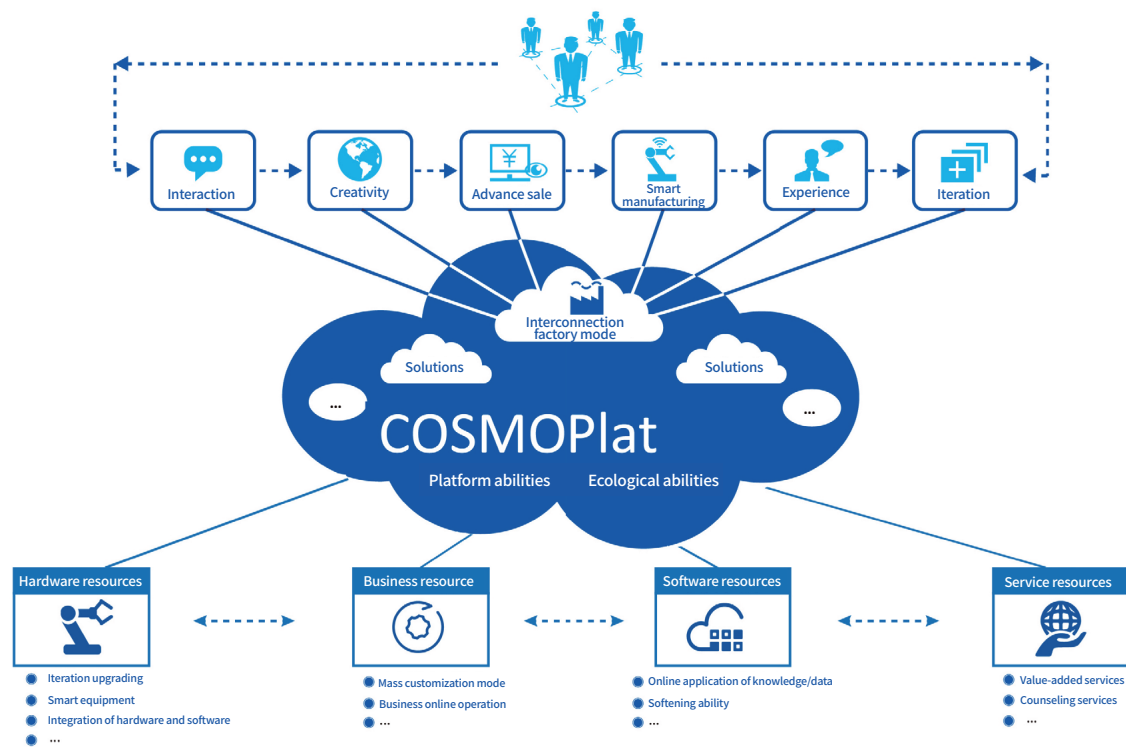
Win-win cooperation and resource sharing

Advanced sharing platform

COSMOPlat is the only interactive industrial Internet platform in the world where customers participate in the whole process.

First, the Institute of Electrical and Electronics Engineers passed a proposal for large-scale customization of international general requirements led by COSMOPlat, and it is the first smart manufacturing standard led by Chinese companies.

Second, it is a platform to help SMEs in China with transformation and upgrading.



Featured supplier management

With the trend of modern supply chain management, Haier chooses a win-win mode, which is a cooperative relationship. It emphasizes sharing information with suppliers and coordinating each other's behaviors through cooperation and consultation. Haier's supply chain management adjusts its mode at any time as the surroundings change. In order to adapt to the development of supply chain management, Haier must start from the first layer of production until the goods reach the customers. Enterprises at each point have the ability to self-organize and self-adapt to deal with logistics and information flow.

Haier has paid attention to supply chain management since 1998 and has redesigned and reconstructed the original business process within the whole group, connecting with large international companies and strengthening the enterprise's flexibilities in the market. These have greatly improved Haier's abilities to respond and compete in the market, and enabled the sustainable development of the enterprise.

Haier's suppliers have been reduced from more than 2,200 to 721. Of these, 59 are among the world's top 500 enterprises. The focus has been shifted from quality to whole-process incentives and controls. The main allocation of suppliers is through quota allocation. The quota ratio is determined by three comprehensive factors - quality evaluation, supply evaluation and price ranking.

Advantages of Haier's supplier management

1. Haier assists the suppliers to reduce costs, improve quality and accelerate the process of products development.
2. Improve efficiency and reduce transaction and management costs by building relations of mutual trust.
3. Long-term trust and cooperation replace short-term contracts.
4. More information exchanges.

Global procurement synergy

Haier's procurement strategy

Scientific and effective procurement management can achieve a win-win situation. Haier's procurement strategy is to use the global network to centralize purchases in order to reduce the procurement cost with scale advantages and reduce the number of suppliers at the same time.



For Haier, it helps reduce the procurement costs, improve the product quality and reduce inventory while obtaining stable and competitive prices. Through cooperation with suppliers, Haier can also achieve better product design and faster response to product changes. For suppliers, the long-term partnership with Haier enables them to better understand the customers' demand, improve the production process and operational quality, and reduce production cost to obtain higher profits than with traditional procurement.

Haier has been strengthening procurement management, saving capital from procurement and making procurement a profit center of the enterprise.

Haier's innovative collaborative mode has become a new starting point for global scientific and technological research and development.

During the interactive process with customers, Haier finds that customers have a lot to complain about refrigerators' easy dehydration when storing fruits and vegetables and the short freshness preservation time. Later, Haier published the technical needs for "keeping spinach fresh for seven days on the HOPE platform, which has gained responses from various local and foreign sources. In the end, Haier decided to cooperate with two well-known foreign resources. After a few hundred simulation and experiments, Haier released the world's only precise control of dry and wet storage technology, solving the problem of refrigerator's freezer being moisturizing but not drying. This is a typical achievement of Haier's innovation synergy. It not only mobilizes the resources of the whole platform, but also forms an efficient interaction between resources and customers, which has incorporated customers into the process of innovation.

Driven by customers' demand, Haier creates an ecosystem with its online HOPE platform and 10 offline R&D centers around the world as its carriers. It sets a global benchmark via innovative collaboration with Haier's virtue and contributes Haier's wisdom to promoting industry technological upgrading and global scientific and technological innovation.

Shareholder's responsibility, maintaining good relations

Dividend stabilization

Haier has always been committed to protecting the legitimate rights and interests of shareholders and actively rewarding investors with the continuous, steady and high-quality performance growth. According to the statistics of WIND data, Qingdao Haier has been listed for 25 years and generated a total of 23 annual dividend payments. During the period, total net profit was RMB46.3 billion, and cumulative cash dividend was RMB11.9 billion, with a dividend payout ratio of 25.76%.

Since 2012, Haier's cash dividend payout ratio has been maintained over 30%. Since 2013, its total annual cash dividends have exceeded RMB1 billion, and the 2018 annual dividends have reached a record high of RMB2.085 billion. In the past three years (2016-2018), its total dividends reached RMB4.89 billion.

In order to ensure the continuity and stability of the profit distribution policy, Haier has repeatedly formulated shareholder return plans. In the latest issue of the Future Three Years (2018-2020) Shareholder Return Plan, Haier proposed the company's cash dividend plan for the next three years as: the annual profit distributed in cash is not less than 20% of the company's available distribution profits attributable to shareholders of the listed company.

Interaction with investors

Since its initial listing, Haier has placed close emphasis on communication with stakeholders such as investors, media and association partners. Haier continues to promote investor communication to strengthen interaction with medium and small-sized investors. Haier established a multi-channel communication platform, maintains close communication with investors through telephone, email and occasional online road shows; makes full use of the interactive platform of the Shanghai Stock Exchange to answer questions from investors in a timely manner. Haier also arranges specialty staff to be responsible for the reception of investors and market participants. In the context of Haier's increasingly globalized layout, Haier actively strengthens communication with overseas investors and deepens their understanding of Haier's investment value. The effective communication with parties in the market promotes openness and transparency of the listed company, and conveys Haier's dynamics and long-term development.

Since the launch of the Investor Education and Protection 100-Day Forum Activity (referred to as "Investor Education and Protection Activity"), Haier has organized a number of special events to showcase the latest achievement in Haier's development, global transformation and upgrading, which deepens the understanding of investors, regulators, and listed companies, the media and other stakeholders about Haier. The special events covered 18 years of media appreciation, 2018 minority shareholders communication, reception of other companies, and participation in online group reception day activities.



By taking the initiative to undertake thematic activities related to the Investor Education and Protection Activity, Haier provides investors with selected access to Haier's internal channels, so that they can have an in-depth understanding of Haier's development and strategic transformation and advance their recognition of Haier's investment value. In the future, Haier will continue to maintain and strengthen this interaction to ensure that it can fully cover the concerns of Haier's various stakeholders, enhance the value of Haier's investment, and achieve a win-win situation for all the parties.

Social welfare, delivering the positive energy of love

Targeted poverty relief

As one of the important national strategies, targeted poverty alleviation is the essence and highlight of the CPC and China's poverty alleviation work. President Xi Jinping clearly pointed out in the report of the 19th CPC National Congress that the period from now to 2020, is a crucial time for targeted poverty alleviation. Since 2018, Haier has been closely following the national pace and actively promoting poverty alleviation projects.

Collaborating with CCB to create a Chinese pastoral dream

On December 11, 2018, Haier and China Construction Bank reached a strategic cooperation in inclusive finance in Qingdao. Based on China Construction Bank's Yu Nong Tong platform and the Haier Gooday Logistics Le Nong platform, the two sides jointly built a rural inclusive service platform called "CBC Yu Nong Tong + Haier Gooday Logistics Le Nong", which will provide the vast rural areas of China convenient inclusive financial, convenient living, high-yield and income-increasing services, targeting the needs of rural residents for a better life, to help accelerate the realization of rural revitalization and create a Chinese pastoral dream.

The platform jointly built by CCB Yu Nong Tong and Haier Gooday Logistics will rely on CCB's 140,000 Yu Nong Tong owners and Gooday Logistics Le Nong's over 100,000 users nationwide for to create a new contact "Yu Nong Xiaoshun". With the help of the two major groups and the empowerment of ecological resources, customized services such as inclusive finance, convenient living, high income and good living will be targeted.

Initiating the "industrial investment bank" model to help rural revitalization and targeted poverty alleviation

Haier pioneered the "industrial investment bank" model to build the industrial chain of agricultural credit, helping farmers increase production and income and get rid of poverty. Haier also created "blood network", "vaccine network" and other solutions for enhancing users' standard of living. Under the transformation of "Individual and Goal Combination", Haier tells us the Chinese dream of its IoT ecological brand strategy with its practical results.

The problem of how to get a good harvest of corn has made the peasant Liu from Hongxing Village, Guanyi Town, Liangshan County, Jining City worried. After joining the corn industry chain platform, Liu received financial and technical support. With the platform empowerment, the profit per mu is greatly increased. The profit of his 300 mu of corn has increased by 13% per mu, and his household income has increased significantly.

In fact, behind this increase in value-added production is the chain credit ecology created by the "industrial investment bank" mode of Haier Financial Holdings Limited. By eliminating hundreds of middlemen, establishing a contract-based credit value-added system, and by opening up the industrial chain, the four-dimensional credit economy from fertilizer to planting, from deep processing to sales can be realized, and the corn industry ecosystem can be built. Let farmers know what downstream processors need, and produce them on demand; processing companies such as citric acid, monosodium glutamate, and corn oil can trace the quality of raw materials, ensure product sales, and ultimately bring about win-win value for all parties in the ecosystem.

The Hope project

Activity Shorthand

In 2018, Haier Hope Primary School's public welfare model will be upgraded from the traditional model and the Internet model to the Internet of Things model. Under this model, Haier will focus on children's education and public welfare, build a win-win public welfare ecosystem for all the parties involved, construct a contact network for the community of the public welfare, and realize the ecological income of public welfare. Under the Internet of Things model, Haier not only provides its own public resources, but also drives more resources to participate in the public welfare activities. Haier has reached a cooperation agreement with UNICEF and achieved in-depth cooperation in the "Aisheng School Social Emotional Learning Project" to pay attention to the education and mental health of left-behind children in rural areas.

On April 16, Haier and the Qingdao State Taxation Bureau jointly welcomed the visit to Qingdao made by the teachers and students from five Haier Hope Primary Schools in Haikou Anshun, Inner Mongolia Chifeng, Shandong Dezhou, Linyi and Heze. The teachers and students went into the first batch of taxation education demonstration bases in China - Jiading Road Primary School in Qingdao, participated in the taxation theme flag-raising ceremony, visited the tax law education exhibition room, participated in the open taxation lectures, and went to the Qingdao Laoshan State Taxation Bureau to experience the tax service post in the tax office.

On April 17, the teachers and students of Haier Hope Primary School "came home" and visited the Haier Life Exhibition, Cultural Exhibition and Haier Haizhi Yuntian VR Education Exhibition Hall in the Haier Industrial Park to experience Haier's innovative culture. During the visits of teachers and students, Haier's technology products and cultural spirit were praised by everyone following the explanation of the lecturers. As a brand with great influence over the world, Haier's products and culture have benefitted every student from the Haier Hope Primary School.



The first launch ceremony of Haier's "Good Education+" national public welfare activities, with the theme of "Good Education: Helping Children to Grow Healthily", was held on June 20. The completion ceremony of Bianyuan Town Haier Hope Primary School was held in Jihe Haier Hope Primary School, which is located at Bianyuan Town, Feicheng, Tai'an City. At the same time, with the on-site release of the Jingshi Wisdom Academy project, Haier also announced the opening of the "Good Education+" charity event nationwide. The "Good Education+" charity event is an important manifestation of Haier's focus on children's education and exploring a new model of Internet of Things. In particular, "good education" means that Haier provides smart education solutions including "hardware", "software" and "service" for many rural schools in China to help rural children grow up healthily and enjoy good education.

On December 19, Haier's "Good Education+" charity entered Jiangshan Town Hope School in Laixi City, and brought welfare materials and textbooks worth RMB40,000 to the students, and held the launch ceremony of the ecological platform "Haier Public Welfare".

The ecological platform "Haier Public Welfare" takes Haier's Hope project as the main focus, relying on interaction in the community, which can maintain public welfare needs of schools, teachers and students, build an open and shared public welfare ecological system, and attract ecological resources to empower projects, leading the public welfare paradigm of the Internet of Things era.



Public welfare projects

Haier Marathon

In the morning of June 24, Haier 2018 Qingdao Baishahe Marathon Relay Race (full race) began at the Baishahe Sports Park, Chengyang District.

On October 17, 2018, "Run China. One Belt & Road Initiative" Haier - 2018 Qingdao Marathon Press Conference & Sponsor Award Ceremony was held. The Qingdao Marathon began on October 28 and a total of 25,000 people participated in the marathon.



Haier "Thanksgiving Month"

2018 Haier Challenge Award & Launching Ceremony of Thanksgiving Month

On November 24, at the site of the "2018 Haier Challenge Award & Launching Ceremony of Thanksgiving Month", hosts and guests of public welfare were connected live to the teachers and students at the Huize Haier Hope Primary School in Yunnan and they sang the public welfare song If You're Happy and You Know I together.

Lighting the Star Lamp, to be Loved, You Are Not Alone -- Public Welfare Actions in Haier Thanksgiving Month

"Love, make it warmer" ! In the afternoon of December 8, Haier Qingdao Branch led the representatives of Qingdao Hongshunrui & Yafeng Haier Franchised Store and Haier family members to visit the Qingdao Shengzhai Rehabilitation Center, to deliver the most sincere love and warmth to autistic children.

Haier "Source Water Action"

The Source Water Action is a "smart water drinking" public welfare project initiated by www.haiershui.com (Mall of Water Purification), aiming to improve the conditions of drinking healthy water in all regions in China.

In June 2018, Haier Water Purification Industry collaborated with Tmall to launch the public welfare plan of "Source Water Action", devoted to meet people's need for drinking high-quality and healthy water.



Haier "Loving Babies. And the Future"

Haier Baby cooperated with Qingdao United Family Hospital and the Home for Premature Babies to hold a public welfare activity of guarding premature babies with the theme of "Loving Babies. And the Future", and officially initiated the strategic upgrading of the public welfare human milk bank in Qingdao.





PART5

Third-party evaluation Corporate honors

Third-party Evaluation

Facing the challenges in the Internet era, Haier has constantly upgraded and developed its Individual and Goal Combination Model, creating an ecological brand in the Internet of Things era, and has become a successful example of global expansion, intelligent transformation, and upgrading of management models in China's household appliance industry.

-- Jiang Feng, President of China Household Electrical Appliances Association

Over the past 40 years of reform and open policy, China's household appliance industry has developed from imitation and following others to independent innovation, from simple processing to the full coverage of products and the comprehensive layout in the industry chain, and from low-end OEM to globally-renowned brands and ranks the top in the scale of production and sales in the world. It has become one of the industries with strong international competitiveness and made active contributions to meeting the needs of domestic and overseas consumers. At each stage of the rise of China's household appliance industry, Haier has given full play to its leading role.

Haier has always been promoting the globalization of its brands and trying to seek effective ways to meet the diversified needs of customers around the world. Through exporting its self-owned brands, investing to build factories abroad, and acquiring large companies in the global market, Haier has realized its global layout. What's more, through the internationalization of "Individual and Goal Combination" model, Haier has successfully broken through the barriers to cultures and customers and rapidly established its advantages of brands, R&D, manufacturing, and marketing around the world. According to the latest data of Euromonitor International, Haier has been the No. 1 seller among large household appliance brands for ten consecutive years, which indicates that the effects of the globalization of Haier brands have emerged.

Currently, a new round of global scientific and technological revolution is changing the world. Driven by new technologies like IoT, big data and cloud computing, all resources in the industry chain of household appliances are being connected, merged, and restructured and there are important changes in the operating environment of enterprises. As a result, the original production methods and business models are facing a revolution while the ecology of market and industry competition needs to be remodeled. In this context, Haier has comprehensively transformed itself to intelligence and made arrangements in fields like artificial intelligence, cloud computing, and big data in advance. Meanwhile, it has subverted the traditional thinking to create platforms of IoT.

With a focus on customers' demands, Haier Smart Home has experienced the development stages from single products to whole-set smart products, and to smart solutions of all scenarios. In addition, through "ultimate product experience", "strong platform capabilities", and "comprehensive implementation capabilities", it has been constantly upgraded to another generation to continue leading the development of the industry.

In recent years, Haier has regarded innovation driving as an important strategy to realize high-quality development. By establishing open innovative platforms and connecting global resources, Haier has achieved remarkable results in technology innovation and high-end development of brands. For example, Haier has won the 20th China Patent Gold Award for its "technology of the full-space preservation refrigerator" and won the National Prize for Progress in Science and Technology for its "key cleaning technology and industrialized project in the zone of cylinder washing machine", which show that the persistence in technology innovation has helped Haier to constantly increase its strength.

New actions shall be taken in the new era -- Currently, China's household appliance industry has been fully prepared from a higher platform. China's household appliance industry has been at a key development stage of "becoming stronger from a large scale", in which innovation is the only way out and the key to promoting the further transformation and upgrading of the household appliance industry and realizing high-quality development. As Haier has always complied with the situation, embraced changes, taken the initiative in reforming, integrated innovation, and kept pace with the times, it can grasp the opportunities in the development and shape its competitive advantages in the global industry.

If someone keeps moving, he is certain to get the destination; if someone constantly tries to practice, he must be successful. Time will not live up to people who make arduous efforts. We expect that Haier who embraces the Internet era with opening-up, sharing, and win-win attitudes can continue leading the new era based on its advanced management model and strong brand appeal.

President of China Household Electrical
Appliances Association



Corporate honors

Leadership Honors

Title of Reform Pioneer

December 18, 2018

The meeting to celebrate the 40th anniversary of the reform and opening-up was held at the Great Hall of the People at 10 a. m. on December 18. People who have made outstanding contributions to the reform and opening-up were commended at the meeting. Zhang Ruimin, Chairman of the Board of Directors and CEO of Haier Group, as a "representative of outstanding entrepreneurs focusing on the innovation management of enterprise management", was honored the title of reform pioneer.

Outstanding Contributors to China's 40 Years of Reform and Opening-up

November 26, 2018

On November 26, the Office of Steering Group for Commendation in the 40 Anniversary of Reform and Opening-up of the Central Committee of the Communist Party of China (CPC) issued the 100 outstanding individuals with great contributions to China's reform and opening-up who would be commended by CPC. Specifically, Zhang Ruimin, Chairman of the Board of Directors and CEO of Haier Group was among those honored.

Most Valuable Person of Chinese Management of the Year

October 13, 2018

On October, the 2018 Dongshahu Symposium -- Meeting of 100 Management Persons in China was hosted by Society of Management Science of China in Suzhou. During the Symposium, the 2018 Blue Book of Management: Report on the Development of Chinese Management was officially issued. Specifically, the innovation of Haier's management model was included in the Report and Zhang Ruimin, Chairman of the Board of Directors and CEO of Haier Group was awarded the Most Valuable Person of Chinese Management of the Year again.

2017 Most Influential People by Internet Weekly

March 10, 2018

In the evening of March 9, the award ceremony of people and products of the 2017 Internet Weekly hosted by Internet Weekly of Chinese Academy of Sciences, Informatization Research Center of Chinese Academy of Social Sciences, and eNet was grandly held at China World Hotel, in which winners of ten types of people such as people with the most social influence in 33 industries were unveiled. Zhang Ruimin, Chairman of the Board of Directors and CEO of Haier Group was honored the award of 2017 Most Influential People.

Brand honors

Euromonitor International: For the 10th time Haier ranked first in retail sales volume among large household appliance brands in the world.

January 25, 2019

Euromonitor International, the global market research institution, recently issued data for 2018 retail sales volume of large-scale household appliance brands in the world, in which Haier ranked first once again. It was the 10th time that Haier ranked first in retail sales volume among large-scale household appliance brands in the world. Haier refrigeration and Haier washing machines also ranked first in global sales volume for the 11th and 10th consecutive year, respectively.

Haier ranked first among the top 50 smart manufacturing companies with the most innovation and potential in 2018

January 18, 2019

Internet Weekly and eNet Research Institute jointly issued the "Top 50 smart manufacturing companies with the most innovation and potential in 2018", of which Haier ranked first on the list. Haier was selected as the maker and researcher of international standards for the large-scale customization model by three international authorities. By the end of 2018, the World Economic Forum issued the first batch of 9 "Lighthouse Factories" and Haier Huangdao Central Air-Conditioner was included on the list, making Haier the only Chinese enterprise being selected on the list.

Second-class prize of National Prize for Progress in Science and Technology

January 8, 2019

On January 8, 2019, the 2018 State Science and Technology Awarding Meeting of the People's Republic of China was held at the Great Hall of the People and Haier won the Second-class Prize of National Prize for Progress in Science and Technology for its "key cleaning technology and industrialized project in the area of cylinder washing machine". The award created numerous industry records as well. Apart from being the only awarded project in the household appliance sector, it is also the first National Prize for Progress in Science and Technology for cylinder washing machine in the history, and the only National Prize for Progress in Science and Technology for the washing machine industry over the past 10 years, which is a significant breakthrough for the industry.

First-class prize of the 25th State-level Innovative Enterprise Management Award

December 31, 2018

On December 28, the Review Committee of State-level Innovative Enterprise Management Award announced the result of the 25th State-level Innovative Enterprise Management Award to the public. The large-scale Customization Management Based on COSMOPlat Industrial Internet Platform owned by Haier stood out from the 219 awarded products in the country and won the first-class prize.

China Patent Award

December 25, 2018

China Patent Gold Award: On December 25, 2018, the 20th award-presentation ceremony of China Patent Award co-sponsored by the National Intellectual Property Administration and World Intellectual Property Organization was held in Beijing. Haier Refrigerator won the "China Patent Gold Award" and became the only enterprise in the refrigerator industry that won the award.

Ranked 41st among the World's 500 Most Influential Brands

December 18, 2018

On December 18, the official website of World Brand Lab issued the list of the World's 500 Most Influential Brands in 2018. Haier was listed as the first IoT ecological brand in the world, ranking 41st among the world's top brands, up by 9 places compared to last year.

Four Golden Choice Awards

December 18, 2018

In the "Fourth China Smart Home Expo (CSHE)" held in Beijing, the list of 2018 Golden Choice Award sponsored by Zhidian Laboratory, an authoritative evaluation agency under CHEARI, was announced and Haier won a total of four awards for its innovation in the fields of preservation and intelligence. Specifically, Haier's all-round preservation technology won the 2018 Excellent Preservation Award and the two smart refrigerators of Haier won the Annual Smart Preservation Refrigerator Award and the Annual Smart Ecology Refrigerator Award respectively. Casarte's smart home management technology won the 2018 Smart Home Technology Application Award and Casarte became the only brand for winning this award.

China's Good Patent Award

December 16, 2018

On December 16, 2018, the award presentation ceremony of the 2018 BOCOM Cup "China's Good Patent" co-sponsored by the State Intellectual Property Operation Public Service Platform (SIPOP) and China Intellectual Property Development Alliance (CIPDA) was held at the No.1 Studio of people.cn and Haier Group was awarded "China's Good Patent Award".

Award of the Best Industrial IoT Service Platform in 2018

December 6, 2018

Hao Pin Hai Zhi Industrial Service IoT Platform won the Award of "The Best Industrial IoT Service Platform in 2018" at China B50 Leaders Summit, which received the recognition and attention from the participants and the community. It was also the third award won by Hao Pin Hai Zhi within two months after winning the "Third Prize of 2018 China (Tianjin) Industrial App Innovative Application Competition" and "2018 Outstanding Internet Brand of Shandong".

Award of Top 10 Smart Household Brands and Award of Top 10 Smart Lock Brands from the Smart Building Brand Award

December 6, 2018

On December 6, 11 lists of winners of top ten brands were announced at the award ceremony of the 2018 "Smart Building Brand Award", which was reputed as the "Oscar" in the smart building industry. Specifically, Haier's U-home was awarded with the Top 10 Smart Household Brands Award and the Top 10 Smart Lock Brands Award.

Award of the Most Innovative Enterprise in China's Artificial Intelligence Industry in 2018

November 29, 2018

In the evening of November 29, awards of innovators and innovative brands of the year in the fields such as investment, education, retail, fintech, big health, and artificial intelligence were presented in China's "2018 Yiou Annual Conference of Innovators & Award Ceremony of the Fourth Innovation Award". Together with many leading artificial intelligence enterprises, Haier's U+ won the "2018 Award of the Most innovative Enterprise in China's Artificial Intelligence Industry" for its first artificial intelligence-based smart home solutions and its series of artificial intelligence implementation technologies, making itself the only awarded enterprise in the vertical smart home industry.

"Award of Excellent Enterprise of the 40th anniversary of National Quality Control Team's Activity"

November 28, 2018

The "Award of Excellent Enterprise of the 40 anniversary of National Quality Control Team's Activity" in 2018 hosted by the China Association for Quality was announced. A total of 9 enterprises including Haier received the award. Ren Xianquan, Vice President of Haier (Household Appliances Industry) Group was invited to deliver a speech on Persisting in the Nature of Things Enable One to Get Everything to His/Her Benefit. During the speech, he explained the development history and innovation achievements of Haier in the fields of products, services, and quality. Haier's smart cloud service model was recognized by the participating leaders and experts.

First-class prize of National Scientific and Technological Progress in the Light Industrial Sector Award

November 27, 2018

On November 23, China Light Industry Council published the list of enterprises winning "National Scientific and Technological Progress in the Light Industrial Sector Award in 2018". Specifically, the research project of "R&D and industrialization of microkernel IoT security operation system and smart IoT technology" led by Qingdao Haier won the "First-class prize of National Scientific and Technological Progress in the Light Industrial Sector Award". It was also the only scientific research project which studied the technologies of "microkernel operation system" and won the First-class prize in the field of smart home. In addition, as a core technology in the field of smart home, it has currently been applied to the smart home solutions of Haier, which solves the problems of scientific and technological innovation of interconnectivity, information security and smart identification between smart household appliances.

Gold Award of China Excellent Industrial Design Award in 2018

November 23, 2018

On November 23, the 2nd China Industrial Design Exhibition was held in Wuhan and the 554 enterprises participation reached a record-high. During the exhibition, (the third) China Excellent Industrial Design Award 2018 was unveiled and projects of ten enterprises and units including Haier received the gold award. Specifically, based on Casarte Tiancheng Refrigerator, Haier won the only gold award in the household appliance industry and won three awards of excellence at the same time. According to industry experts, China's manufacturing sector is at a key stage of innovation and advancement. In this context, the awardees not only represent the highest level in the field of industrial design in China, but also play an active role in guiding and promoting independent innovation.

Jinzhi Award

November 22, 2018

Outstanding Product Award for Chinese Listed Companies in 2018: On November 22, 2018, the 2018 Jinzhi Award Ceremony for Value Evaluation of Listed Companies was hosted by the financial sector. Qingdao Haier won the "Jinzhi Award - Outstanding Product Award for Chinese Listed Companies in 2018". The award was given to key products of listed companies with excellent performance in 2018 at macro levels like promoting the upgrading of the domestic industry chains, filling in the gap of the domestic market, and promoting the acceleration of consumption upgrading and at micro levels like having breakthroughs in market shares and upgrading of core technologies.

Ranked 1st in IP Competitiveness in China

November 8, 2018

According to Hurun, the evaluation samples of IP Competitiveness in China 2018 were based on the samples with reference to the Fortune 500 Enterprises in China in 2017 issued by China Enterprise Confederation & China Enterprise Directors Association and the results were calculated by weighted indicators such as number of patent applications, licensing patents, trademark applications, and registration of software copyrights made by enterprises over the years. The top 10 enterprises on the list were all in the equipment, shipping and automobile manufacturing sectors. With a 0.3 point advantage, Haier Group surpassed Huawei and ranked first on the list.

Ranked 3rd among China's Top 100 Enterprises by Software Business Income in 2018

November 7, 2018

According to data of the Report on the National Software and Information Technology Services in 2017 approved by the National Bureau of Statistics of China and collated by Ministry of Industry and Information Technology (MIIT), preliminarily reviewed by competent authorities of industry and information technology in all regions, and consequently confirmed by MIIT, the list of (the 17th) China's Top 100 Enterprises by Software Business Income in 2018 was unveiled. Specifically, Haier ranked 3rd on the list.

Ranking first among Top 100 Most Valued China Brands

September 26, 2018

The Research Report on 2018 (the 24th) Top 100 Most Valued China Brands were unveiled a few days ago at the 10th FCPAE Europe Forum in Helsinki, Finland. Haier ranked first for 17 consecutive years with a brand value of RMB209.208 billion.

"Jinzhong Award" at the 2018 Cooling & Heating Smart Manufacturing Summit

September 13, 2018

The 2018 Development Summit of China HVAC Industry with the theme of "Cooling & Heating Smart Manufacturing, New Ecology" was held in Beijing, with more than 400 participants from government departments, industry associations, and upstream and downstream enterprises in the HVAC Industry. As the only co-organizing enterprise, Haier Air Energy won the "Jinzhong Award" which was the most valuable award in the 2018 Cooling & Heating Smart Manufacturing Summit and it was the second time for Haier Air Energy winning the award.

AI & IoT Brand Gold Award at IFA2018

August 31, 2018

On August 31, the Internationale Funkausstellung Berlin (IFA) 2018 was held at Messe Berlin in Germany and the list of "IFA Product Technical Innovation Award 2018" was unveiled. Haier Smart Home was honored with the AI & IoT Brand Gold Award for its independent innovation and competitive advantages like breakthroughs in core product technologies, products, and applications.

4th place among Top 500 Most Influential Brands in Asia

August 29, 2018

The list of the 13th "Top 500 Most Influential Brands in Asia" awarded by the World Brand Lab was released in Hong Kong, China. As an enterprise in the IoT ecology industry, Haier ranked 4th on the list.

Fortune Global 500

July 19, 2018

On July 19, Fortune announced the list of Global 500 2018 on its website and Qingdao Haier Co., Ltd., a subsidiary of Haier Group, entered the list.

Outstanding Brand Award in 2018

July 19, 2018

The award ceremony of the 7th China Finance Summit was held in Beijing from July 19 to July 20. As one of the most influential meetings in the Chinese economic sector, China Finance Summit attracted many distinguished guests in the fields of politics, business, education, media, culture and art. As the largest retail distribution channel in China, Haier Franchised Store was invited to the summit and won the Outstanding Brand Award in 2018.

Top 500 Most Valuable China Brands

June 20, 2018

On June 20, 2018, the World Brand Lab released the analysis report on 2018 Top 500 Most Valuable China Brands. Specifically, Haier ranked third on the brand value list with a value of RMB350.278 billion, a yoy increase of 20%. In this time, Haier was classified into the IoT ecology industry on the list for the first time.

Selected into 2018 Shandong Benchmarking Enterprises in Smart Manufacturing

June 19, 2018

On June 11, the list of 2018 Shandong Benchmarking Enterprises in Intellectualized Manufacturing was issued and Haier was selected into the list of benchmarking enterprises. With the COSMOPlat large-scale customization as the core, Haier actively drove enterprises to carry out transformation and upgrading.

Ranked on the list of Top 100 IoT Enterprises in 2018

June 16, 2018

Internet Weekly and eNet Research Institute jointly issued the list of Top 100 IoT Enterprises in 2018 and Haier successfully ranked on the list.

Ranked 1st place among the Most Noteworthy Industrial Internet Platforms in 2018

May 2, 2018

Internet Weekly and eNet Research Institute jointly issued the Most Noteworthy Industrial Internet Platforms in 2018 and Haier ranked the first place.

Ranked 1st place among the Top 100 Industrial Internet Solution Providers in 2018

May 2, 2018

Haier ranked the first place among the issued Top 100 Industrial Internet Solution Providers in 2018.

Award of the "Best Board of Directors" of the 9th Tianma. Investment Relations of Chinese Listed Companies

April 25, 2018

The list of the "9th Tianma. Investment Relations of Chinese Listed Companies" hosted by Securities Times was unveiled and Qingdao Haier was honored with the award of the "Best Board of Directors".

3rd place among the Top 10 Chinese High-end Brands of Foreign Media Attention

April 17, 2018

On April 16, with reference to the reports from March 2017 to March 2018 made by 15 foreign media such as Reuters, the Wall Street Journal, and Agence France-Presse (AFP), Cankaoxiaoxi.com implemented public opinion monitoring of many Chinese high-end brands, which were generally recognized by foreign media. From the perspectives of grades of reporting media, reporting volume, media's attitudes, and evaluation of high-end brands, it calculated the awareness and reputation of Chinese high-end brands at foreign media, and selected top 10 brands for ranking. Specifically, Haier took the third place on the list, as the only household appliance enterprise being selected.

"CITE Innovation Award" from CITE 2018

April 10, 2018

On April 9, as an annual major event of the electronic information industry with international influence -- the Sixth China Information Technology Expo (CITE 2018) was launched at the Shenzhen Convention & Exhibition Center. During the exhibition, based on its strengths of constant iterative updating, Haier UHomeOS stood out from its competitors and continued to win the "CITE Innovation Award", becoming the only IoT security operation system in the smart homes industry for winning the award.

The Prize of the 24th State-level Innovative Enterprise Management

March 29, 2018

On March 29, the "2018 Enterprise Management Innovation Conference" hosted by China Enterprise Confederation & China Enterprise Directors Association was held in Beijing. In the conference, the 24 state-level innovative enterprise management achievements were announced and Haier Group was honored with the Prize of the 24th State-level Innovative Enterprise Management.

Red Dot Award

March 22, 2018

On March 22, 2018, in the evaluation of the Red Dot Design Award 2018, Haier's Internet refrigerator XCOOK won the award based on being the only implementer of smart kitchens, making Haier lead the industry with its iterative innovation of products and technologies.

IF Product Design Award

March 22, 2018

On March 22, 2018, the list of winners of iF Product Design Award 2018 was announced and many products of Haier such as Casarte free-embedded refrigerator and Haier open-top free-cleansing washing machine won awards. With 20 awards, Haier became the winner in the global white household appliance industry and in the global refrigerator industry.

First state-level industrial Internet demonstration platform in China

February 27, 2018

On February 27, "Haier COSMOPlat State-level Industry Internet + Smart Manufacturing Integrated Application Demonstration Platform Conference" was held at Qingdao Haier University. At the conference, it was officially announced that Haier COSMOPlat was approved to be a "smart manufacturing integrated application demonstration platform based on the industrial Internet" and it is the first state-level industrial Internet demonstration platform in China.

Selected into the list of Most Influential Employers in China

February 26, 2018

FORTUNEChina.com issued the ranking of the "Most Influential Employers in China", with an aim to select the current most influential employers in China. Haier took the third place on the list.

8th place in the list of the Top 10 China's Most Innovative Enterprises in the World in 2018

February 20, 2018

On February 20, 2018, Fast Company, a globally renowned media company, issued the list of the Top 10 China's Most Innovative Enterprises in the World in 2018. Haier was listed and took the 8th place on the list. It was the third time that Haier was evaluated as one of the most innovative enterprises in the world.

Second Shandong Patent Award

February 10, 2018

In this Patent Award, a total of 18 projects with first-class prize, 21 projects with second-class prize, and 21 projects with third-class prize were selected. Specifically, the burner of Haier gas water heater Lanhuomiao received the first-class prize, while the full-range constant torque control system and method of another kind of inverter air conditioner compressor and the load distribution system and method of maglev multi-noise central air-conditioner received the second-class prize and the third-class prize respectively.

Selected into the Top 50 Chinese Global Brand Builders

February 7, 2018

Google collaborated with WPP to issue the "2018 BrandZ Top 50 Chinese Global Brand". The top enterprises in each field such as Haier were selected on behalf of the fields respectively.

The 13th "Golden Round Table" Award for Listed Company Director Board - Value Creation Award for Board of Directors

January 23, 2018

With the guidance of China Association for Public Companies, the award presentation ceremony of the Forum of the 13th "Golden Round Table" Award for China's Listed Company Director Board & Award Ceremony of Golden Round Table Award hosted by the magazine Directors & Boards, which is under the Phoenix Publishing & Media Group, was successfully held in Beijing. Qingdao Haier won the "Value Creation Award for Board of Directors".

Global Top 10 Smart Household Appliance Brands

January 10, 2018

On January 9, International Consumer Electronics Show 2018 (CES 2018) was launched in Las Vegas, USA. On January 10, the 2017-2018 award presentation ceremony of "Global Top Brands" hosted by International Data Group (IDG) was held. Haier won the award of "Global Top 10 Smart Household Appliance Brands", becoming the only awardee among the Chinese enterprises.



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