



About this Report

Anhui Conch Cement Company Limited (hereinafter referred to as “the Company” or “Company”) issues the Corporate Social Responsibility Report on a consecutive basis since the first release of the 2008 Social Responsibility Report. The Environmental, Social and Governance Report in 2023 will systematically describe the Company’s strategies, policies, measures and achievements in terms of corporate social responsibility and sustainable development in 2023.

Report Time

This report covers the information and data of the Company from 1 January 2023 to 31 December 2023 (hereinafter referred to as the “Reporting Period”).

Reporting Scope

The scope of organization of this report is defined based on the principle of materiality. As the operating revenue of overseas production bases dose not account for a significant portion, the environmental data and goals disclosed in this report do not include overseas production bases. Unless otherwise specified, other substantive contents involved in this report cover Anhui Conch Cement Company Limited and its subsidiaries, which are consistent with the disclosure scope of the annual report.

Description of References

For easy reference and reading, the following terms and expressions shall, unless the context otherwise requires, have the meanings assigned to them as follows:

Conch Cement/The Company/We The Group/We	Anhui Conch Cement Company Limited the Company and its subsidiaries
Conch Environment Protection	China Conch Environment Protection Holdings Limited
Haibo Intelligent	Anhui Haibo Intelligent Technology Co., Ltd.
Conch Zhongnan	Anhui Conch Zhongnan Intelligent Robot Co., Ltd.
Haihui Supply Chain	Anhui Haihui Supply Chain Technology Co., Ltd.
Shanghai Zhizhi	Shanghai Zhizhi Technology Co., Ltd.

Description of Data

The data set out in this report is derived from internal official documents and relevant statistics of the Group, among which the relevant data shown in the financial statements have been audited by KPMG Huazhen LLP. Unless otherwise stated in the report, all amounts are expressed in RMB.

References

This report is prepared in accordance with the Appendix C2 Environmental, Social and Governance Reporting Guide of the Listing Rules issued by the Hong Kong Stock Exchange (“HKEx”) and Guidelines No. 1 on Self-regulatory Rules of Companies Listed on the Shanghai Stock Exchange – Standard Operation (Chapter 8 Social Responsibility)” of Shanghai Stock Exchange (“SSE”), with reference to the ESG rating requirements of Morgan Stanley Capital International (MSCI) and other standards such as Corporate Social Responsibility Reporting Preparation Guide in China (CASS-ESG 5.0) of Chinese Academy of Social Sciences.

Availability of Report

The report is available on the websites of the Hong Kong Stock Exchange and the SSE and the Company’s official website. To obtain a hard copy of the report, please contact us in the following ways:

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Confirmation and Approval

The report is approved by the board of directors on March 19, 2024 after confirmation by the management.

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Dear readers, thank you for your interest in Conch Cement's 2023 Environmental, Social and Governance Report.

In 2023, Conch Cement further developed its main business, pursued excellent management, constantly explored and innovated, devoted itself to the expansion and promotion of the cement industry chain, and promoted the high-quality development of the Company. We adhered to the guidance of scientific and technological innovation, constantly strengthened the resilience of operation, and continuously enhanced the Company's core competitiveness, laying a solid foundation for the Company's long-term development.

We have always adhered to the business philosophy of "creating a living space for human beings", constantly promoted the construction of digitalization, intelligence and informatization, and continuously promoted the green transformation of cement production throughout its life cycle. We deeply integrated cutting-edge technologies and industrial development such as big data, 5G, artificial intelligence and industrial Internet, accelerated the corporate digital transformation and upgrading, and initially built an intelligent manufacturing and digital industrial cluster of the Group, contributing to building an efficient and intelligent future living space.

Driven by the national "carbon peaking and carbon neutrality" strategic goals, we strove to deeply integrate the modern cement industry with the environmental protection industry and actively led the industry's low-carbon operation practice. In 2023, we continued to promote green and low-carbon transformation, continuously strengthened greenhouse gas emission reduction and energy management by relying on intelligent means, and promoted technological transformation of energy conservation and carbon reduction. We have continuously increased investment in the exploration of clean energy and the use of alternative fuels, and promoted the transformation of the Company's energy structure. In terms of the research and development of cutting-edge green technologies, we further explored the comprehensive utilization of carbon dioxide resources based on the flue gas carbon dioxide capture and purification project for cement kilns of Baimashan Cement Plant, and implemented the first demonstration system of carbon dioxide energy storage in the global cement industry, namely "Wuhu Conch 10MW/80MWh New Carbon Dioxide Energy Storage Demonstration Project". We actively practiced the Company's green and low-carbon development strategy with practical actions and firmly followed the road of high-quality development.

Conch Cement has also continuously improved its own governance system, and deepened the construction of compliance and an honest and clean culture. We attached importance to the ESG governance and continued to strengthen communication and collaboration among all levels within the ESG governance structure. Guided by the needs of stakeholders, we constantly improved the depth and breadth of information disclosure and realized a benign interaction with all stakeholders.

We deeply understand the significance of talent construction to the development of enterprises. Adhering to the concept of "people-oriented, common development with employees", we continued to strengthen the construction of talent team, devoted ourselves to providing all-round support and guarantee for employees, strove to create an equal, diverse, inclusive and warm workplace environment, provided broad career development space and learning opportunities, and helped employees to continuously improve themselves, so as to realize the common development of talents and the Company.

As a responsible enterprise, Conch Cement has always contributed to the society and actively participated in public welfare undertakings and charitable activities while improving its economic benefits. The Company actively fulfilled its social responsibilities, highlighted its corporate responsibility, focused on the economic development of late-developing areas in western China, participated in disaster relief assistance, and helped rural revitalization. Guided by the concept of "building a community with a shared future for mankind", while serving China's major strategy of "The Belt and Road Initiative", we actively participated in overseas education, medical care, environmental protection and other fields, supported and drove local economic and social development, and achieved the harmony and win-win between the Company and localities.

In the future, we will continue to adhere to the ESG concept, maintain the general trend of pursuing progress while maintaining stability, spare no effort to seize opportunities, positively meet challenges, comprehensively enhance the ability to create comprehensive economic, social, and environmental value, and strive to build the Company into a greener, fairer and more responsible world-class enterprise with global competitiveness!

Chairman of Anhui Conch Cement Company Limited
Yang Jun

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Message from the Chairman



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About Conch Cement



2.1 Company Profile

Anhui Conch Cement Co., Ltd. was established on September 1, 1997 and listed on the market (00914.HK) in Hong Kong in October of the same year, creating a precedent for the overseas listing of the Chinese cement industry. On February 7, 2002, the Company issued shares (600585.SH) on Shanghai Stock Exchange, becoming the first A+H listed cement company in China. Adhering to the business philosophy of “creating a living space for human beings” and the development ideas of “innovation leading, digital empowerment and green transformation”, Conch Cement has built a sustainable, healthy and steady structure for high-quality development, and earned the reputation of “When it comes to cement, the world looks to China, and within China, attention turns to Conch Cement”.

Conch Cement is mainly engaged in the production and sales of cement, commercial clinker, aggregate and concrete, and always adheres to the sales policies of “direct sales as principal channel, while distribution as supplement”, “fair and equitable treatment of large and small clients to provide equal business opportunities” and “same price for same region”. While actively seeking for breakthroughs in production process and technologies, we

continue to explore the pathways to multi-industry development. In recent years, by fully combining traditional production with information technologies and intelligent tools, we constantly optimized and improved product processes and quality, and vigorously promoted innovation and digital intelligence in the building materials industry. We have also actively explored and planned the environmental protection field, and solidly promoted the synergistic development of solid and hazardous waste, sludge, fly ash and oil sludge disposal industry, responded to the call of the state and social concerns with practical actions, and insisted on improving the core competitiveness of the Group. We continue to advance our internationalization development strategies and develop our domestic and overseas market layout, and are committed to building the Company into a world-class enterprise with global competitiveness and global social responsibility. As at the end of the Reporting Period, the Group has a total of 477 subsidiaries, 13 joint ventures, 8 associated companies with controlling stake and 3 partnership enterprise in more than 20 provinces, cities, autonomous regions in China and in Indonesia, Myanmar, Laos, Cambodia, Uzbekistan and other countries.

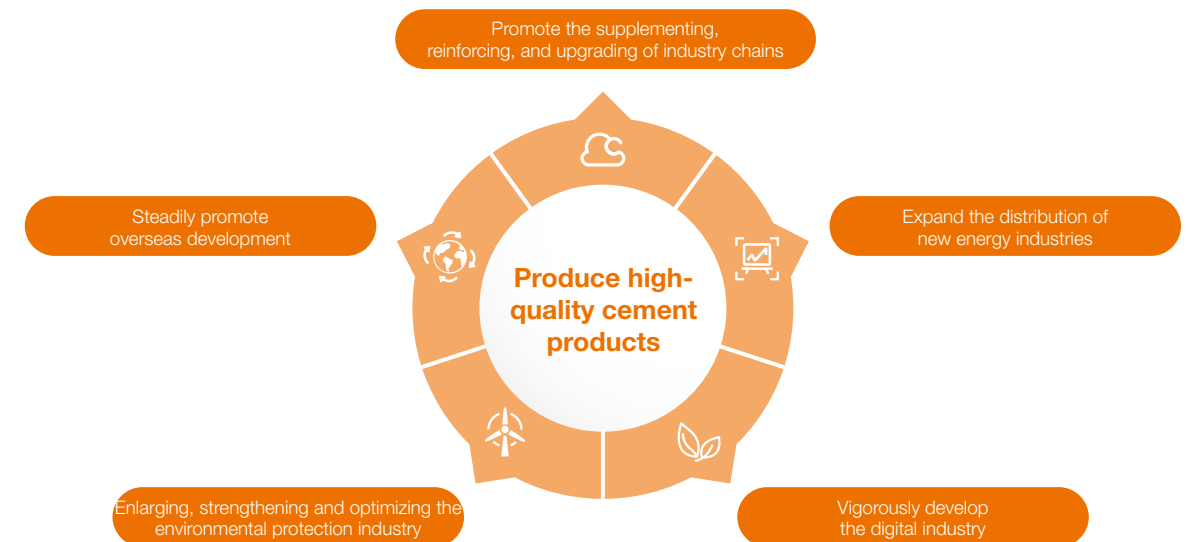
2.2 Business of the Company

2.2.1 Main Business

The Group's leading products are “Conch” Portland cement and clinker. The cement products produced by the Group for general purpose mainly include Portland cement, common Portland cement, Portland slag cement, composite Portland cement, masonry cement, etc. Moreover, the Group is able to produce sulfate-resistant Portland cement, moderate heat Portland cement, low heat Portland slag cement, road Portland cement, oil well cement, special cement for nuclear power projects and cement of other characteristics. The Group's cement products are widely used in key projects and infrastructure construction such as railways, highways, airports and water conservancy, as well as urban real estate development, rural markets and cement products.

We also produce aggregates for cement concrete and its products as well as various engineering applications, including gravel and machine-made sand with continuous and single granularity. In addition, we are capable of producing concrete of various strength classes, including impermeable concrete, frost-resistant concrete, high-strength concrete, pump concrete, mass concrete and other products with special properties, and the important raw materials required, such as cement, aggregates and admixtures, are all produced in-house, which could guarantee the stable quality of concrete products.

2.2.2 Industrial Distribution



Business Layout of Conch Cement

Conch Cement sticks to develop its main business of cement, and mainly focuses on the following areas while planning the industrial layout with the goal of producing high-quality cement products:

- 01 Promote extension, supplementation and enhancement of industry chain. Conch Cement speeds up the layout of upstream and downstream industries to realize the integrated development of cement clinker, aggregate, commercial concrete and assembled building so as to create a whole industry chain system.
- 02 Expand the layout of new energy industry. Conch Cement promotes the integrated development of power source, grid, load and storage, and is committed to building a modern energy system that is safe, efficient, clean, low-carbon and economically feasible.
- 03 Vigorously develop the digital industry. Conch Cement promotes the deep integration of intelligent manufacturing, intelligent logistics, industrial Internet and cement industry, and utilizes innovative technologies to empower traditional production, thereby contributing to the transformation and upgrading of cement industry.
- 04 Enlarge, strengthen and optimize the environmental protection industry. Conch Cement has hold the leading enterprise in industrial solid and hazardous waste disposal, Conch Environmental Protection., and solidly promotes the development of the four major industries of solid waste and hazardous water, sludge, fly ash and oil sludge disposal, and gives full play to the synergistic effect of the industry, providing support for the high-quality and sustainable development of the Group.
- 05 Steadily promote overseas development. Conch Cement strives to explore pathways towards diversified development, enhance its impact on the international brand markets, and build a world-class enterprise with global competitiveness.



2.2.3 Overview of the Company's Business Development

In 2023, in response to the complicated and severe internal and external situations, the Group endeavored to overcome the effects of adverse factors such as the intensified downturn in the industry and insufficient effective demands in the market. While focusing on the annual business objectives, the Group implemented strategies in a precise manner by taking advantages of situations in the right time, so as to stabilize the market share of its products. Based on the principle of "mainly direct supply, diverse complementarity, stabilization and high efficiency", the Group enhanced the management and control level of costs through consolidating of strategic cooperation, expanding the resources supplied directly, accelerating the use of alternative fuels and optimizing the indicators of energy consumption. The Group also strived to coordinate green development and innovation and research and development simultaneously, promote the technological improvement for energy saving and consumption reduction in an orderly manner, speed up the transformation and application of the results of the construction of Space intelligentization to constantly push forward the quality development.

In terms of development of the main business of cement, the Company actively promoted the development of project construction and continued to strengthen and optimize the main business of cement. The low-carbon reduction project of Shuicheng Conch Panjiang Company in Guizhou, Phase II project of Qingxin Cement Company in Guangdong, and the Tashkent project of Conch Holdings in Uzbekistan were successfully completed and put into operation, and the cooperation project of Conch KT Cement (Phnom Penh) Company, and Shangfeng Friendship Company in Uzbekistan was under construction in an orderly manner.

Regarding extending upstream and downstream industry chain, 12 aggregate projects including Wuhu Construction Technology and Shuangfeng Building Materials, were successfully put into production. The Company has made efforts to develop multiple fields such as new construction, mergers and acquisitions, and leasing, with 14 commercial concrete projects added in Zhangjiagang, Nantong, etc. The share of profit contribution from the Company's aggregate and commercial concrete sectors continues to rise.

With regard to digital development, the financial sharing center was fully put into service; the Baimashan Smart Factory was completed and put into operation; automatic loading robot systems were added for 51 lanes; the unmanned driving project of Tongling Conch realized the three-shift production, and the upgrading of expert operating system was completed. The digital industry cluster began to take shape, which could continuously empower the development of the main business.

In the field of new energy development, 19 photovoltaic projects in Lu'an, Chongqing and other places were connected to the grid; the Company's first photovoltaic building integration demonstration project was completed and put into operation in Zongyang Conch; construction of Fengyang photovoltaic glass project and Pingliang wind power project was commenced.

In respect of the development of environmental protection industry, 16 projects including Qingyuan hazardous solid waste of Conch Environmental Protection were completed and put into operation, with 2.287 million tons of a disposal scale added; 8 projects were successfully contracted and 1 project was acquired, thereby accelerating the development of the industry.

During the Reporting Period, the increase of the Group's clinker production capacity, cement production capacity, aggregate production capacity and commercial concrete production capacity reached 3.5 million tonnes, 7.05 million tonnes, 40.7 million tonnes and 14.3 million cubic meters respectively, and the capacity of photovoltaic power generation and power storage was 67 MW. As at the end of the Reporting Period, the Group had a clinker production capacity of 272 million tonnes, a cement production capacity of 395 million tonnes, an aggregate production capacity of 149 million tonnes, and a commercial concrete production capacity of 39.8 million cubic meters, the capacity of photovoltaic power generation and power storage was 542MW.

Business data 2023

1,410 RMB100 million Revenue ¹	136 RMB100 million Profit before taxation	71.69 RMB100 million Tax payment
1.97 RMB Basic earnings per share	104 RMB100 million Net profit attributable to parent company	

Financial indicator 2023

2,462 RMB100 million Total assets	1,853 RMB100 million Net assets attributable to the parent company	19.59% Asset-liability ratio
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Business Data of Conch Cement in 2023²



Tashkent project was completed and put into operation



Signing ceremony for strategic cooperation between Conch Cement and Kongtong District Government



Phase II project of Qingxin Cement was successfully completed and launched



Signing ceremony for strategic cooperation between Conch Cement and CIMC Vehicles

¹ Earnings from trade items are included
² Operating data are calculated and audited in accordance with the Enterprise Accounting Standards issued by the Ministry of Finance of the People's Republic of China



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Achievements in 2023



3.1 Honors and Awards



2023 Forbes China ESG Innovative Enterprise
Forbes



ESG Excellent Practice Case for Listed Companies in 2023
China Association for Public Companies



Quality Benchmarking Unit in China Building Materials Industry
China Building Materials Federation



2023 One Hundred Best Practice Cases of Chinese Listed Companies to Jointly Build the Belt and Road for the Past Decade
China Association for Public Companies



Selected into the "ESG-Pioneer 100 Index of Listed State-owned Enterprises" list in 2023
State-owned Assets Supervision and Administration Commission of State Council (SASAC)



National Outstanding Contribution Award for the 40th Anniversary of Cement Inspection Comparison
National Center of Quality Inspection and Testing on Cement



Science and Technology Prize of Building Materials
Leading Group of Building Materials Science and Technology Award Rewarding composed of China Building Materials Federation and Chinese Ceramic Society

3.2 Performance Highlights

Financial performance

The Operation revenue was RMB141 billion, the profit before taxation was RMB13.6 billion, and the tax paid was RMB7.169 billion

Practitioner of honest governance

- Development of the Anti-Bribery and Anti-Corruption Policy of Conch Cement
- 33 sessions of anti-corruption training for directors, management and employees, covering 149,000 personnel
- 0 incidents related to corruption, bribery and unfair competition

Leader in low-carbon cement industry

- All major plants passed ISO 50001 energy management system certification, with a pass rate of 100%
- The cumulative amount of alternative fuels used amounted to 2.42 million tonnes, accounting for about 8% of the coal used
- The proportion of clean energy used by the Company reached 1.12%
- Invested approximately RMB2.6 billion in energy conservation and emission reduction and about RMB721 million in new energy projects



Guardian of the green ecology

● Progress toward environmental objectives:

Greenhouse gas emission goal: carbon dioxide emission (clinker process) intensity(t CO₂/t clinker) declines by 6% in 2025 from 2020

Progress in 2023: the Company's carbon dioxide emission (clinker process) intensity (t CO₂/t clinker) declined by 1.69% in 2023 from 2020.

Energy consumption goal: comprehensive energy consumption (kg standard coal/t clinker) of clinker per unit product declines by 6% in 2025 from 2020

Progress in 2023: comprehensive energy consumption per tonne of clinker was 102.63 kg of standard coal, a decrease of about 2.1% compared with that of 104.88 kg in 2022, and a decrease of about 7.2% compared with that of the base year (110.54 kg of standard coal per tonne of clinker in 2020), and the target was accomplished ahead of schedule.

Water resources use goal: use intensity (t water consumption/t clinker) of water resources (clinker process) declines 10% in 2025 from 2020

Progress in 2023: the target to improve water conservation efficiency was achieved ahead of schedule. Each company continue to carry out water balance testing, water-use performance evaluation and water efficiency benchmarking actions of industry enterprises, formulates water conservation programs, and conducts assessment on rational use of water resources and indicator assessments so as to enhance water use efficiency.

Waste disposal goal: realize 100% compliance disposal of hazardous wastes, and 100% recycling of non-hazardous wastes

Progress in 2023: Conch Cement realized 100% compliance disposal of hazardous waste, mitigated the negative environmental impacts of waste incineration on the basis of ensuring compliance disposal of wastes, and promoted the transformation of the cement industry from "high pollution and high energy-consuming" traditional industry to an environmentally friendly one.

● Invested approximately RMB1.55 billion in technological improvement for environmental protection

● A total of 44 mines were selected into "National Green Mine List" and 39 mines were selected into "Provincial Green Mine List"

Escort for employee development

● 100% of employees received regular performance and career development appraisals
 ● The total percentage of employees receiving training reached 100%, with a total of 4,657,198 hours of training and 907,987 training sessions

● Guidelines on Employment and Gross Payroll Management in 2023 was issued, which focused on "economic efficiency" and "human resource efficiency" and giving full play to the leverage of compensation
 ● Ningguo Training Center of Conch Cement formally began the training courses

● The total annual expenditure including provident fund and enterprise annuity amounted to RMB952 million, and the social insurance coverage rate reached 100%

Demonstrator of production safety

● Guidance on Working Rules for Management Activities of Conch Cement Regional Safety and Environmental Protection Professional Groups was issued to optimize the staffing of safety and environmental protection professional groups
 ● Signing rate of Responsibility Letter for Occupational Health Objectives in Work Safety in 2023 reached 100%

● A total of RMB839.25 million was invested as safety expenses
 ● Investment in employee occupational health and safety totaled RMB180.7 million
 ● A total of 60 units were awarded the title of "Healthy Enterprise" above the county level

● Uploaded more than 940 pieces of safety training courseware through "Conch University" APP, and organized more than 2,330 safety examinations for positions up to standard
 ● Conducted 156 times of safety inspections with "no notice, no greeting, no report, no accompanying reception, straight to the grassroots level, and direct access to the scene" and tackled more than 7,800 hidden problems

● Realized unmanned driving, automated ore distribution and intelligent vehicle scheduling in mines, reduced the involvement of manpower in all aspects of mining and lowered the safety risks of mining operations

Stalwart of remarkable quality

● The proportion of localized procurement of raw materials was 100%
 ● The proportion of direct supply of material procurement was increased to 80%

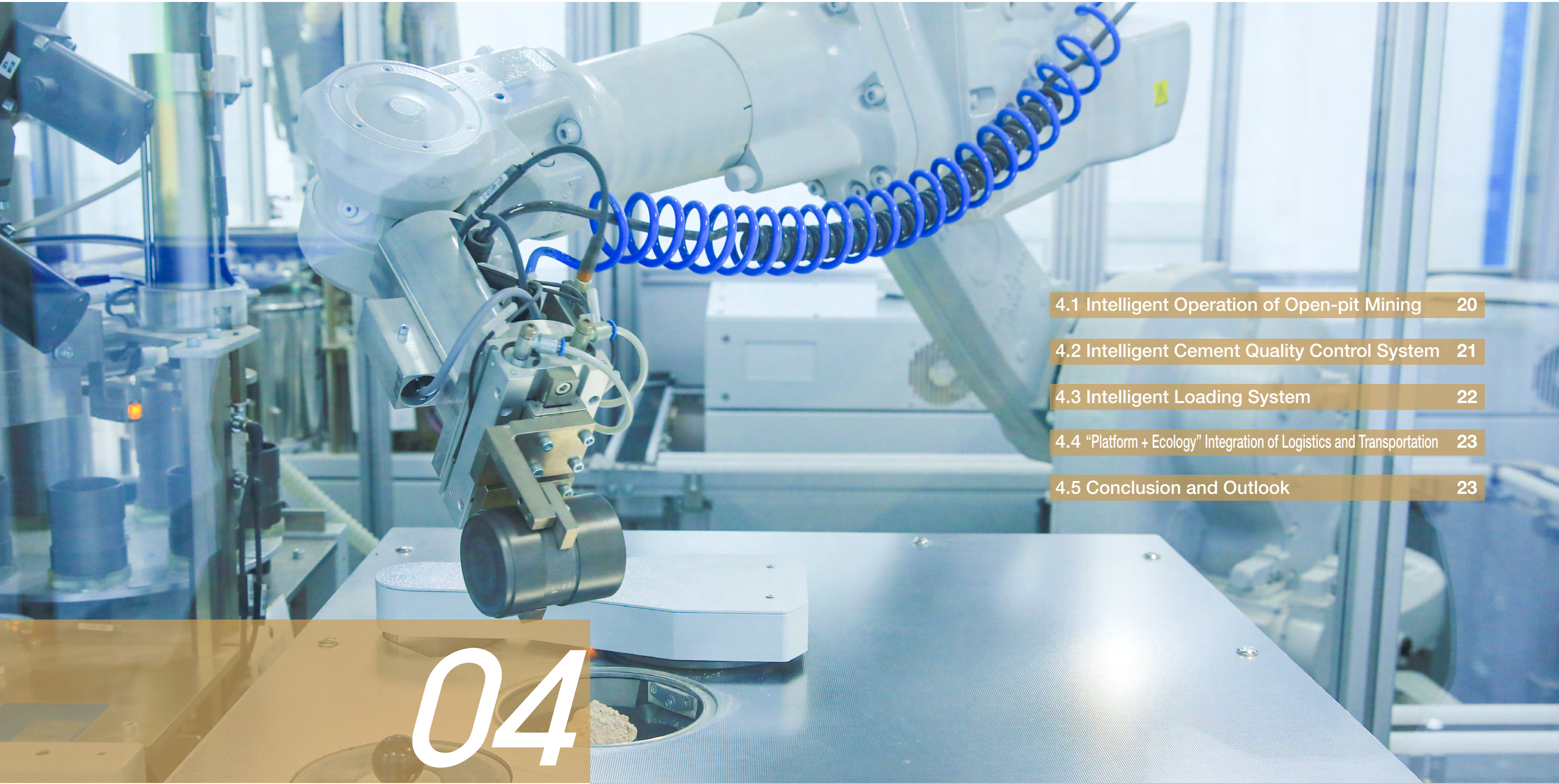
● Suppliers that have obtained ISO 14001 certification accounted for 11.53%, and the percentage of suppliers that have obtained ISO 45001 certification reached 10.15%

● 136 subsidiaries obtained ISO 9001 quality management system certification, an increase of 11 subsidiaries from last year

● The comprehensive satisfaction rate of customers reached 95% throughout the year

Promoter of co-creation and co-prosperity

● Invested a total of RMB7.8174 million to distributing the solatium and materials



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Feature Story: Accelerating “Digital & Intelligent” Transformation to Empower Green and Low-carbon Development



The digital transformation of the manufacturing industry is an objective necessity in response to the demands of the latest wave of scientific and technological innovation and the historical precedent of industrial evolution. China's 14th Five-Year Plan explicitly calls for accelerating the development of new infrastructure, such as the Industrial Internet, advancing the digital economy and fostering both the digitalization of industries and the industrialization of digital technologies. This progression is a vital step for China to elevate itself from being a major manufacturing country to a world-leading manufacturing powerhouse. Conch Cement, a one of the world's preeminent cement and building materials companies, places a high priority on digitization, intelligence, and information technology. The Company is steadfast in driving the green transformation across the entire lifecycle of cement

production. From unmanned intelligent mining and smart quality management control systems to the ecological integration of digital intelligent loading and transport platforms, Conch Cement is striving to forge a new paradigm of digital industries. By bolstering operational resilience, the Company is proactively embodying its green and low-carbon development strategy through concrete measures. In this new era of scientific and technological revolution and industrial transformation, Conch Cement champions the in-depth integration of technologies such as big data, 5G, artificial intelligence, the industrial internet with industrial development, accelerating the Company's digital transformation and upgrading, and preliminarily constructing an intelligent manufacturing within the Company and digital industry cluster.

4.1 Intelligent Operation of Open-pit Mining

In open-pit mining, Haibo Intelligent, a subsidiary of Conch Cement, is revolutionizing the way mines operate. By spearheading the research and development, along with the industrial application of unmanned driving systems for open-pit mine cars, Haibo has positioned itself at the forefront of intelligent mining operations. By harnessing cutting-edge technologies including 5G, big data, cloud computing, and artificial intelligence, Haibo has upgraded existing mine cars with sophisticated equipment such as LiDAR, millimeter wave sensors, cameras, and integrated inertial navigation, coupled with advanced algorithms in computer vision and deep learning. Thus, we have developed intelligent mining cars capable of autonomously executing the "load-transport-unload" cycle, which marked the first whole-process, domestic, and industrialized unmanned driving and intelligent mining solutions in China's open-pit mining sector. So far, the project has realized routine operation of safety officer absence and the mode has been successfully implemented in multiple mining areas,

such as Ruomao Mountain in Wuhu and Umbrella Mountain in Tongling. The Company's proprietary unmanned transport and cloud-based scheduling systems for open-pit mines have been deployed across nearly 20 mines in over ten provinces and cities, including Anhui, Guangdong, Tibet, and Shaanxi, which has achieved. This technological advancement has conferred significant labor savings of up to 30% in the transportation and maintenance operations of these mines.

Haibo Intelligent, based on unmanned mining cars's success, is vigorously advancing the development and deployment of new energy unmanned mining cars as part of its commitment to a green and low-carbon growth strategy. During the Reporting Period, the Baimashan Cement Plant, a subsidiary of the Company, put into use of new energy unmanned mining cars, achieving another breakthrough in unmanned transportation technology in the cement mining industry.

Renewable Energy Unmanned Mining Cars of Baimashan Cement Plant Officially Put into Operation

Haibo Intelligence, facing the unique mining challenges at the Baimashan Cement Plant, has implemented an unmanned forward design tailored to the environment, which offers significant benefits in terms of system integration and dramatically reduces the time required to accomplish unmanned projects, without compromising vehicle dependability. The project was launched in July 2023 and was completed in just five months, covering every process from the modeling design of mining cars, validation of technical plans, vehicles bid invitation, modifications for drive-by-wire systems, and comprehensive signal testing. The operation of this project signifies a major stride toward establishing a benchmark of digital and intelligent mine in the industry. It is anticipated to markedly enhance occupational health and safety in cement mining, while also contributing positively to the industry's transformation and upgrading. Furthermore, the Company is poised to leverage the renewable energy unmanned mining car at Baimashan Cement Plant as a fresh impetus to expedite the fusion of unmanned transport technology with digital mining infrastructures, advancing the development of eco-friendly, smart, and low-carbon mines.



Renewable Energy Unmanned Mining Cars for Open-pit Mine

4.2 Intelligent Cement Quality Control System

During the cement production process, the Company is committed to the principles of sustainable and low-carbon manufacturing, takes innovation as a strong engine for development, and prioritizes quality. We have independently developed an intelligent quality control system and complete sets of equipment for cement plant, achieving international advanced level. The system enables full automation of the cement production process including sampling, crushing, division, measurement, and testing. By establish-

ing an intelligent batching algorithm, we can automate the mixing process, enhance product quality, and optimize the utilization of resources. This approach helps achieving "zero waste discharge" in the extraction of limestone. The independently developed quality control system has been applied across 14 of our subsidiaries, including Xuancheng Conch, and we are currently promoting this system to over 100 of our subsidiary cement companies.

Xuancheng Conch Domestic Cement Intelligent Quality Control System

Shanghai Zhizhi Company affiliated to Conch Cement has developed a number of creative and advanced technical achievements by taking Xuancheng Conch as a pilot for the research and development of domestic intelligent quality control system. This system has automated the sampling analysis and batching processes, enhanced the representativeness, timeliness, and precision of the analyses, thus improving product quality: the clinker's KH pass rate has achieved 100%, CaO content in limestone has a year-over-year reduction of 0.5%, the mixing of lower-grade limestone has risen by 300,000 tons/year and the utilization of mine resources has reached an impressive 100%. The successful development of this system has accelerated the application of the domestic cement intelligent quality control system, bolstering the effectiveness and profitability of corporate quality management. This has contributed to maintaining and enhancing product quality, optimizing raw material usage, and curbing energy consumption, thereby achieving energy conservation and emission reduction. This progress aligns well with China's national strategy for intelligent manufacturing, marking significant progress towards achieving a higher level of self-reliance and excellence in science and technology. During the Reporting Period, the R&D focused on the key technologies and equipment utilized in Xuancheng Conch Cement's intelligent quality control system was awarded the 2022 Second Prize for Scientific and Technological Progress in the Building Materials Industry.

Technical Key Points and Innovations of Intelligent Quality Control System of Conch Cement



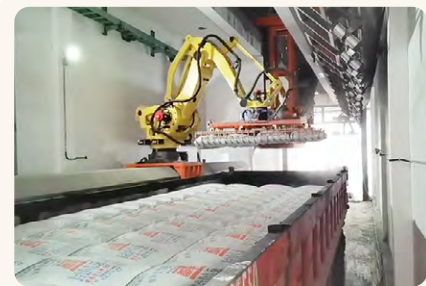
- Development of 3D storage yard model for limestone, raw coal and auxiliary materials
- Development of automatic sampling system, sample delivery system and central laboratory analysis system
- Development of automatic pulverized coal sampling system and long-distance pulverized coal sample conveying and receiving system
- Development of scheduling control system and batching control system
- Development of quality management information system



4.3 Intelligent Loading System

During the cement product loading process, the Company remains committed to advancing digitalization and intelligent innovation, and further promotes the application of new intelligent projects, so as to effectively improve the operation quality of existing loading systems and enhance production and operation efficiency, thus consolidating and enhancing the core competitiveness of the Company.

Conch Zhongnan, a subsidiary of Conch Cement, independently developed an automatic loading system for bagged cement, an automatic loading system for granular materials, a full-automatic blockage removal system, an information traceability and central control system, etc., which not only have greatly improved production efficiency but also reduced production costs. During the Reporting Period, the Company has applied 51 lane robot automatic loading systems, and the bid winning rate for automatic loading projects in the building materials industry is up to 72%.



Automatic Loading System for Bagged Cement

With the development of key equipment such as intelligent gripper and grab roller, a control software platform is built to generate the best stack type according to different vehicle models and parking positions. It can be used for multiple models and mixed loading of different products, and the loading efficiency is greater than 95t/h, realizing efficient and stable whole-process unmanned loading of bagged cement.

Automatic Loading System for Granular Materials

On the basis of automatic loading technology for bagged cement, the Company has independently developed a whole-process unmanned intelligent loading and delivery system for granular materials, which is integrated with intelligent functions such as vehicle dispatching, vehicle positioning, carriage detection and stack control, effectively improving the efficiency of bulk shipment and avoiding human interference.



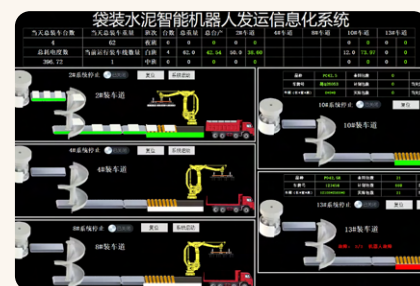
Full-automatic Blockage Removal System

Robot unblocking system is installed on raw coal, clay and other silos, as well as belt conveyor, plate feeder discharge port and other logistics channels. The system can perform the unblocking for different materials and scenarios, avoid production interruption caused by broken materials, and effectively prevent the risk of manual cleaning operation.



Whole-process Information Acquisition & Tracing and Central Centralized Control System

On the basis of data acquisition, the system visually displays the on-site loading status and equipment operation conditions through graphical methods. At the same time, it display the operation situation in key areas when aided with high-definition monitoring cameras, realizing information integrated management of packaging and shipping links. In addition, relying on the automatic alarm function of equipment, this system further accelerates the response speed to faults on site and improves the effective operation rate of equipment.



4.4 Integration of “Platform + Ecology” in Logistics and Transportation

In the transportation and sales logistics, in order to realize comprehensive control of transportation and sales and enhance product terminal competitiveness, Conch Cement closely integrates the conventional logistics with Internet technology based on the full coverage of cement e-commerce and Internet of Things for vehicle dispatching supervision. The Company empowers partners and customers in the industrial chain by building an upstream and downstream ecosystem, and creates a multi-party win-win logistics ecosystem, thus promoting industrialization, informatization and commercial innovation.

In order to implement the Guideline on Accelerating the Establishment and Improvement of a Green, Low-carbon and Circular Development Economic System issued by the State Council and the requirements of the CPC Anhui Provincial Committee and the People's Government of Anhui Province on “supporting acceleration of transformation and upgrading of traditional industries and development of advanced manufacturing industry with industrial Internet platforms”, Conch Cement is committed to further improving the circulation system for green, low-carbon and circular development. Focusing on the application and innovation goals of supply chain logistics, Haihui Supply Chain has built a Conch smart logistics supply chain platform, which, in the new mode of “Internet + Logistics”, applies digital intelligent innovation, uses advanced information technology to strengthen logistics transportation organization management and improve goods circulation efficiency, so as to remove obstacles of all parties involved in transactions. The “platform + ecology” integration has been built, with green and low-carbon transportation and sales integration as the main task and complemented with diversified businesses such as insurance, oil products, tires, finance and vehicle sales to realize the scenario of “integration of transportation and sales digitalization of business, and availability of online service”. Supporting various online and offline operation modes and visualizing the transportation process, the platform provides reliable transportation solutions for all parties involved in the transaction with the best logistics efficiency, thus building a competitive intelligent logistics system. At present, Conch Cement has realized complete online sales.

By the operation mode of green logistics, Conch Cement gives priority to electric vehicles for transportation, contributing to green and low-carbon logistics.

As of the end of the Reporting Period, Conch's intelligent logistics supply chain platform had accumulated 15,000 registered customers and 89,000 registered vehicles, achieving a total freight revenue of RMB6.9 billion. In 2023, the bidding and procurement platform of Haihui Supply Chain has issued 950 bidding announcements in total, completed bid opening for 730 projects, with a total target volume of 160 million tonnes and freight scale of RMB3.659 billion. The average freight is reduced by RMB4/ton compared with that before the platform bidding, a reduction of 11.6%, saving logistics costs of RMB640 million for customers.



Transportation Vehicles of Haihui Company

4.5 Conclusion and Outlook

The cement building material industry, as a conventional sector, to meet the requirements of economic transformation and upgrading as well as low-carbon sustainable development, must subject to in-depth transformation in terms of the extensive management and manufacturing processes in all upstream and downstream sectors including mining, production and operation, logistics and transportation, integrate the concept of green development, and achieve more refined, intensive and efficient full life cycle management through digital and intelligent methods. In 2023, the Company fully leveraged its industry-leading role. Relying on our strong cement industry network and drawing on the vigorous innovation and R&D efforts of our subsidiaries, the Company carried out industry-university-research collaboration, advanced the application of cutting-edge digital technologies, including big data, artificial intelligence, and the industrial internet, in order to drive the transformation and upgrading of the cement

industry. Thus, the Company achieved seamless integration across all aspects of the business—from raw materials, products, equipment, workshops and factories to industrial chain, supply chain, and value chain, empowering green and sustainable development, and building a new pattern of intelligent, low-carbon and environmentally friendly cement industry development. In the future, Conch Cement will continue to adhere to green, digital and intelligent transformation, actively explore the R&D and application of new technologies, innovate business models, strive to become a digital benchmarking enterprise and a green and low-carbon leading enterprise in the cement industry, promote the comprehensive integration of intelligent manufacturing and production operation, promote the quality and efficiency improvement of the cement industry, and make greater contributions to the sustainable development of the industry.



05

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Practitioner of Integrity Governance



Conch Cement has always adhered to a healthy path of corporate sustainable development. By optimizing corporate governance and deepening compliance construction, we strive to build a more transparent, efficient and sound risk management system. We abide by business ethics, thereby realizing the benign development of the enterprise.

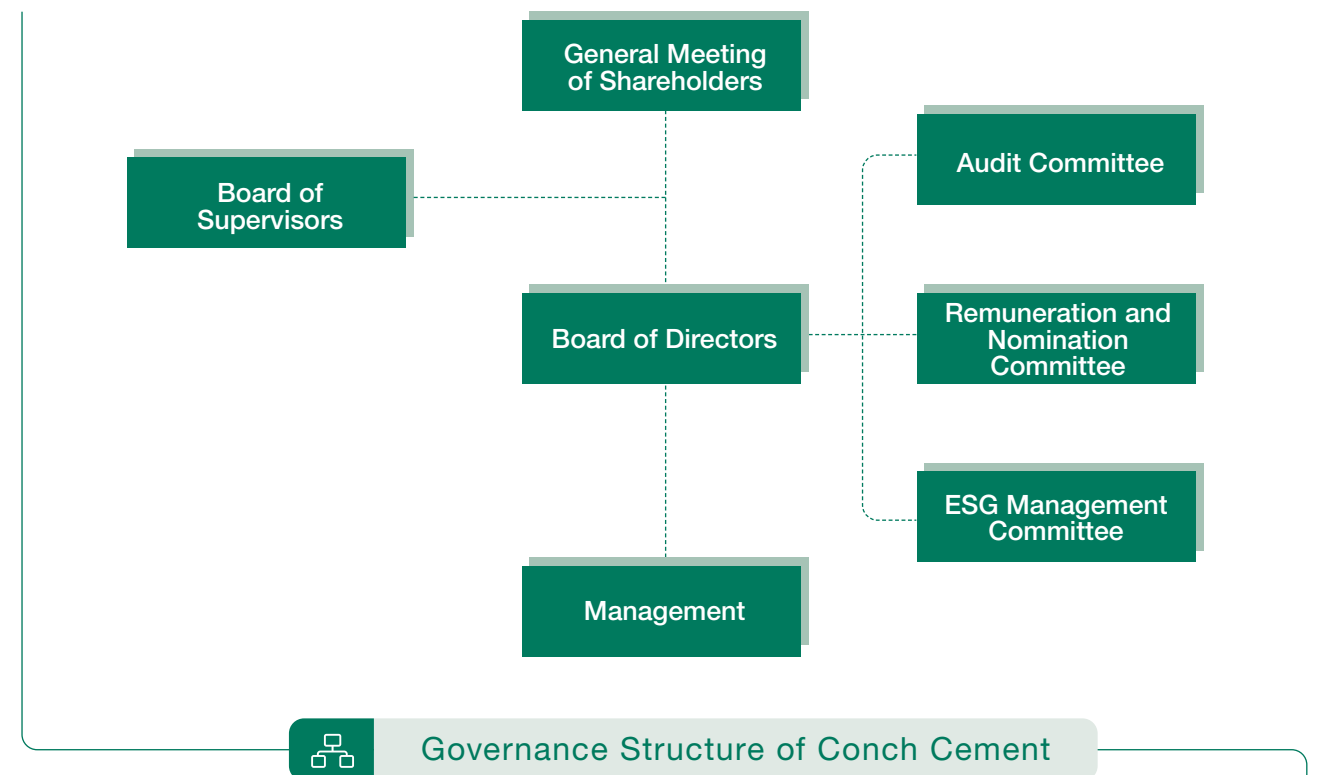
5.1 Statement of the Board of Directors

The data used in the Report are sourced from public data, relevant internal statistical statements, questionnaires and interviews, etc. of Conch Cement, and the economic data covered in the Report are consistent with the data range in annual report of Conch Cement for 2023.

Responsibility of the Board	<p>The Board has ultimate responsibility for the formulation and tracking of ESG strategies, tactics and objectives of the Group. The Group has established the ESG Management Committee, which is in charge of taking the lead in formulating and supervising the development and implementation of the Group's ESG vision, objectives, strategies and status of implementation, identifying and determining significant ESG risks, reviewing disclosures related with ESG, coordinating and monitoring the implementation of various work in relation to ESG, and making recommendations and reporting to the Board on a regular basis, with its responsibilities detailed the Functions and Powers of Environmental, Social and Governance (ESG) Management Committee of Anhui Conch Cement Company Limited.</p> <p>In addition, in light of the insignificant proportion of operating income of the overseas production bases of the Group, the environmental data and objectives disclosed in the Report do not cover the overseas production bases with the approval of the Board, and other substantive contents are consistent with the scope disclosed in the annual report.</p>
Daily Implementation	<p>During the Reporting Period, Conch Cement integrated ESG management into daily work and continuously improve its sustainability performance:</p> <ol style="list-style-type: none"> Strengthening the governance system: formulated the <i>Anti-bribery and Anti-corruption Policy of Conch Cement</i> to regulate the governance structure and internal control processes of the Company, prevent and combat bribery and corruption and safeguard the legitimate rights and interests of the Company and its shareholders. Tracking of sustainable development goals: continued to track the annual progress according to the environmental-related goals already established, and analyzed the sustainable development performance of Conch Cement. Identification of climate change risks: further identify risks, opportunities and relevant actions to address risks according to the framework of the Task Force on Climate-Related Financial Disclosures (TCFD) and the climate change risks preliminarily identified.
Risk Management	<p>The ESG Management Committee of Conch Cement is responsible for identifying, determining, managing and overseeing the significant ESG risks of the Company and providing risk analysis and decision support to the Board.</p>
Analysis of Materiality	<p>Based on communication and exchange with internal and external stakeholders, Conch Cement identifies and evaluates significant ESG risk issues to form the ESG strategies of the Group, tracks the international ESG development trend and peer performance in a timely manner, and reviews its own sustainable development performance and adjust the direction of development.</p>

5.2 Corporate Governance

Conch Cement strictly complied with the *Company Law*, domestic and overseas listing rules and other laws and regulations and relevant normative documents, as well as the requirements of the *Articles of Association of the Company* and continuously improved the corporate governance system and enhanced governance levels. The Company has established a governance structure of "Three Meetings and One Layer" (i.e. general meeting of shareholders, the Board of Directors, the Board of Supervisors and the management). Each of governance level had defined terms of reference and responsibilities and conducted independent, efficient and transparent decision-making. At the same time, the Company thoroughly implemented the concept of sustainable development and actively fulfilled its social responsibilities.



- The general meeting of shareholders is the body with the highest authority in the Company.
- The Board of Directors is the business decision-making body of the Group and is responsible to the general meeting of shareholders.
- The Board of Supervisors is a supervisory body which performs dual supervisory functions of the Board and the management, and is accountable to the General Meeting of Shareholders.
- The Board has three professional committees: the Remuneration and Nomination Committee, the Audit Committee and the ESG Management Committee. The Remuneration and Nomination Committee is mainly responsible for formulating the remuneration policy for directors and senior management of the Company and determining remuneration plans for directors and senior management, etc. The Audit Committee mainly assists the Board of Directors in its work by supervising the independence and work efficiency of the accounting firm, the Company's financial reporting procedures and the efficiency of the internal control system. The ESG Management Committee takes the lead in ESG-related matters of Conch Cement, and provides guarantee for the improvement of the ESG management system and continuous improvement of the ESG management capability, with its responsibilities detailed in the Functions and Powers of Environmental, Social and Governance (ESG) Management Committee of Anhui Conch Cement Company Limited.
- The Management is the executive unit of daily operation, which is accountable to the Board. The members of the Company's management have extensive experience in corporate management, corporate governance, risk and financial management, cement process and technology, marketing, information management and international operations and other fields.



We have formulated the Policies for Diversification of the Board and actively built a diversified board of directors. In line with the principle of promoting the steady development of the Company, we took the gender, age, culture, expertise and other factors into consideration for appointment and comprehensively considered the candidates' industry experience, professional skills and work experience. We regularly reviewed the structure, number and composition of the board of directors every year to ensure that the requirements were met. As of the end of the Reporting Period,

the board of directors of the Company consisted of 8 members, including 5 executive directors and 3 independent non-executive directors. Among them, 2 directors are female, accounting for 25%. The directors of the Company have extensive industry experience and professional attainments in risk management, financial management and other fields and can provide professional and diverse advices on corporate governance and decision-making³.

5.3 ESG Governance

In order to facilitate the deep integration of management with corporate governance, Conch Cement has established a three-level management structure of "Board of Directors – ESG Management Committee – ESG Working Group" to guarantee the decision-making, organization and execution of the Company's ESG management, thereby providing strong support for the sustainable development of the Company

Board of Directors



Take main responsibilities for the ESG management policies, strategies, goal setting, goal progress monitoring, ESG performance and other fields, bear full responsibilities for ESG reporting strategies and reports and discuss and make decisions on the suggestions and reports put forward by the ESG Management Committee.

ESG Management Committee



Take the lead in ESG-related matters of the Company, comprehensively coordinate and supervise the relevant work of the ESG Working Group, including monitoring the development and implementation of the Company's ESG vision, objectives and strategies, identifying and evaluate the Company's significant ESG risks, reviewing the Company's ESG-related policies, reports and disclosures, coordinating and supervising the implementation of various ESG-related work. The Committee puts forward suggestions and reports to the Board periodically to ensure that the Company's ESG management has been effectively implemented and continuously improved.

ESG Working Group



Responsible for the comprehensive implementation of ESG-related matters, including formulating and implementing specific work plans at all levels of ESG, identifying significant ESG risk issues and associating them with the Group's ESG strategies, visions and values, making statistics of and analyzing ESG-related data periodically and reporting work progress and results to the ESG Management Committee to ensure that the ESG management has been effectively implemented and supervised.

Conch Cement has also set ESG-related performance assessment indicators for senior management. During the Reporting Period, we further clarified the division of work for senior management personnel in the 2023 Business Performance Responsibility Letter and set performance assessment indicators related to safety and environmental protection⁴ for the Company's general manager and deputy general manager in charge of safety and environmental protection. We set performance assessment indicators related to corporate governance⁵ for the Company's secretary to the Board. Corresponding assessment target values are set for each indicator. The Company has also set up accountability and assessment

matters. For any serious adverse consequences to the Company resulting from improper handling major violations and illegal incidents, major safety and environmental protection incidents, compliance operation and management, major legal proceedings and other incidents occurred during the year, the assessment scores will be deducted accordingly and the accountability will be investigated. When the assessment period for the senior management expires, the Company shall set up an assessment and evaluation working group to conduct a comprehensive check on the completion of the goals and pay their annual performance remuneration and tenure incentive remuneration based on the assessment results.

Directors of the Company Participated in GRI Training Course

In November 2023, Mr. Zhou Xiaochuan, the Company's Executive Director and Board Secretary, was invited to attend the Forbes China ESG Innovative Enterprises Selection Summit and Award Ceremony on behalf of the Company and participated in an ESG leadership training course themed on GRI. The training explained how to incorporate SDGs into sustainability disclosures, analyzed trends, challenges, and opportunities in enterprises' SDG disclosures, and reviewed exemplary cases of SDG disclosures. After completing the training, Mr. Zhou Xiaochuan received a certificate of international recognition from GRI.



5.4 Communications with Stakeholders

Conch Cement actively maintains communication with all stakeholders to convey the operation and development trends of the Group to them in a timely manner and vigorously listens to their opinions and suggestions on the Company's business development. The category of our primary stakeholders includes customers, shareholders and investors, government and regulatory authorities, employees, suppliers, community public, business partners, media, etc. We exchange information with stakeholders through various channels including roadshows, online meetings, interviews, opinion surveys and work visits on a regular basis, and respond to their concerns to enhance their understanding of the Group's business and the overall development of the industry.

³ Mr. Li Qunfeng, the executive director of the Company, served as the chairman of the Strategy, Sustainability and Risk Management Committee of Conch Environment Protection. Mr. Qu Wenzhou, the independent non-executive director, served as the director of the Risk Management Committee of Haixia Bank. In this regard, it could be claimed that both directors have strong expertise in the field of risk management

⁴ Performance assessment indicators related to safety and environmental protection include carbon emission intensity reduction indicators, standard coal consumption reduction indicators per ton of clinker, comprehensive power consumption reduction indicators of clinker, power consumption reduction indicators for cement process, safety and environmental protection accident assessment indicators, etc.

⁵ Performance assessment indicators related to corporate governance include the number of violations of standardized governance of listed companies, the rights protection rate of litigation cases, etc.

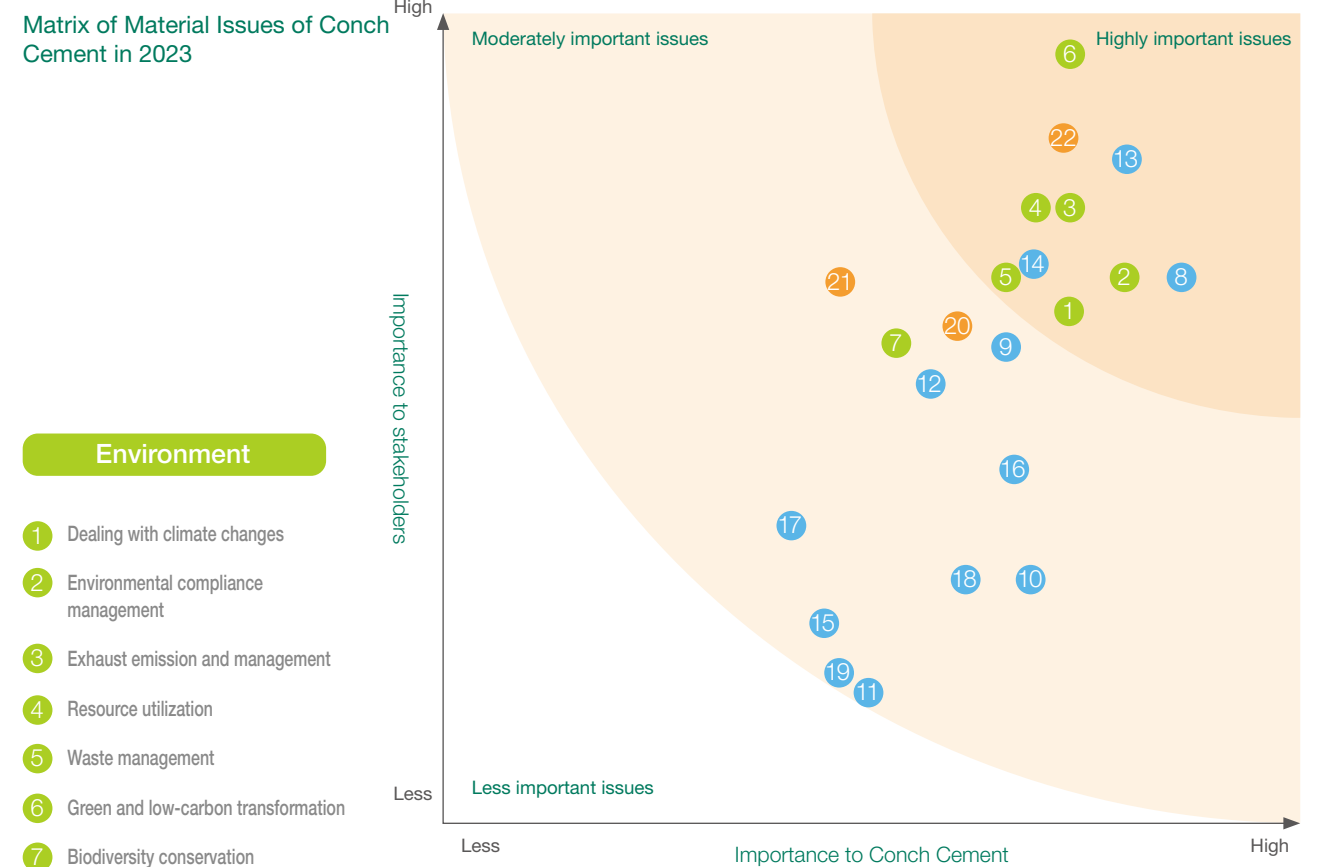


Communication with Stakeholders of Conch Cement

Identification of stakeholders	Concerned issues	Communication channels of the Company
Customers	<ul style="list-style-type: none"> Product quality and safety Customer service Responsible marketing Compliance operation Customer privacy 	<ul style="list-style-type: none"> Customer visit Market survey National customer service hotline Customer satisfaction inquiry
Shareholders and investors	<ul style="list-style-type: none"> Corporate governance Compliance operation Business ethics Dealing with climate changes Environmental compliance management Green and low-carbon transformation Product quality and safety Supply chain management Labor management Promotion of the development of cement industry 	<ul style="list-style-type: none"> Investor relations website General Meeting of Shareholders Information disclosure Letter correspondence Teleconference Web conference Reception of visitors Introduction and road show Investor hotline SSE e-interactive platform
Government/regulatory authorities	<ul style="list-style-type: none"> Dealing with climate changes Environmental compliance management Exhaust emission and management Resource utilization Waste management Occupational health and safety of employee Labor management Compliance operation Business ethics Corporate governance 	<ul style="list-style-type: none"> Institutional investigation Correspondence Policy implementation Information disclosure Training seminar
Employee	<ul style="list-style-type: none"> Occupational health and safety of employee Labor management Employee communication Employee training and development Diversification and containment Welfare guarantee 	<ul style="list-style-type: none"> Labor union Employee activity Employee survey Employee training
Suppliers	<ul style="list-style-type: none"> Supply chain management Product quality and safety 	<ul style="list-style-type: none"> Supplier evaluation Supplier communication and training
Community public	<ul style="list-style-type: none"> Charity and community investment Product quality and safety Environmental compliance management Waste management Biodiversity conservation 	<ul style="list-style-type: none"> Voluntary service Community activity
Business partner	<ul style="list-style-type: none"> Product quality and safety Protection of intellectual property Promotion of the development of cement industry 	<ul style="list-style-type: none"> Industry exchange conference Enterprise panel
Media	<ul style="list-style-type: none"> Green and low-carbon transformation Promotion of the development of cement industry 	<ul style="list-style-type: none"> Media communication and interview Performance conference

5.5 Analysis of Major Issues

During the Reporting Period, we fully understood the opinions and expectations of stakeholders on the Group's environmental, social and governance issues, and accordingly updated the matrix of major issues. We also included the issues that have significant impacts on the Group's sustainability in the key focus areas, which are detailed in the Report. During the Reporting Period, we identified 10 issues of high importance and 12 issues of moderate importance.





5.6 Business Ethics

The Company attaches great importance to anti-corruption and the construction of integrity-based culture, strictly abides by laws and regulations related to anti-corruption and business ethics, adheres to the business philosophy of integrity, honesty and compliance and strengthens the standardization, institutionalization and systematic construction of anti-corruption, anti-monopoly and anti-unfair competition.

5.6.1 System Safeguard

The Company formulated the Working Rules of the CPC Anhui Conch Cement Discipline Inspection Committee (Trial), the Interim Measures for the Acceptance and Handling of Whistle-blowing via Petition Letters for Discipline Supervision of Conch Cement, Implementation Measures for Strengthening Daily Supervision of Key Areas and Key Links, the "Twenty Prohibitions" on Honest Employment for Party Members, Cadres and Employees in Conch Cement and other systems, which specified regulations on ethical business conduct. During the Reporting Period, we formulated the Anti-Bribery and Anti-Corruption Policy of Conch Cement, which clearly stipulated the key areas of focus, requirements and management mechanisms for anti-bribery and anti-corruption. This policy is applicable to all employees of Conch Cement (including all full-time employees who have signed labor contracts with the Company, part-time employees (if any), members of the Board, members of the Board of Supervisors and senior management). Meanwhile, we required suppliers, customers, contractors and other stakeholders of Conch Cement to comply with the relevant provisions of this policy and enter into Integrity Construction Agreement while signing business contracts with stakeholders.

In order to ensure the effective implementation of anti-bribery and anti-corruption, the Company has established a supervision mechanism involving the participation of the Board of Directors, the Board of Supervisors and senior management. During the Reporting Period, we included the business ethics of employees in the audit scope and established a complete management and supervision mechanism, which required the discipline inspection department, audit department, legal department and other departments to work in a collaborative way, so as to promptly identify and respond to potential bribery and corruption risks and implement various systems and requirements. In 2023, in order to ensure that the responsibility of comprehensively and strictly governing the party have been effectively performed, the Company entered into 220 copies of main responsibility letters for building a clean and honest party, 220 copies of supervisory responsibility letter and 480 copies of commitment for honest employment with grassroots party organizations, leaders of disciplinary inspection leaders and other team members with 100% of signing the integrity responsibility letters and commitment letters.

The Company Held A Meeting on Discipline Inspection Work and Performance and Integrity Reporting by Secretaries of Subsidiary Discipline Inspection Commissions

During the Reporting Period, the Discipline Inspection Commission of the Company organized the 2023 Meeting on Discipline Inspection Work and Performance and Integrity Reporting by Secretaries of Discipline Inspection Commissions of Subsidiaries to systematically plan the annual discipline inspection tasks, and discussed at the meeting and issued the Key Points of 2023 Discipline Inspection Work of Anhui Conch Cement Company Limited. The document outlines 24 tasks in eight main aspects for the annual discipline inspection work and sets the direction for the year's work on party conduct, clean governance and anti-corruption, so as to ensure smooth progress of all tasks.

During the Reporting Period, the Discipline Inspection Commission of Conch Cement conducted supervision and inspection of key areas and aspects at 38 subsidiaries in 10 regions, produced 45 supervision and inspection reports of various types, identifying 206 issues related to "correcting deviations, plugging loopholes and preventing risks", and put forward 148 suggestions. The Commission also conducted special supervision of new business companies to advance internal and risk controls, promoted the integration of the "critical supervision" framework, with the Supervision Committee Director being the main person in charge of Conch Cement, and held three work meetings during this period to urge the revision and improvement of professional management systems, thereby transforming the supervision and inspection results into compliance and governance efficiency.

The Company did not have any lawsuits in relation to corruption, bribery and unfair competition during the Reporting Period.

5.6.2 Integrity-Based Culture

We regularly carried out promotion activities on integrity-based culture through on-site presentations, online training, online testing and other forms to educate and train all full-time and part-time employees on integrity, thereby continuously building the integrity-based culture.

Conducting Education and Training on Honest Employment

In 2023, in line with the requirements of the Anti-Bribery and Anti-Corruption Policy of Conch Cement, we carried out integrity education and training for all full-time and part-time employees as well as contractors regularly through a variety of channels such as company meetings, on-site inspections, and Clean Governance Culture Month, using both online and offline methods. A total of 33 sessions of education and training on clean governance were conducted, reaching a cumulative number of 149,000 participants, achieving full coverage of clean governance education. These training sessions aimed to create a strong ethos of valuing integrity and rejecting corruption, thereby further strengthening the awareness of integrity among the Company's employees and contractors.

The Second "Month for Construction of Party Conduct and Clean Government" Activity

In 2023, the Discipline Inspection Commission of Conch Cement conducted the second "Month for Construction of Party Conduct and Clean Government" activity throughout the Company. It was themed "Learn and Comprehend from the 20th National Congress of the CPC, and Maintain Integrity and Original Aspiration", and consisted of five activities of "promoting integrity awareness, using cases as warnings, discussing integrity at the grassroots level, establishing integrity abroad, and conducting integrity inspections". To ensure effectiveness of the activity, the Discipline Inspection Commission of the Company strengthened process supervision and deepened follow-ups at subsidiaries, and party organizations at all levels organized meticulously with full employee participation, thus achieving significant results.



Promoting integrity awareness



Using cases as warnings



Discussing integrity at the grassroots level



Establishing integrity abroad



Conducting integrity inspections



5.6.3 Reporting Channels

The Group has formulated the *Measures for the Administration of Discipline Inspection and Supervision Letters and Visits* and the *Detailed Rules for Supervision, Discipline and Law Enforcement (Trail)*, which clearly stipulated the details of complaints and reports, handling procedures and protection of informer in anti-corruption, and are applicable to all employees, customers, partners, suppliers, engineering contractors, and other related parties. The Group encourages all parties to feedback and report all behaviors that violate the business ethics standards in a timely way. During the Reporting Period, we formulated the *Interim Measures for the Acceptance and Handling of Whistle-blowing via Petition Letters for Discipline Supervision of Conch Cement*, which further stipulated the investigation process of clues.

The Company has built a smooth reporting channel and conducted investigation and verification of clues received in the principle of "hierarchical responsibility and assigning tasks to dedicated office and personnel", and dealt with violations in strict accordance with relevant regulations. In 2023, all reports were settled within the prescribed time limit with 100% of the settlement rate.

We have established a sound informer protection mechanism, so as to firmly guarantee the privacy and security of each informer and ensure that the responsible personnel strictly keeps the personal information and report content of informers confidential. For any retaliatory actions against informers, the Company will deal seriously and make every effort to protect the legitimate rights and interests of informers.

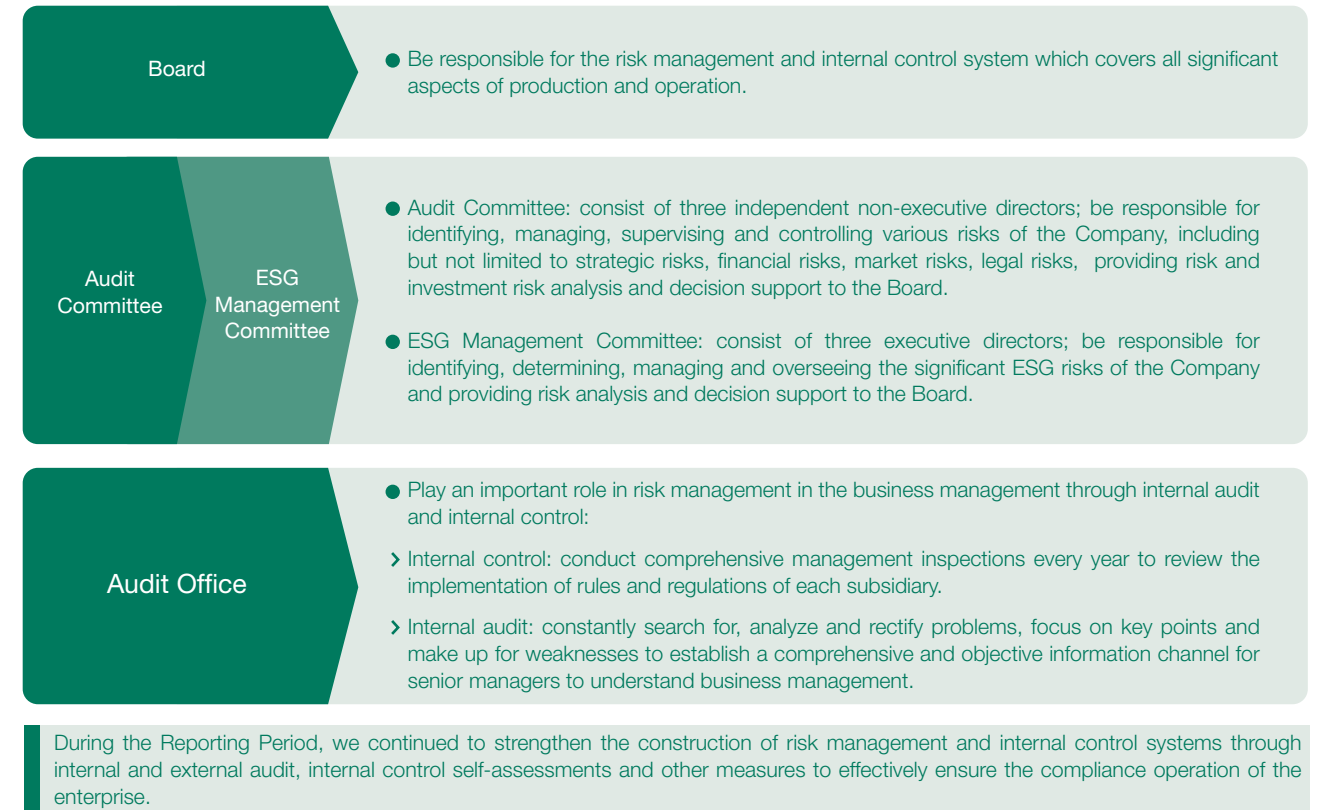
5.7 Risk Management and Control

Conch Cement has formulated policies and systems such as the *Measures for Evaluation and Management of Internal Control of Anhui Conch Cement Company Limited*, the *Measures for the Construction and Administration of Internal Control System of Anhui Conch Cement Company Limited* in strict accordance with the *Audit Law of the People's Republic of China*, the *Regulations for the Implementation of the Audit Law of the People's Republic of China*, the *National Auditing Standards of the People's Republic of China*, No. 2205 *Specific Internal Audit Standard-Economic Responsibility Audit and Provisions on the Economic Responsibility Audit of Major Leading Cadres of the Party and Government and Major Leaders of State-owned Enterprises and Public Institutions* and relevant laws and regulations where it operates, which strengthened the supervision on business process.

The Board of the Group undertakes the most part of responsibility for risk management and control and sets up an audit committee and an ESG management committee. The Group assures the operational stability and the effectiveness of risk control of the enterprise through internal audit and internal control measures. During the Reporting Period, the Company optimized and adjusted the responsibility structure of each department based on the establishment of the organization and the delegation of authority of each department. The Company added a total of 173 new articles of responsibilities, deleted and reduced 9 articles of responsibilities and optimized 96 articles of responsibilities, which further clarified the responsibilities and functions of the headquarters, regional companies and subsidiaries.



Risk Management and Control Structure of Conch Cement



Risk Management and Control Measures of Conch Cement in 2023

Implementing Internal Control Management, Verification and Rectification

- The Company issued the Key Points for Internal Control Management to systematically arrange the annual internal control tasks and urged subsidiaries to promptly develop their annual implementation plans, thoroughly update their related materials, organize routine verification, and implement defect rectification. The results of internal control operations were collected and analyzed quarterly, resulting in three verification inspection reports.
- The Company issued and implemented the annual internal control self-assessment work plan to assess the effectiveness of its internal controls, resulting in an annual internal control self-assessment report for the Company. Improvement measures were established for internal control defects identified during the self-assessment, and rectifications were urged. By promoting improvements through inspections and reinforcing building through improvements, the Company has continuously solidified its management foundation, thus enhancing its capacity to prevent and mitigate significant risks and promoting its sustained, healthy, stable, and high-quality development.

Advancing the Development of the Internal Control System and Expanding the Coverage of Internal Control Management

- The Company implemented key points of annual internal control management and the annual internal control self-assessment work plan, and urged and guided the development of internal control systems for 25 newly acquired or newly established companies in operation for over a year, as well as Conch Environment Protection.

Adhering to the Integration of Auditing and Internal Control Verification to Strengthen the Internal Control Management Link

- Focusing on important business units, major business matters, and high-risk areas, the Company promptly identified management deficiencies in the operation of internal controls, such as incomplete systems, imperfect policies, and unclear processes. Throughout the year, 77 internal control issues were listed in the audit reports of 33 companies and subsequently incorporated into the audit rectification supervision.
- Throughout the year, 55 audit projects were completed, revealing 1,033 audit issues and involving 225 people in accountability and assessment. The rectification completion rate reached 99.63% for audit issues and 99.9% for comprehensive inspection issues before their deadlines.



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06

Leader of Low-carbon Cement



As a leading enterprise in the industry, Conch Cement has fully implemented the national strategy of “carbon peaking and carbon neutrality” and the relevant national policies and arrangements, actively responded to the challenges brought by global climate change, and carried out energy-saving and carbon-reducing actions in an all-round way, striving to promote the cement industry to reduce carbon emissions and contributing to the temperature goal set by the Paris Agreement.

6.1 Low-carbon Development

6.1.1 “Carbon Peaking and Carbon Neutrality” Planning

As a benchmark enterprise in the cement industry, Conch Cement has always adhered to the concept of green and low-carbon development and promoted the decoupling of the economy and climate impacts. During the Reporting Period, we continuously improved the internal management system and the system structure, strengthened the management of greenhouse gas emissions, and continuously tracked the completion of greenhouse gas emission reduction goals.

Greenhouse gas emission reduction goals

The carbon dioxide emission (clinker process) intensity (tCO₂/t clinker) declines by 6% by 2025 from 2020



Goal Progress in 2023

As of the end of the Reporting Period, the Company’s carbon dioxide emission (clinker process) intensity (t CO₂/t clinker) decreased by 1.69% compared to 2020.

The main greenhouse gas emissions in the cement industry come from the direct emission caused by the carbonate decomposition during the cement clinker production, non-fuel carbon calcination in raw limestone, fossil fuel combustion and the indirect emissions caused by electricity consumption. Since the limestone raw materials for producing cement cannot be replaced so far, carbon emission reduction in the cement industry has a long way to go. In order to promote the early achievement of carbon neutrality in cement industry, we have formulated our own development path of carbon neutrality.

Conch Cement’s Development Pathway of Green and Carbon Neutrality

<p>Establish and improve the carbon emission management system</p> <ul style="list-style-type: none"> Establish and improve a three-level carbon emission management system comprising the “headquarters, regional departments and subsidiaries”, improve carbon emission-related policies, conduct research and development and application of the material balance system, acquire Zhongtan Company, improve the carbon trading management system by using digitizing and informatization technologies, and strengthen the management of carbon assets such as carbon inventory and carbon trading. 	<p>Comprehensive application of the waste heat power generation technology</p> <ul style="list-style-type: none"> All the subordinate factories are equipped with waste heat power generation equipment, which can meet 1/3 of the electricity demand for production and reduce the carbon emissions caused by the purchased electricity. 	<p>Implement energy-saving and consumption-reducing technical transformation of production lines</p> <ul style="list-style-type: none"> Vigorously implement the comprehensive energy efficiency improvement and energy-saving technical transformation of production lines, optimize coal power consumption indicators, increase the hourly output of a machine, and reduce carbon emissions from the source. 	<p>Promote the use of clean energy</p> <ul style="list-style-type: none"> Use clean energy such as solar energy and wind energy to replace thermal power generation, promote the optimization and transformation of energy structure, and reduce the carbon emissions generated by the purchased electricity. 	<p>Promote the use of alternative fuels</p> <ul style="list-style-type: none"> Use rubber particles, biomass fuel, refuse derived fuels (RDF) and other calorific value fuels to replace traditional fossil fuels to reduce fuel-based carbon emissions.
<p>Use energy-saving materials</p> <ul style="list-style-type: none"> Use energy-saving materials such as coal-fired accelerators, raw material mineralizer and cement grinding aids to reduce the energy consumption in the production process and indirectly reduce carbon emissions. 	<p>Research and develop low-carbon cement products</p> <ul style="list-style-type: none"> Optimize the production process, adopt industrial solid waste such as steel slag, mineral waste residue and fly ash to replace raw materials according to local conditions, develop and utilize the technology of replacing clinker with active materials such as blast furnace slag and fly ash, to prepare high-performance composite low-carbon cement products with low clinker consumption. 	<p>CCUS technology</p> <ul style="list-style-type: none"> Capture, purify, and utilization of carbon dioxide from cement production. 	<p>Develop forest carbon sinks</p> <ul style="list-style-type: none"> Build “green plants”, “green mines” and “green supply chains”; carry out extensive afforestation in the plants and mine areas; actively develop carbon sinks. 	<p>Advocate green office and green travel</p> <ul style="list-style-type: none"> Advocate the choice of green and low-carbon transportation modes, implement paperless office and save electricity for production and living.





6.1.2 Greenhouse Gas Emission

Greenhouse Gas Emission of Conch Cement

Greenhouse gas emission	Unit	2023
Scope-I greenhouse gas emission ⁶	tCO ₂	175,889,434
Scope-II greenhouse gas emission ⁷	tCO ₂	7,889,128
Total greenhouse gas emission (Scope I + Scope II)	tCO ₂	183,778,562
Greenhouse gas emission per unit clinker (clinker process)	tCO ₂ /t clinker	0.8270
Greenhouse gas emission per unit operation revenue	tCO ₂ /RMB100 million	130,339

6.2 Green Manufacturing

Conch Cement has regarded green and low-carbon transformation as the only way for the Company's sustainable development, vigorously implemented energy-saving and consumption-reducing technical transformation, promoted the optimization and adjustment of energy structure, realized the resource utilization of carbon dioxide through CCUS and other technologies, advocated a low-carbon and environmentally-friendly working lifestyle, continuously promoted greenhouse gas emission reduction, and been committed to promoting the green, healthy and sustainable development of the entire cement industry.

During the Reporting Period, the Group invested approximately RMB2.6 billion in energy conservation and emission reduction and approximately RMB721 million in renewable energy projects.

6.2.1 Energy Efficiency Management

Fossil fuel combustion and electricity consumption are the main sources of greenhouse gas emissions in the cement industry, so reducing energy consumption, improving energy efficiency and using clean energy have become our main ways to carbon reduction. We followed the internal energy management system, formulated the energy efficiency improvement goal, and urged all departments to work together to achieve the low-carbon goal.

As of the end of the Reporting Period, all the major factories of the Group have passed the ISO 50001 energy management system certification, with a passing rate of 100%. We regularly carried

out system reviews covering all certified factories, supervised the effective operation of the energy management system, analyzed the current situation gap and continuously improved the energy management system. During the Reporting Period, we carried out a series of energy management system audits, including third-party external audit, routine internal audit and special audit of the Company, etc., to reveal the existing issues in time and put forward improvement suggestions to ensure the effective operation of the energy management system.

⁶ The greenhouse gas emission (Scope I) is calculated in accordance with the GHG Protocol issued by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), the 2006 IPCC Guidelines for National Greenhouse Gas Inventories issued by the Intergovernmental Panel on Climate Change (IPCC), the Calculation Methods and Guidelines on Greenhouse Gas Emissions Accounting for the Cement Industry in China, etc. Scope-I greenhouse gas emission mainly comes from substances such as coal, diesel, gasoline, natural gas, liquefied petroleum gas and coal gangue.

⁷ The greenhouse gas emission (Scope-II) is calculated in accordance with the 2012 Baseline Emission Factors for Regional Power Grids in China. Scope-II greenhouse gas emission mainly comes from power outsourcing.

Consumption reduction goal for 2023

The standard coal consumption per ton of clinker decrease by 1 kg, the comprehensive power consumption per ton of clinker decrease by 1 kWh, and the power consumption per ton of cement process decrease by 0.5 kWh.

Energy efficiency improvement goal

The energy consumption (clinker process) intensity (kg of standard coal/t clinker) declines by 6% by 2025 from 2020.



Goal Progress in 2023

As of the end of the Reporting Period, Conch Cement's comprehensive energy consumption per ton of clinker was 102.63 kg of standard coal, a decrease of about 2.1% as compared with 104.88 kg of standard coal for the comprehensive energy consumption per ton of clinker in 2022, and a decrease of about 7.2% as compared with that of the base year (in 2020, the comprehensive energy consumption per ton of clinker was 110.54 kg of standard coal). We have achieved the goal of "reducing the comprehensive energy consumption per unit product of clinker process by 6% in 2025 as compared with 2020" ahead of schedule. The Company will continue to update the energy consumption intensity goal every year in combination with relevant national policies and development plans.

We standardize the management of the indicator appraisal and statistical accounting of raw coal entering the factory in strict accordance with the *Interim Measures for the Administration of Statistical Accounting and Internal Assessment of Raw Coal* to control the total energy consumption of the Group. During the Reporting Period, the Group's standard coal consumption decreased by 2.47kg/t, the comprehensive power consumption of clinker decreased by 2.04kWh/t and the power consumption of cement process decreased by 1.30kWh/t as compared with last year.

Energy Use of Conch Cement

Energy use	Unit	2023
Direct energy consumption ⁸	10,000 tonnes of standard coal	2,344.60
	10,000 MWh	19,077
Indirect energy consumption	10,000 tonnes of standard coal	166.47
	10,000 MWh	1,355
Total energy consumption	10,000 tonnes of standard coal	2,511.07
	10,000 MWh	20,432
Energy consumption per unit clinker (clinker process)	kg of standard coal/t clinker	102.63
	MWh/t clinker	0.835
Energy consumption per unit operation revenue	10,000 tonnes of standard coal/RMB100 million	1.78
	10,000 MWh/RMB100 million	14.49

⁸ The energy consumption is calculated in accordance with the General Principles for Calculation of Total Production Energy Consumption (GB2589-2020) and other national standards.



6.2.2 Energy-saving Transformation of Equipment

In order to reduce the greenhouse gas emissions in the production process as much as possible, the Company gives priority to energy consumption indicators when evaluating various new projects, and actively applies the most advanced energy-saving and consumption-reducing technologies and equipment. At the same time, we also actively carry out energy efficiency improvement and transformation on existing production equipment, improve production efficiency, and reduce energy consumption, so as to achieve low-carbon development.

Improvement and transformation of energy efficiency of equipment

During the Reporting Period, we completed the comprehensive energy efficiency improvement and transformation of 17 production lines in total.

Renovation and upgrading of preheaters:

We upgraded and transformed the five-stage preheaters to the six-stage and preheaters of 13 production lines. After the transformation, the standard coal consumption of clinker decreased by 8.2kg/t and the comprehensive power consumption decreased by 4.5 kWh/t, with the energy consumption of clinker reaching the indicator of Grade 1 energy labels.

Technical transformation of roller presses:

We completed the technical transformation of four cement mill addition roller presses, and the power consumption of cement mills decreased by more than 6kWh/t after transformation. In addition, we transformed the raw material mill roller presses.

Upgrade of grate cooler system:

We implemented the iterative upgrading of grate cooler system, improved the heat exchange effect of clinker, and raised the air temperature into the kiln, reducing the standard coal consumption by about 1kg/t.

Transformation of desulfurization circulating pump:

We completed the transformation of low-voltage frequency conversion of desulfurization circulating pumps of 21 production lines of 7 companies, such as Digang, and the comprehensive power consumption of clinker decreased by more than 0.15 kWh/t.

6.2.3 Coal-fired Acceleration Technology

Conch Cement actively promotes the application of coal-fired acceleration technology to improve the use efficiency of fossil fuels. During the Reporting Period, we promoted the use of coal-fired accelerators in 65 production lines within 44 units, and promoted the use of melting accelerators in 11 production lines within 8 units. On the whole, we achieved coal saving effects to various extents, and the standard coal consumption per ton of clinker decreased by about 2.2kg on average during the use period.

6.2.4 Alternative Fuels

In order to promote the optimization of energy structure, the Company has continued to promote the use of alternative fuels in combination with its own professional advantages. During the Reporting Period, we carried out alternative fuel projects such as biomass alternative fuel, refuse derived fuels (RDF) and waste oil according to local conditions to replace fossil fuels and reduce the carbon emission intensity of cement production. The Company has also continued to promote the research on cement kiln co-disposal of domestic waste technology optimization (CKK), cement kiln co-disposal of solid waste/hazardous waste and pre-treatment technology (CHPS), and cement kiln co-incineration of fly ash technology (CADS), so as to improve the use ratio of waste alternative fuels and the stability of co-disposal.

At the same time, in combination with the situation of various energy-containing waste resources around each subsidiary, we encouraged each subsidiary to comprehensively utilize various resources such as rag strips, biomass fuel, RDF, waste rubber derivatives, etc., to expand the use of alternative fuels. As of the end of the Reporting Period, we have completed the construction of alternative fuel projects in 10 subsidiaries and advanced the technological improvement of alternative fuels in 17 subsidiaries in an orderly manner. A total of 53 companies of Conch Cement used alternative fuels, and the total consumption of alternative fuels reached 2.42 million tons, accounting for about 8% of the coal consumption.

In addition, the Company has set a target for the use of alternative fuels with the plan of the percentage of alternative fuels to raw coal reaching 15% by 2030.

Goal of alternative fuels

The alternative fuels reached 15% by 2030.



The Company's senior executives went to South Korea to exchange experience in using alternative fuels with Korean cement enterprises

In October 2023, Mr. Li Qunfeng, the general manager of the Company, led a team to come to Korean Ssangyong Cement Company and Xingxin Cement Company to conduct survey in order to learn from the advanced experience of international peer companies in the fields of alternative fuels and carbon emission reduction. The two parties had an in-depth exchange on the current situation of China-Korea cement industry, import and export trade, especially the use of alternative fuels and carbon trading in Korea. The research team also visited the Xingxin Cement Factory and learned about the basic situation of the factory, the operational effects of technological improvement in respect of alternative fuels of cement kiln and the practical application of CCUS.



Conduct conversations and exchanges



Visit the factory

6.2.5 Development and Use of Clean Energy

While improving the energy efficiency, the Company has invested heavily in the construction of clean energy projects, covering photovoltaic, wind power, biomass power generation and other clean energy technologies, to optimize the energy use structure and increase the proportion of clean energy use. As of the end of the Reporting Period, the Company's clean energy use accounted for 1.12%.

During the Reporting Period, the Company added 19 new photovoltaic power station projects, including Zongyang Conch, Chongqing Conch and Tongling Conch Phase II, which were connected to the grid, with a grid-connected capacity of 67MW, and built 105 photovoltaic power stations and 5 energy storage

power stations, with a installed capacity of 542MW in operation of photovoltaic and storage power generation, which issued a cumulative total of 429 million kWh of electricity in the whole year, and reduced a cumulative total of 24 tons of carbon dioxide. While building internal distributed photovoltaic power generation projects, we actively deployed centralized photovoltaic power generation projects. At present, centralized photovoltaic power stations such as Guangdong Qingxin 200MW and Yingde 100MW are under active preparation.

At the same time, we actively developed wind power and biomass power generation technologies to help low-carbon development.





Zongyang BIPV Photovoltaic Demonstration Project

The Zongyang BIPV photovoltaic project was officially started in February 2023 and has been connected to the grid for power generation in July 2023, with a total installed capacity of 4.56MW. The project adopts the BIPV flexible photovoltaic module scheme, reasonably utilizes the lighting resources of the arc-shaped raw material storage shed of Zongyang Conch, fully integrates photovoltaic power generation with the original buildings, and has the functions of power generation, decoration, thermal insulation and waterproof, so as to realize the effective complementarity between building energy conservation and photovoltaic power generation. It can provide nearly 4 million kWh of green electricity every year, which turned buildings from energy consumers to be energy producers.

Zongyang BIPV Photovoltaic Demonstration Project



Gansu Pingliang 100MW Wind Power Project



On March 27, 2023, the Company commenced the construction of the Kongtong District Xiamen Phase I 50MW Wind Power Project in Pingliang City, Gansu Province. The project intended to build 10 wind turbine units with a single unit capacity of 5MW, which was the first external new wind power project of the Company. The project can provide more than 90 million kWh of green electricity per year, save nearly 30,000 tons of standard coal per year and reduce carbon dioxide emissions by approximately 50,000 tons per year, which will bring good economic and social benefits.

Wind Turbine of Pingliang Wind Power Project

Hydrogen-blended Combustion Experiment Project of Digang Conch

Conch Cement actively tackled new ways to produce and use hydrogen in the cement industry, and completed the hydrogen-blended combustion experiment project of 2,500 tons/day clinker production line of Digang Conch. By incorporating hydrogen, Conch Cement can effectively reduce the use of traditional coal, improve air quality and promote the development of clean energy.

Hydrogen-blended Combustion Experiment Project of Digang Conch



6.2.6 Carbon Capture, Utilization and Storage (CCUS)

The Company recognizes that carbon dioxide capture, conversion and utilization technology is one of the important ways to achieve carbon neutrality. During the Reporting Period, we continued to strengthen the scientific and technological innovation of related technologies, and jointly carried out research and development and application of carbon dioxide conversion and utilization technologies with universities and research institutes such as Wuhan University of Technology and Northwest A&F University. We have carried out a number of carbon dioxide conversion and utilization technology projects and achieved phased results.

10MW/80MWh New Carbon Dioxide Energy Storage Demonstration Project of Wuhu Conch

Conch Cement implemented the "10MW/80MWh New Carbon Dioxide Energy Storage Demonstration Project of Wuhu Conch" in Wuhu Conch, which is the first demonstration system of carbon dioxide energy storage in the global cement industry. The system adopts the gas-liquid interconversion carbon dioxide energy storage technology route pioneered in the field of renewable energy storage technology in the cement industry, and uses the carbon dioxide captured in the cement production line as the medium for the energy storage system, thus realizing the storage and recycling of carbon dioxide and reducing the cost of the energy storage system. This project was successfully connected to the grid for power generation at the end of December 2023.

On December 27, 2023, the National Energy Administration announced the first batch of scientific and technological innovation (energy storage) pilot demonstration projects. This project was officially included in the publicity list and became a national renewable energy storage demonstration project.



Carbon dioxide Energy Storage Demonstration System





CCUS Project of Cement Kiln Flue Gas

The carbon dioxide capture and purification project for cement kiln flue gas of Baimashan Cement Plant is the first demonstration project of carbon capture and purification of cement kilns in the global cement industry. This project fills the gap of low-carbon technology in the world cement industry and demonstrates that the cement industry has achieved the absorption and commercial transformation of greenhouse gases for the first time. The project adopts a chemical absorption method and can produce high-purity industrial-grade and food-grade liquid carbon dioxide.

In order to further explore the comprehensive utilization of carbon dioxide and based on the carbon dioxide capture and purification project for cement kiln flue gas of Baimashan Cement Plant, we used the carbon dioxide obtained from capture and purification as plant gas fertilizer and put into the Conch Smart Agriculture Project, which greatly improves the photosynthesis of tomatoes, 40 tons of carbon dioxide can comprehensively utilized every year. This meets the requirements of green and low-carbon development while reducing the use of traditional fertilizers.

At the same time, Conch Smart Greenhouse provides stable growth temperature for tomato plants by relying on the waste heat steam in the clinker production process of the cement plant itself, makes full use of the waste heat steam generated in the production process as a medium, and adopts the centralised heating and cooling, zoned regulation of temperature control to ensure that the greenhouse maintains the optimal temperature suitable for crop growth all the year round and reduce the energy consumption of temperature control.



CCUS Project of Baimashan Cement Plant



Smart Agriculture Project of Baimashan Cement Plant

During the Reporting Period, the carbon dioxide capture and purification project of Baimashan Cement Plant produced 4,241 tons of food-grade carbon dioxide and 19,201 tons of industrial-grade carbon dioxide in total, the Conch Smart Agriculture Project produced 128.43 tons of tomato products in total and sold 127.75 tons of tomato products, obtaining more than RMB1.88 million.

Activity of “Making Saving a Habit”

During the Reporting Period, the Company launched the activity of “Making Saving a Habit”, advocating all employees to start from their surroundings and save every piece of paper, drop of water and kilowatt-hour of electricity. The Company regularly carried out office saving inspection to eliminate unnecessary waste and create a favourable atmosphere of cost-saving, cost-reduction and green office. The Company strictly carried out the evaluation of the allocation of office logistics items, and required the newly-established companies to allocate office supplies in batches according to the project schedule and the on-duty time of personnel, so as to reduce unnecessary allocation and ensure that logistics items were not idle and wasted. As of the end of the Reporting Period, the Company’s annual office expenses decreased by about 3% year-on-year.

Encourage employees to engage in green travel

During the Reporting Period, we encouraged our employees to travel by public transport at our headquarters and regional headquarters. The Company promoted the use of new energy vehicles in regional headquarters. The regional headquarters in Zhejiang and Guizhou took the lead in the pilot procurement of new energy vehicles for the security of production and operation. Meanwhile, the company also encouraged employees to give priority to purchasing new energy vehicles. In order to bring convenience employees for charging, subsidiaries in various regions installed new energy carports and new energy vehicle charging piles in the factory areas. As at the end of the Reporting Period, many subsidiaries such as Xiangshan Conch and Tongling Conch have installed 66 new energy carports and 87 new energy vehicle charging piles, and employees have purchased nearly 1,000 new energy vehicles.

6.3 Green and Low-carbon Products

Conch Cement has actively carried out research and development of low-carbon products. As of the end of the Reporting Period, we had obtained green and low-carbon product certifications for four varieties of products, and 35 subsidiaries passed the green and low-carbon product certification of ordinary portland cement, 3 subsidiaries passed the green and low-carbon product certification of general cement clinker, 4 subsidiaries passed the green and low-carbon product certification of portland cement and 1 subsidiary passed the green and low-carbon product certification of composite portland cement.

At the same time, we continued to increase investment in scientific research. We cooperated with Hefei University of Technology and South China University of Technology to develop composite cement with low clinker consumption, with Xi’an University of Architecture and Technology to research and develop new low-carbon cementitious materials, with Dalian University of Technology to research and develop low-calcium high belite cement clinker activation technology, and with Wuhan University of Technology to develop CO₂ conversion and utilization technology of carbon mineralized materials.

6.4 Co-construction of Low-carbon Industries

As a leading enterprise in the cement industry, Conch Cement has constantly explored the path of low-carbon operation, and is committed to leading the whole cement industry to achieve green, low-carbon and sustainable development. We have been actively promoting the technology exchange and cooperation within the industry, jointly pushing forward industrial optimization and upgrading with our partners, and building an open, collaborative, green and low-carbon industry ecosystem.

During the Reporting Period, we took the lead or participated in the formulation of a number of industry standards related to low-carbon and were committed to promoting the normalization and standardization of carbon emission reduction in the cement industry, laying a solid foundation for the green and low-carbon transformation and development of the cement industry.

6.2.7 Green Office and Green Travel

The Company integrates the concept of green sustainable development into the daily management of the workplace, and takes the standardized, intelligent and efficient office mode as the driving force to optimize the workplace environment, office and commuting mode, and is committed to building an energy-saving and environmentally-friendly green office scenario.

During the Reporting Period, we issued many notices and policy documents related to green office, developed a network office system, vigorously promoted the paperless office mode, encouraged employees to engage in green travel, and carried out a series of green office and green travelling promotional and other activities.

Take the lead in formulating

Technical Specification for Carbon Dioxide Capture in of Cement Kiln Flue Gas



Participate in formulating

Technical Specification for Project-based Assessment of Carbon Dioxide Emission Reduction-Alternative Fuel Project for Cement Clinker Production

Technical Specification for Project-based Assessment of Carbon Dioxide Emission Reduction-Carbon Capture Project of Cement Kiln Flue Gas

Technical Guide for Carbon Trading in the Building Materials Industry



In addition, the Company actively connected with the government authorities, participated in the working group meeting on the “carbon peaking and carbon neutrality” policy in the building materials industry, the centralized survey meeting of key enterprises in Anhui Province on “Industrial Carbon Peaking Achievement and High-quality Development”, the round-table on decarbonization of key industries in United Arab Emirates, the first forum on carbon neutrality and green development in the Yangtze River Delta hosted by the Shanghai Municipal Development and Reform Commission, and other activities. We actively publicized our green and low-carbon

concept and carbon reduction practices, and promoted the cement industry to enter the national carbon market, so as to realize the green, low-carbon and transformational development of the cement industry. We actively promoted low-carbon related technology exchanges within the industry, discussed with peers the scientific methods and paths of carbon reduction and green development in the cement industry, shared and learned innovative technology of low-carbon production and experience on low-carbon operation.

The 15th National Cement Industry Technology Exchange Conference

Conch Cement and the Cement jointly held the 15th National Cement Industry Technology Exchange Conference in 2023, which fully implemented the new development concept, implemented the development goal of “suitable for industry and good quality, benefiting mankind” in the building materials industry, scientifically did a good job in the transformation and upgrading of energy saving and carbon reduction in the cement industry, promoted the technological progress of the cement industry, improved energy efficiency, reduced the intensity of carbon emissions, and helped realize the high-quality green and sustainable development of the cement industry. At the conference, the Company gave a keynote speech on “CCUS technology to promote the sustainable development of cement industry”, and invited the representatives present at the conference to visit the CCUS Project of Baimashan Cement Plant, Conch Smart Agriculture Project, the oxygen-enriched combustion of Chizhou Conch and other advanced technologies for energy saving and carbon reduction.



The Company conducted research and exchange with the international cement enterprise CRH Group Services Limited (CRH)



In June 2023, in order to learn from the advanced experience and practices of international building materials groups in global operation management and technological innovation, the Company’s leaders led a team to Ireland and the Netherlands to conduct research and exchange in the global headquarters and European headquarters of CRH respectively. The two parties had in-depth exchanges on the experience of globalized operations management, the technology research and development, the present situation and development direction of CCUS and technological innovation, the application of new materials, the upstream and downstream industrial chains and the diversified development experience. Communication with large international building materials groups is conducive to further business and technical cooperation between the two parties, and is also conducive to leading the global cement industry to a more environmentally friendly, efficient and sustainable development path.

Promote the development of the photovoltaic industry

During the Reporting Period, Xuancheng Conch Building Photovoltaic Technology Co., Ltd. successfully became a member unit of China Photovoltaic Industry Association and a vice president unit of Yangtze River Delta BIPV Research Institute.



Vice President Unit of Yangtze River Delta BIPV Research Institute



Member Unit of China Photovoltaic Industry Association

Develop and successfully apply a material balance system



In order to timely and accurately reflect the consumption, output and inventory of materials, Conch Cement independently developed a material balance system, which took one year and was officially launched and put into operation in February 2023. Based on the incoming and outgoing factory trade settlement data and real-time production measurement data, and in combination with the process inventory data such as three-dimensional scanning, the system adopts a dynamic balance analysis algorithm to check the material book inventory and actual inventory data, balance the material relationship in the cement production process, realize automatic inventory counting, automatically calculate daily production and consumption, and eliminate the cumulative error of measuring equipment and the statistical error of manual inventory in the production process. The successful application of the system improves the accuracy, timeliness and credibility of the data, provides technical support for carbon emission data statistics and verification, and is conducive to promoting the low-carbon development of the cement industry.

6.5 Response to Climate Change

With the increasingly severe global climate change problem, the risks and challenges of climate change faced by economic and social development are also increasing, and actively responding to climate change has become the key to realize the sustainable development of enterprises. Conch Cement is committed to the low-carbon and green development, proactively implements the climate change mitigation and response measures, and actively fulfills its corporate social responsibility to support global climate governance.

6.5.1 Risk Management

During the Reporting Period, based on the framework of the Task Force on Climate-Related Financial Disclosures (TCFD), we carried out systematic identification and response analysis of climate change-related risks, integrated climate change response measures into the Company’s production and operation process, and continuously improved our level of response to climate change risks. We identified a number of physical risks and transition risks with reference to different climate scenarios and in combination with our business development.



Identification of Climate Change Risks of Conch Cement

Type of Risk	Specific Risk	Description of Risk	Response Measures
Transition Risk	Policies and laws	According to the requirements of the "carbon peaking and carbon neutrality" strategy and the <i>Energy Efficiency Benchmark Levels and Baseline Levels for Key Fields of High Energy Consumption Industries (2021 Version)</i> and other policy requirements, the cement building materials industry, as a key area of high energy consumption industries, has been increasingly under the pressure of low-carbon transformation, such as energy structure transformation and carbon emission management.	<ul style="list-style-type: none"> With the goal of "carbon peaking and carbon neutrality", we accurately grasped the new changes and new requirements under the situation of "carbon peak and carbon neutrality", and formulated and improved a series of plans such as <i>the Action Plan of Carbon Peak and Carbon Neutrality</i> and the <i>14th Five-Year Plan for Environmental Protection</i>. We continued to track the established environmental goals, and promoted the optimization and transformation of energy structure by exploring the use of clean energy such as solar energy and wind energy, and responded to the requirements of low-carbon policies; During the Reporting Period, we actively participated in the Yangtze River Delta Forum on Carbon Neutrality and Green Development, the Yangtze River Delta Round-table Meeting for Three Provinces and One City to Promote Regional Low-carbon and Green Development, the International Forum on Carbon Emission Reduction in the Building Materials Industry and the Encouragement and Promotion of Applied Technologies and Products Exchange Conference and other exchange activities, closely followed the low-carbon transformation trends of the industry and sought green development with the industry.
	Technology	Driven by the national policy, Conch Cement faces the pressure of introducing cleaner production technology and equipment, technology research and development and application.	<ul style="list-style-type: none"> In terms of exploration of energy-saving technologies, we continued to promote the comprehensive energy efficiency improvement and transformation of production lines, and actively applied advanced energy-saving and consumption-reducing technologies and equipment to improve productive efficiency; In terms of exploration of cleaner production technologies, we actively promoted the use of alternative fuels, and invested in various clean energy technologies such as photovoltaic, wind power and biomass power generation. During the Reporting Period, we further explored the application of hydrogen production technologies from green electricity; In terms of exploration of carbon capture technology, we specialize in technology research and development, and have achieved initial results in a number of carbon dioxide conversion and utilization technology projects.
Physical risk	Acute	Extreme weather (rainstorm, typhoon, heavy snow, flood, high temperature, cold, etc.) will cause equipment damage, shutdown, etc., thus affecting the normal operation of the Company.	<ul style="list-style-type: none"> In terms of daily operation and management, we have formulated and issued the <i>Emergency Notice on Doing a Good Job in Typhoon Prevention</i> and the <i>Notice on Doing a Good Job in Disaster Prevention and Mitigation of Recent Heavy Rainfall</i>, made it clear that specialists are responsible for weather forecasting, paid close attention to meteorological dynamics at all times, urged subsidiaries to timely grasp the disastrous weather forecasting and early warning information issued by local meteorological, water conservancy, flood control and other departments, analyzed and judged the disaster information, and issued early warning information to subsidiaries through multimedia platforms, reminding them of "early warning, early preparation, early prevention and early implementation";
	Chronic	The increase of average temperature will easily damage the Company's production conditions and increase operating costs.	<ul style="list-style-type: none"> In terms of monitoring of long-term entity risk, we continuously monitored the potential climate change risks related to our own production and operation activities, and made plans according to the risk identification results to ensure the Company's ability to cope with various entity risks.

6.5.2 Carbon Trading

Conch Cement actively promoted the incorporation of the cement industry into the national carbon emission trading market, and strongly supported the operation of local carbon markets for carbon trading. China Carbon (Anhui) Environmental Technology Co., Ltd. of the Company can provide a comprehensive solution for carbon inventory and carbon asset management and carbon trading of internal subsidiaries, which facilitated low-carbon transformation of the Company".

As of the end of the Reporting Period, Chongqing Subsidiary and

Guangdong Subsidiary of Conch Cement had completed the annual carbon quota settlement on time, and sold the surplus carbon quotas after settlement. Liangping Conch plans to sell a total of 50,000 tons of surplus carbon quota, and Chongqing Conch has sold a total of 100,000 tons of surplus carbon quota, earning RMB3.35 million.

In addition, the Company focused on the reserve and cultivation of professional and technical personnel in the field of carbon emissions. During the Reporting Period, the Company conducted 4 trainings for carbon asset technicians, with a total of 302 participants.

National Training on Capacity Building of Carbon Market in the Cement Industry

In order to improve the level of Company's carbon asset management, on July 12, 2023, the Company, together with Shanghai Environment and Energy Exchange and China Cement Association, held the Second National Training on Capacity Building of Carbon Market for the Cement Industry. The training lasted for three days, providing a detailed interpretation of the contents mainly related to carbon market principles, policies and domestic and international development, carbon emission MRV system and enterprise data monitoring and reporting, national carbon market quota allocation system, renewable energy and forestry carbon sink project development, legal risks and compliance points of carbon emission right trading, etc.



The Second National Training on Capacity Building of Carbon Market for the Cement Industry





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07

Guardian of Green Ecology



Conch Cement takes environmental protection as its own responsibility and green development as its principle. We steadily promote the green transformation strategy in our production and operation, conscientiously implement the measures to reduce emission and wastes and conserve resources, and strive to continuously reduce the negative environmental impact of our operation.

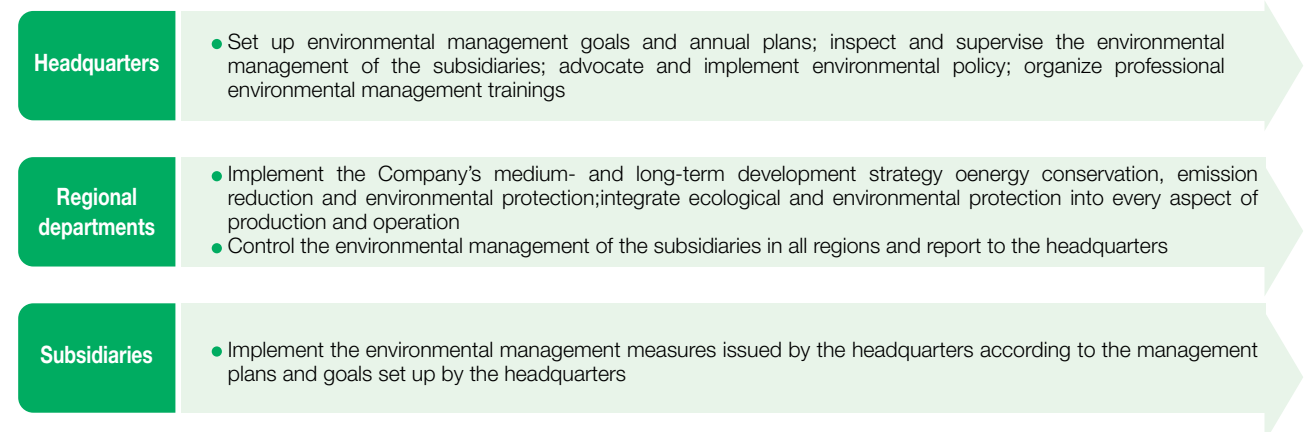
7.1 Environmental Management

7.1.1 Environmental Management System

We continued to strengthen environmental management system, improved the system of environmental risk prevention, and guarantee the compliance of environment management. In addition, we actively carried out publicity activities of environmental protection, strived to build the corporate culture of green development, and contributed to the construction of green ecological civilization.

The Company strictly abided by the laws and regulations, policies and standards in relation to environmental protection such as the *Environmental Protection Law of the People's Republic of China*, *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, *Solid Waste Pollution Prevention and Control Law of the People's Republic of China*, *Emission Standard of Air Pollutants for Cement Industry and Measures for Pollutant Discharge Permitting Administration (Trial)*, *the Measures for the Administration of Legal Disclosure of Enterprise Environmental Information and the Technical Guidelines for Self-monitoring of Pollutant Discharging in the Cement Industry*, and carried out environmental protection related work in accordance with the internal rules including the *Measures for Administration of Environmental Protection and the Accountability System of Environmental Protection Management*. The Group established and improved the three-level environmental management system comprising the "headquarters, regional departments and subsidiaries", to guarantee the effective implementation of the green development strategy.

Three-level Environmental Management System of Conch Cement



In respect of the environmental compliance management and environmental impact assessment management, we carried out internal examination and third-party inspection on a regular basis, to strictly control the environmental compliance at all of our operating sites.

Environmental compliance monitoring requirements	We require each subsidiary to develop its own annual self-monitoring plan and to entrust a qualified third-party monitoring organization to carry out environmental monitoring every quarter.
Internal examination of environmental protection management	The Company conducts two internal environmental protection audits covering all operating locations within the Group mid-year and at the end of each year. These audits include strict examinations of approval and warrant management, pollutant discharge permit management, operation of environmental protection equipment, self-monitoring management, unorganized emission control, and hazardous and solid waste management.
Environmental impact assessment management	During the Reporting Period, all our new construction, renovation, and expansion projects strictly followed national laws and regulations, such as the Environmental Impact Assessment Law, conducted environmental impact assessments (EIAs) in a timely manner, obtained EIA approvals, implemented the relevant environmental protection measures strictly throughout the construction process, and carried out self-acceptance inspections on environmental protection for these projects upon completion of construction. Additionally, all our production enterprises obtained discharge permits in strict accordance with the Technical Specification for Application and Issuance of Pollutant Permit, actively controlling pollutant emissions.

The Group also actively conducted the ISO 14001 Environmental Management System Certification and the Clean Production Examination in accordance with relevant requirements of the state and local government. As at the end of the Reporting Period, a total of 138 production enterprises passed the ISO 14001 Environmental Management System Certification and 111 subsidiaries declared and passed the Clean Production Examination. In addition, a total of 26 subsidiaries of the Group were rated as national "Green Plants" and 34 subsidiaries were rated as provincial or municipal "Green Plants".

Goal of Management System Certification	Progress in 2023
All production subsidiaries of the Company pass the Environmental Management System Certification (ISO 14001) by 2025.	All of 138 production enterprises passed the ISO 14001 Environmental Management System Certification with a passing rate of 100%.

In respect of the environmental risk prevention and control, we strictly abided by national relevant laws and regulations such as the Management Measures for Environmental Emergencies, and the subsidiaries also formulated the Emergency Plan for Emergent Environmental Incidents, building a sound environmental hidden danger identification and management system and regular management mechanism. During the Reporting Period, We have compiled the Environmental Risk and Hazard Inspection Checklist by incorporating environmental protection regulations, technical standards, and key points of supervision, and allocated emergency supplies as necessary and conducted environmental emergency drills on schedule to ensure that the Company is equipped to handle environmental emergencies. We also require each subsidiary to conduct a retrospective assessment and revision of

their environmental emergency plans every three years to ensure the effectiveness of the environmental risk prevention and control system.

During the Reporting Period, the Group carried out a total of 306 environmental technological improvement projects, and invested approximately RMB1,550 million in environmental technological improvement, including investments of approximately RMB250 million for technological improvement for denitration, approximately RMB10 million in technological improvement for dust collection (particulate matter reduction) and approximately RMB1,290 million in environmental technological improvement for unorganized emission control and other areas.



7.1.2 Environmental Management Plan

We always adhere to promoting construction of green factory, and are committed to leading the green transformation of the cement industry. The Company has made detailed planning in environmental management, and set a series of goals to supervise the effectiveness of environmental management. As at the end of the Reporting Period, we achieved the goals in respect of energy consumption, water resources and wastes, and steadily promoted the realization of our greenhouse gas emission reduction goal.

Environmental Management Goals and Performance

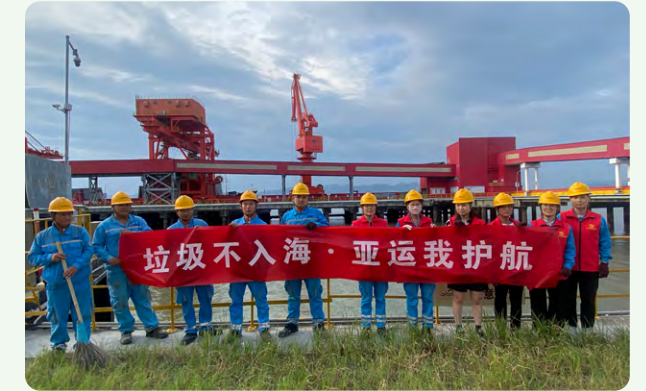
Indicator	Unit	Goal	2020	2023	Progress
Greenhouse gas emission	tCO ₂ e/t clinker	Carbon dioxide emission (clinker process) intensity (t CO ₂ /t clinker) declines by 6% by 2025 from 2020	0.8412	0.8270	1.69%
Energy consumption	kg standard coal/t clinker	Energy consumption (clinker process) intensity (kg standard coal/t clinker) declines by 6% by 2025 from 2020	110.54	102.63	7.16%
Water resources	(t water consumption/t clinker)	Use intensity (t water consumption/t clinker) of water resources (clinker process) declines 10% by 2025 from 2020	0.403	0.308	23.57%
Waste	%	Realize 100% compliance disposal of hazardous wastes, and 100% recycling of non-hazardous wastes	/	100%	100%

7.1.3 Publicity and Implementation of Environmental Awareness

While continuing to improve the environment management of production and operation, we are committed to enhance the employees' environmental awareness and inspire the concept of harmony between humankind and nature into the every employee's mind. We proactively conducted various publicity activities of environmental protection, and strive to encourage employees to fulfill environmental protection actions to build a green corporate culture. During the Reporting Period, we carried out a series of publicizing and implementation activities for environmental protection and energy conservation, such as National Energy Conservation Publicity Week and National Low Carbon Day.

Xiangshan Conch Supported Green Asian Games with Coastal Cleanup Initiative

The 19th Asian Games Hangzhou was set to commence in Zhejiang in September 2023. To protect the blue skies and clear seas and support Green Asian Games, Xiangshan Conch organized a coastal cleanup and awareness campaign on September 19, 2023. With the slogan "Ensuring zero waste into the sea, supporting the Asian Games", over 30 volunteers were mobilized to carry out a one-day beach cleaning initiative around the Xiangshan Port area adjacent to the Company. The volunteers conducted thorough inspections along the coastline and removed debris such as foam, plastic, fishing nets and gear, as well as discarded bamboo poles. This voluntary activity has impacted and mobilized local enterprise employees, fishermen and residents to properly dispose of waste and maintain the marine environment clean. Such practical actions to support the 19th Asian Games Hangzhou foster a strong spirit of Green Asian Games.



Xiangshan Conch's Coastal Cleanup Initiative

Co-drinking from the Yangtze River, United in Protecting Our Mother River: Chizhou Conch Launched a Youth Volunteer Activity to Protect the Yangtze River



Chizhou Conch's Youth Volunteer Activity to Protect the Yangtze River

To further heighten the environmental protection awareness and social responsibility for the Yangtze River among Conch youth, Chizhou Conch organized a youth volunteer activity to protect the Yangtze River on the occasion of National Youth Day. With a half-day's effort, over 30 young volunteers conducted a thorough cleanup of the river embankment. This voluntary activity aimed to inspire the youth to be advocates, practitioners, and promoters of the "Great Yangtze River Protection" initiative, working towards making the Yangtze River's waters clearer, its banks greener, and its scenery more beautiful.





7.2 Discharge Management

Conch Cement has been adhering to implementing strict emission management standards and requirements, continuously implemented various environmental technological improvements and monitoring management, and is committed to achieving emission reduction while guaranteeing the compliance and control of emissions.

7.2.1 Waste Gas Management

We strictly follow the laws and regulations regarding waste gas emissions and have established a sound system and procedures for managing waste gas emissions to ensure compliance with emission standards. The Company's main indicators for waste gas emissions are NO_x (nitrogen oxides), SO₂ (sulfur dioxide), and particulate matters from primary emission points. During the Reporting Period, we updated our waste gas management objectives in line with the ultra-low emission requirements for the cement industry, as specified by the *Ministry of Ecology and Environment's Opinions on Promoting the Implementation of Ultra Low Emissions in the Cement Industry*. We also actively cooperated with the Ministry's relevant research for making ultra-low emission policies. Moreover, we were invited to several onsite seminars on policy proposals, which demonstrated the high social recognition of the Company's technology roadmap to ultra-low emissions.

Waste Gas Management Goals

- The total emissions of NO_x decline by 50% by 2025 from 2020.
- By 2028, the subsidiaries in key regions will achieve hourly average emission concentrations of flue gas particulate matters, sulfur dioxide, and nitrogen oxides from cement kilns and kiln tail waste heat utilization systems not exceeding 10 mg/m³, 35 mg/m³, and 50 mg/m³, respectively.



In order to achieve the above waste gas management goals, during the Reporting Period, we continued to carry out research and development and innovation and made upgrades in terms of desulphurization, denitration and particulate matter emission reduction, as well as developed measures of dust suppression for all construction projects, to reduce the atmospheric pollution as much as possible.

Technological improvement for desulphurization

To further improve the desulfurization efficiency of the wet flue gas desulfurization (WFGD) system and meet the control requirements for ultra-low emissions of the cement industry ahead of time, we have conducted thorough research and demonstration and tried high-efficiency desulfurization synergists in some subsidiaries to enhance the absorption and reaction of SO₂ with limestone slurry while also reducing limestone powder consumption and the volume of circulating slurry, thereby achieving both environmental and economic benefits.

Technological improvement for denitration

During the Reporting Period, we continued to promote the technological improvement for selective catalytic reduction (SCR) and completed the technological improvement for SCR denitration of 19 clinker production lines in total. As at the end of the Reporting Period, we cumulatively completed the technological improvement for SCR denitration of 83 clinker production lines. Additionally, we continue to optimize technologies such as SCR, staged combustion, and selective non-catalytic reduction (SNCR), with a commitment to improving overall denitrification effectiveness and ensuring that ammonia consumption per ton of clinker does not exceed 3.5 kg.



Technological improvement for reducing particulate matter emission

Conch Cement has comprehensively promoted the technological improvement for replacement of electric dust collection with bag dust collection to reduce the emission of particulate matter. After the technological improvement, the emission concentration of particulate matter can stably control below 10mg/m³, meeting the ultra-low emission requirements. As at the end of the Reporting Period, Conch Cement basically realized the full coverage of electric dust collection with bag dust collection in kiln heads and kiln tails.



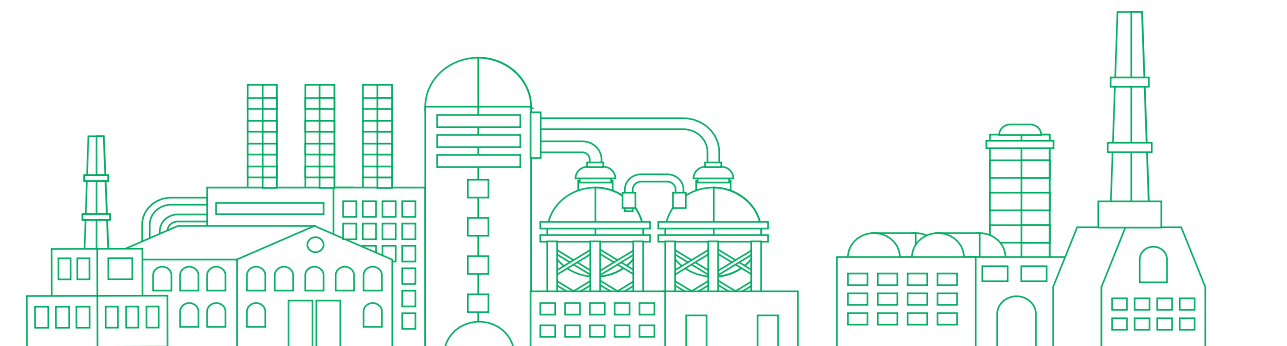
Dust treatment

To strictly implement requirements for national environmental protection and pollution prevention in project construction, Conch Cement has provided facilities for dust and noise prevention on-site in the construction process, such as dust suppression fog cannons, strictly adhered to the "Six 100 Percent" requirements for dust control at construction sites, and implemented ecological civilization construction for construction projects.

During the Reporting Period, 10 production enterprises of the Group passed the assessment for performance grading of the cement industry in heavily polluted weather as A-level enterprises through technological transformation and management improvement. By the end of the Reporting Period, we have a total of 21 companies passing the A-level assessment, and 17 companies passing the assessment as leading enterprises. Jining Conch, as a demonstration enterprise of ultra-low emissions, has passed the local evaluation. The total amount and concentration of the Group's main pollutant emissions have been lower than the national and local standards.

Total Exhaust Emission and Concentration of Conch Cement

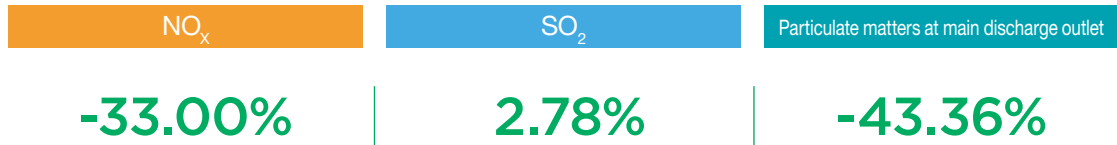
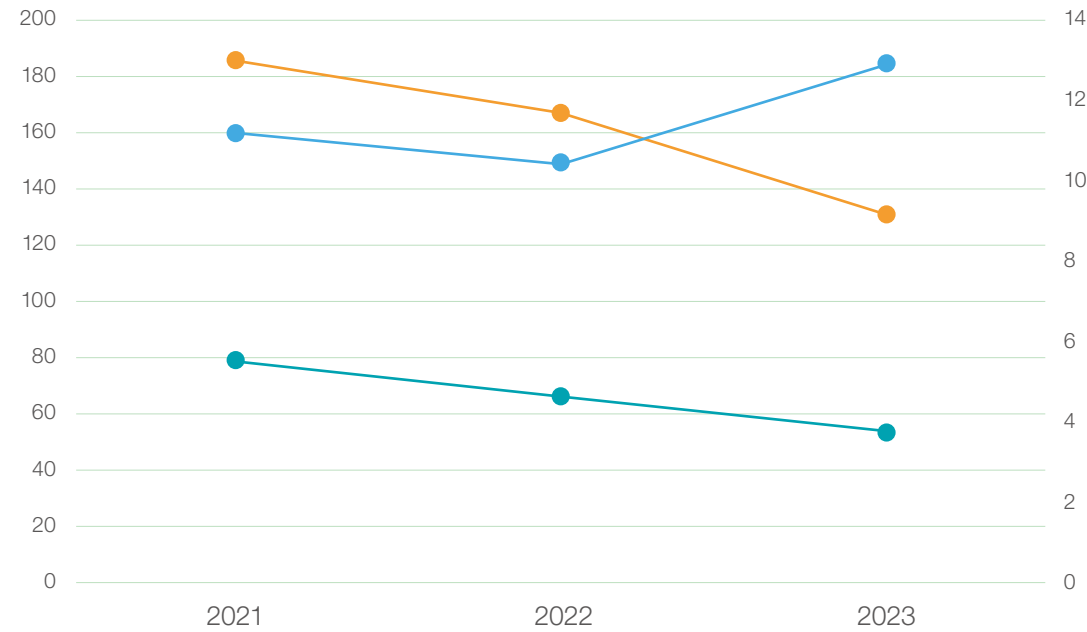
Category of pollutant	Total emissions (tonne)				Mean concentration (mg/Nm ³)				
	2021	2022	2023	Progress	2021	2022	2023	Progress	Ultra-low emission standard ⁹
SO ₂	6,065	4,988	6,101	-26.42%	11.3	10.50	12.95	2.78%	35
NO _x	84,250	64,404	52,817	-53.28%	186.0	166.13	132.59	-33.00%	50
Particulate matters of major outlets	3,939	2,962	2,441	-55.37%	5.49	4.61	3.88	-43.36%	10



⁹ Opinions on Prompting the Implementation of Ultra-low emission in the Cement Industry



Trend of Average Emission Concentration of Pollutants of Major Outlets in Recent Three Years (mg/Nm³)



The concentration of pollutants discharged from main discharge outlets decreased in 2023 compared with baseline year for environmental goals (2020)

7.2.2 Wastewater Management

The wastewater produced by the Group is used domestic sewage, which is used for comprehensive utilization such as greening conservation. After the rainwater and sewage diversion, the wastewater in the factories, docks and mines is treated and comprehensively utilized. We carried out intensive treatment and reuse of the wastewater in course of operation in our factories and the construction of projects, which improve the utilization rate of water resources while reducing pollutant emissions. During the Reporting Period, Conch Cement set a goal of improving the reuse rate of wastewater and added 60 new sewage treatment facilities, 10 new wastewater comprehensive utilization facilities and 12 new wastewater discharge facilities up to standard.

Wastewater Management Goals

- 100% compliance with the wastewater discharge standard, further enhancing the treatment of wastewater from waste heat power generation and improve the reuse rate of wastewater.



During the Reporting Period, Conch Cement actively developed zero liquid discharge (ZLD) technologies targeted at the characteristics of wastewater from processes like waste heat power generation in the cement industry, such as high salinity, hardness, alkalinity and turbidity. The Company implemented 19 advanced wastewater treatment projects using technologies like high-pressure reverse osmosis concentration and electro dialysis concentration, realizing 100% reuse of wastewater from waste heat power generation and desulfurization, which has become an important approaches for Conch Cement to achieve sustainable development.

Wuhu Conch's Technological Improvement for ZLD

Wuhu Conch has realized ZLD through advanced treatment of wastewater using technologies like reverse osmosis and electro dialysis. The technological improvement project is designed with a processing capacity of 20m³/h and aims to remove pollutants from desulfurization wastewater, ensuring that the water meets quality standards and is recycled for reuse. The project prevents resource wastage and environmental pollution caused by the external discharge of wastewater, and reduces the consumption of water resources. Currently, the circulating water treatment system is functioning effectively.



Wuhu Conch's Technological Improvement for ZLD

Discharge of wastewater after treatment that meeting the wastewater discharge standard (Tonne)



7.2.3 Waste Management

While strictly following the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and relevant laws and regulations applicable to the business locations, Conch Cement rigorously guaranteed the compliance disposal of hazardous wastes and strove to improve the recycling rate of non-hazardous waste to achieve the its internal waste management goals.

Waste Management Goals

- 100% compliant disposal of hazardous wastes and 100% recycling of non-hazardous wastes.





In terms of disposal of hazardous wastes, all subsidiaries of the Company have built temporary storage warehouses for hazardous wastes, regularly entrusted qualified institutions to conduct standardized disposal according to the requirements of hazardous waste management to effectively control the process of storage, warehouse in/out, and transshipment. During the Reporting Period, Conch Cement realized 100% compliant disposal of hazardous wastes, mitigated the negative impact of solid waste disposal on environment on the premise of ensuring the compliant disposal of wastes, and promoted the transformation of the cement industry from the traditional energy intensive industry with high emission to environmentally friendly industry. In terms of non-hazardous wastes, we actively promoted waste circulation, and used industrial waste residues such as coal gangue, volcanic ash and desulfurized gypsum as alternative raw materials for cement production. During the Reporting Period, the Company produced a total of 5,283 tons of hazardous waste, and the amount of hazardous waste produced per unit operation revenue was 3.75 tons/RMB 100 million. The total amount of non-hazardous waste recycled internally was 474,191

tons, and the amount of non-hazardous waste produced per unit operation revenue was 336 tons /RMB100 million.

While ensuring the safe and effective disposal of the wastes produced by us, we relied on the technology advantages of co-disposal with cement kilns¹⁰, gave full play of the two advantages of “energy conservation and emission reduction” and “wastes recycling”, promoted the co-disposal of solid wastes such as municipal waste, sludge in cement kilns to actively support the sustainable development goals of reducing municipal waste and increasing resource utilization rates. Adhering to the principles of “detoxification, minimization and renewability”, we continued to optimize the cement kiln co-disposal technology in practice, striving to reduce environmental pollution. During the Reporting Period, the Group revised and issued the Co-disposal Admission Management System, to standardize the management of admission and disposal processes for hazardous and solid waste, on the premise of guaranteeing safe and environmentally friendly disposal.



Project of Collaborative Treatment of Cement Kilns of Linxia Conch

Co-disposal in cement kilns has become one of the effective means of resource utilization of solid and hazardous waste and harmless treatment. The project of collaborative treatment of urban domestic waste with cement kilns of Linxia Conch relied on the existing 4,500 tons/day new dry process cement production line of Linxia Conch, used a combination of cement kiln and gasifier to dispose domestic waste to harmlessly treat and effectively utilize the flue gas, ash and leachate produced in the refuse disposal process. During the Reporting Period, Linxia Conch treated a total of 15,525 tons of domestic waste, which not only solved the social problems of landfill and environmental pollution, but also fully utilized the calorific value of domestic waste. It has achieved good results in “pollution& carbon reduction, achieving synergy effects, become a “purifier” for the city and a “good helper” for the government, promoting the transformation of the cement industry from the traditional energy intensive industry with high emission to environmental protection industry.

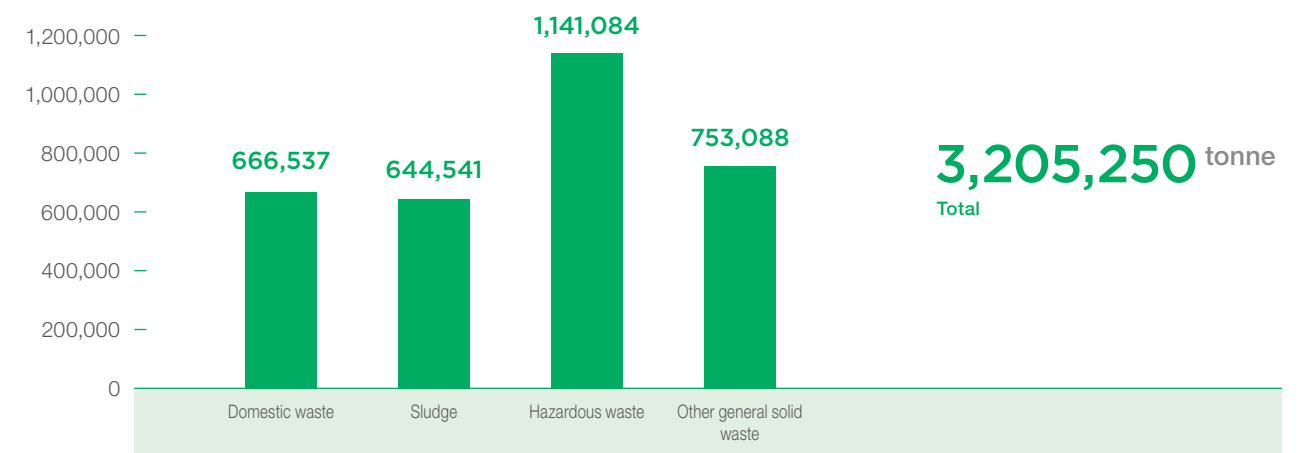


Collaborative Treatment of Cement Kilns of Linxia Conch

In addition, in 2023, Conch Cement actively implements the *Circular of the General Office of the State Council on Printing and Issuing the Reform Implementation Plan for Strengthening Hazardous Waste Supervision, Utilization and Disposal Capacity and the Implementation Plan for Capacity Building of Centralized Disposal Facilities for Medical Waste* among other requirements to further expand the variety and scale of collaborative treatment. The Company has officially entered the medical waste disposal industry.

Its subsidiary, Conch Environment Protection, has acquired Wuhan Hanshi Environmental Protection Engineering Co., Ltd., contributing to the resolution of medical waste disposal challenges in the society. During the Reporting Period, Conch Cement treated a total of 2.06 million tons of general solid waste and 1.14 million tons of hazardous waste, representing a year-on-year increase of 9% and 87% as compared with 2022.

Collaborative Treatment of Conch Cement in 2023 (Tonne)



¹⁰ The scope of waste disposal through the collaborative treatment of cement kilns is broad, including domestic waste, sludge and hazardous waste, which can be pre-treated and sent into cement kilns for detoxification disposal. Compared to landfill or incinerator burning, collaborative treatment of cement kilns greatly reduces the environmental impact of waste disposal, lowering emissions of nitrogen oxides, sulfur oxides, suspended particles and greenhouse gases. At the same time, waste with calorific value burnt in cement kilns can be used as alternative fuel to meet some energy needs of the cement manufacturing process and can also replace ores as raw material for cement production, reducing the cement industry's consumption of natural mineral resources.



7.3 Resource Utilization

We fully understand the irreversibility of natural resource depletion and are committed to improve the efficiency of resource utilization and reduce resource consumption in the course of production and operation. We adhere to the strict requirements of resource management, and conducted sustainable development actions through continuous conservation and recycling of water resource and packaging materials.

7.3.1 Water Resource Management

We strictly comply with relevant national laws and regulations, formulated internal water intaking management system. In the early stage of projects, a water resources assessment was conducted, and water-intaking permits were obtained in accordance with the law. During production and operation, water intaking strictly followed the legal requirements and permits. During the Reporting Period, the subsidiaries of Conch Cement primarily used river water as their water source.

Conch Cement has established goals for water-saving benefits, and vigorously promoted the reduction of total water consumption and consumption intensity. All subsidiaries of the Group strictly implement the total water consumption and intensity control indicators specified by the administrative division of the province, city, and county to which they belong. They have improved their water conservation management systems and carried out the recycling of industrial wastewater, becoming leading enterprises in water conservation performance in the cement industry.

Goals for water-saving benefits

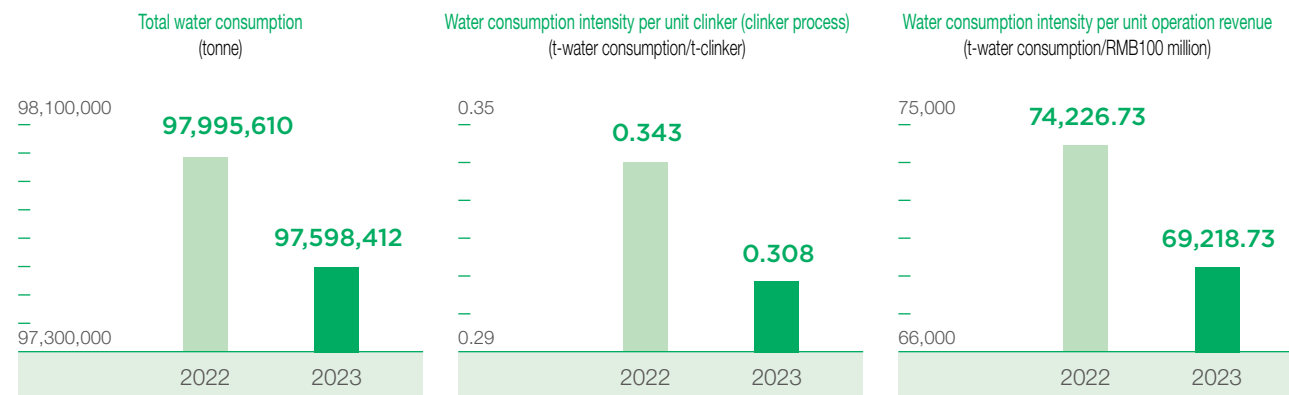
- Use intensity (t water consumption/t clinker) of water resources (clinker process) declines by 10% by 2025 from 2020.
- The Group has achieved the above goals for water-saving benefit, and will continue to adopt measures of water resource recycling and water resource conservation in the future to improve the efficiency of water resource utilization.



Although the goals for water-saving benefits have been achieved ahead of schedule, we continue to supervise companies in conducting industrial enterprise water balance tests, water use performance evaluations, and water efficiency benchmarking activities, developing water-saving plans, and implementing reasonable water resource utilization and index assessments, so as to promote the efficient use of water resources. While actively carrying out various water-saving improvement projects,

we continued to promote the comprehensive management of rainwater of subsidiaries, took full advantage of artificial lakes within the factories, established the sponge factory through implementing various of measures such as rainwater and sewage diversion, reservoirs, artificial lakes and the improvement in cyclic utilization of rainwater, and built a comprehensive utilization system of rainwater, so as to replace some water used for dust suppression and circulation water for production lines with rainwater.

Water Resource Use of Conch Cement

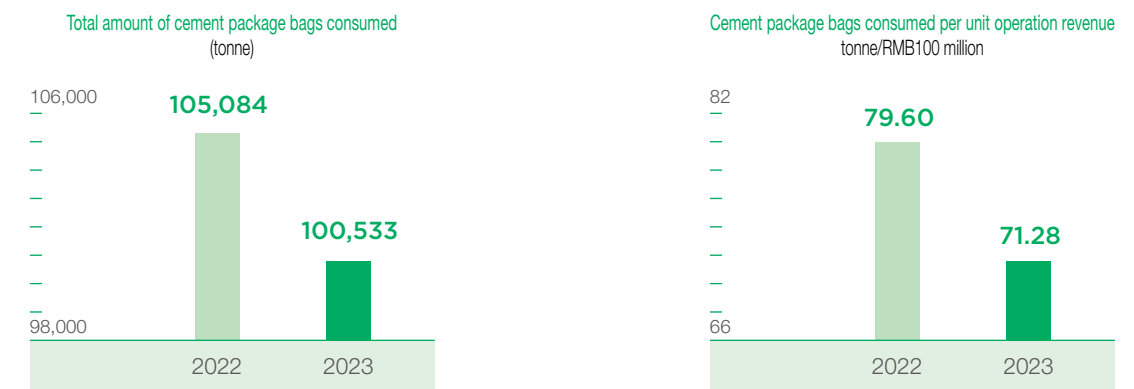


7.3.2 Packing Materials Management

We continue to explore the improvement plan for the packing material resources utilization, and are dedicated to create green packages that is lightweight, recyclable and environmentally-friendly. During the Reporting Period, all plastic products companies under Conch Cement have introduced world-advanced production equipment and auxiliary facilities for coating, printing, and bag-making, which not only solve the problem of cement bag dusting

from traditional packaging bags, but also significantly reduce the unit consumption of raw materials for packaging. In addition, we support and promote the use of recyclable and reusable packaging bags, and encourage customers to choose our bulk cement, so as to prevent packaging damage, reduce cement loss during transportation, while saving the use of packaging bags and diminishing resource waste.

Usage of Packing Materials of Conch Cement



7.4 Environmentally-friendly Development

While optimizing the production process and realizing green manufacturing, Conch Cement proactively explore a more environmentally friendly development model, strive to accelerate the green development of the downstream industrial chain to bring new and green driving force for the construction industry.

mechanized installation, so as to save materials, conserve energy and reduce carbon emission, reduce construction wastes and mitigate environmental pollution. The Company proactively responds to the national requirements on accelerating the development of prefabricated industry, promotes the development of prefabricated industry, and facilitates the green transformation of the construction industry.

Compared with the traditional construction industry, the prefabricated construction industry adopts scaled intensive production and

Development of the Prefabricated industry of Quanjiao Factory

During the Reporting Period, Quanjiao factory intensified the research and development of new prefabricated products, going all out to expand production and sales. It aimed to increase the market sales of prefabricated laminated slabs and stairs, while also promoting the application of prefabricated corridor supports and prefabricated building product components in the Company's construction projects promoted the development of prefabricated industry and applied the requirements on materials saving, energy conservation and reduction of construction wastes and mitigation of environmental pollution.



During the Reporting Period, we set up multiple production lines for the manufacture of dry mix mortar and tile adhesives, aiming to reduce the on-site mixing of mortar in the construction industry and contribute to the creation of a resource-economical and environmentally-friendly society. At the same time, we use ready-mixed concrete and mortar in all new projects, which effectively improves the quality of construction projects and reduces dust and noise pollution at construction sites.

Dry Mix Mortar and Tile Adhesive Production Line

During the Reporting Period, Jiangmen Conch took the lead in building a project that produces 300,000 tons of tile adhesive and 1 million tons of dry mix mortar per year, achieving an annual reduction of approximately 970,000 tons in river sand usage. We also actively promote the construction of dry mix mortar projects of Guanteng and Liqian and launch various tile adhesive and dry mix mortar products, contributing to the green and low-carbon development of the construction industry.



7.5 Green and Low-carbon Mine

Conch Cement has always attached great importance to the ecological environment. We highly valued the biodiversity conservation, actively conducted the construction of green low-carbon mines. As at the end of the Reporting Period, a total of 44 mines of the Group such as Limestone Mine of Wuhu Conch in Ruomao Mountain was awarded as the National Green Mines, Limestone Mine of Tongling Conch in Sanxing Mountain and Limestone Mine and Limestone Mine of Fenghuangshan

Company in Nanwan, and 39 mines such as Limestone Mine of Xuancheng Conch in mine lot of Xiaoge Village, Limestone Mine of Yiyang Conch in Caoxi and Limestone Mine of Jining Conch in Songshan Mountain were awarded as the Provincial Green Mines.

7.5.1 Environmental Protection for Mines

As a leading enterprise in the cement industry, Conch Cement focused on the impact on the ecological environment in the process of mining and strove to minimize it. We always adhere to the principle of “treating while exploiting” in the process of mining, continue to promote the ecological restoration treatment of mines during mineral exploitation, strictly comply with relevant national laws and regulations such as the *Environmental Protection Law of the People’s Republic of China*, the *Provisions on the Protection of the Geologic Environment of Mines*, the *Implementation Measures for the Land Reclamation Regulation* and the *Notice on Further Strengthening the Construction of Green Mines (Draft for Consultation Purposes)*, and conducted detection for soil annually and for water resource on a quarterly basis, which meet the standard requirement.

Conch Cement guarantees that it undertakes only mining activities licensed by production safety permits, regularly reviews the compliance of all its bases, mines and forestry land, and urges and guides the handling of forest ownership and implements the requirements of safety compliance. During the Reporting Period, the Group obtained 15 batches of forestry land certificates, totaling 4,814.73 mu, secured production safety permits for 8 mines, renewed production safety licenses for 32 mines.



We developed various measures to reduce emissions in the process of mining:

Prevent discharge of sewage

The mine industrial factories and living areas are equipped with sewage treatment facilities. All mines have built environmental protection facilities such as settling ponds and drainage ditches in strict accordance with the requirements of the Geological Environment Restoration & Control and Land Reclamation Plan to prevent the direct discharge of mine domestic and production wastewater. During the Reporting Period, Conch Cement built a total of 33,000 meters of drainage ditches and 43 settling ponds.



Settling Ponds of Mines

Control the dust in the quarry

The mines are equipped with large-capacity watering cars and multiple multi-functional dust reducing trucks. The main roads of the mines are equipped with automatic water sprinkler and dust suppression facilities. During the Reporting Period, we actively promoted and built 147,000 meters of mine transportation roads on cement stabilized base with, and further strengthened the control of dust and sewage in the mining process.



Multi-functional Dust Suppression Trucks



Reduce unorganized emission of the Mines

We carried out fully-sealed management for all mine transportation corridors and raw material yards, mitigated the impact of dusts and noises on the animal habitat. The transfer stations were equipped with bag type dust collectors and silencers, and the crushing and unloading ports of each mine were equipped with dry mist dust suppression spraying devices. As at the end of the Reporting period, a total of 705 exhaust purification devices were installed in the mines of Conch Cement.



Mine cars sprinkle water to suppress dust



Belt Corridors



Seedlings Planting



Green Mines

Reduce the emission of mine cars

All mines of Conch Cement are vigorously promoting the use of unmanned electric mining trucks, by acquiring new energy electric trucks and adopting oil-to-electricity technological innovation, substituting traditional fuel-powered mining trucks and thus considerably reducing carbon emissions from mining operations. During the Reporting Period, we added 41 electric mining trucks and 6 electric wide-body trucks, and put 2 oil-to-electricity mining trucks into operation. As of the end of the Reporting Period, 22 companies had a total of 80 electric mining trucks in normal operation, achieving an annual reduction of carbon emissions by 12,460 tons.



Electric Mine Car

7.5.2 Ecological restoration to the mines

Conch Cement proactively took on its corporate responsibility regarding the inevitable impact on the ecological environment caused by the mining process. Every year, we formulate ecological environment governance plans for mines and actively implement them to reverse the ecological damage. During the Reporting Period, we determined the plan for and completed the approval of mine greening projects of 26 subsidiaries in total. As at the end of the Reporting Period, we completed a restoration and control greening area of approximately 6.38 million square meters through vegetation planting. A total of 2.02 million seedlings of various types were planted with a total investment exceeding RMB194 million.

Ecological Restoration and Governance Project of Basu Conch

As of the end of the Reporting Period, the ecological restoration and governance project for limestone mine of Basu Conch Cement Co., Ltd. received a total investment of approximately RMB28.788 million, with 10,865 person-times of labor input and 1,715 instances of equipment usage. More than 17,000 spruces, 600 cedars, and 400 fruit trees were planted; 2,250 square meters of turf were laid; 120,000 square meters of grass seeds were sown.

A series of protective facilities against ecological damage were installed, including 7.4 kilometers of sprinkler system piping, 45,300 meters of drip irrigation systems, 1,735,300 square meters of dense mesh, 2 kilometers of safety protection fences, 5,331 square meters of active protection nets, 47,400 square meters of chain link fences, 2 kilometers of uphill roads hardened, 950 meters of retaining walls for slopes, and 400 square meters of bolting and shotcreting with wire mesh on high and steep slopes of connecting tunnel, as well as other auxiliary works. The Basu mining area now has robustly growing vegetation, representing significant achievements in the greening and re-vegetation along the uphill and transportation roads, as well as on the high and steep slopes, and the mining surface is well-regulated and orderly.





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Escort of Employee Development



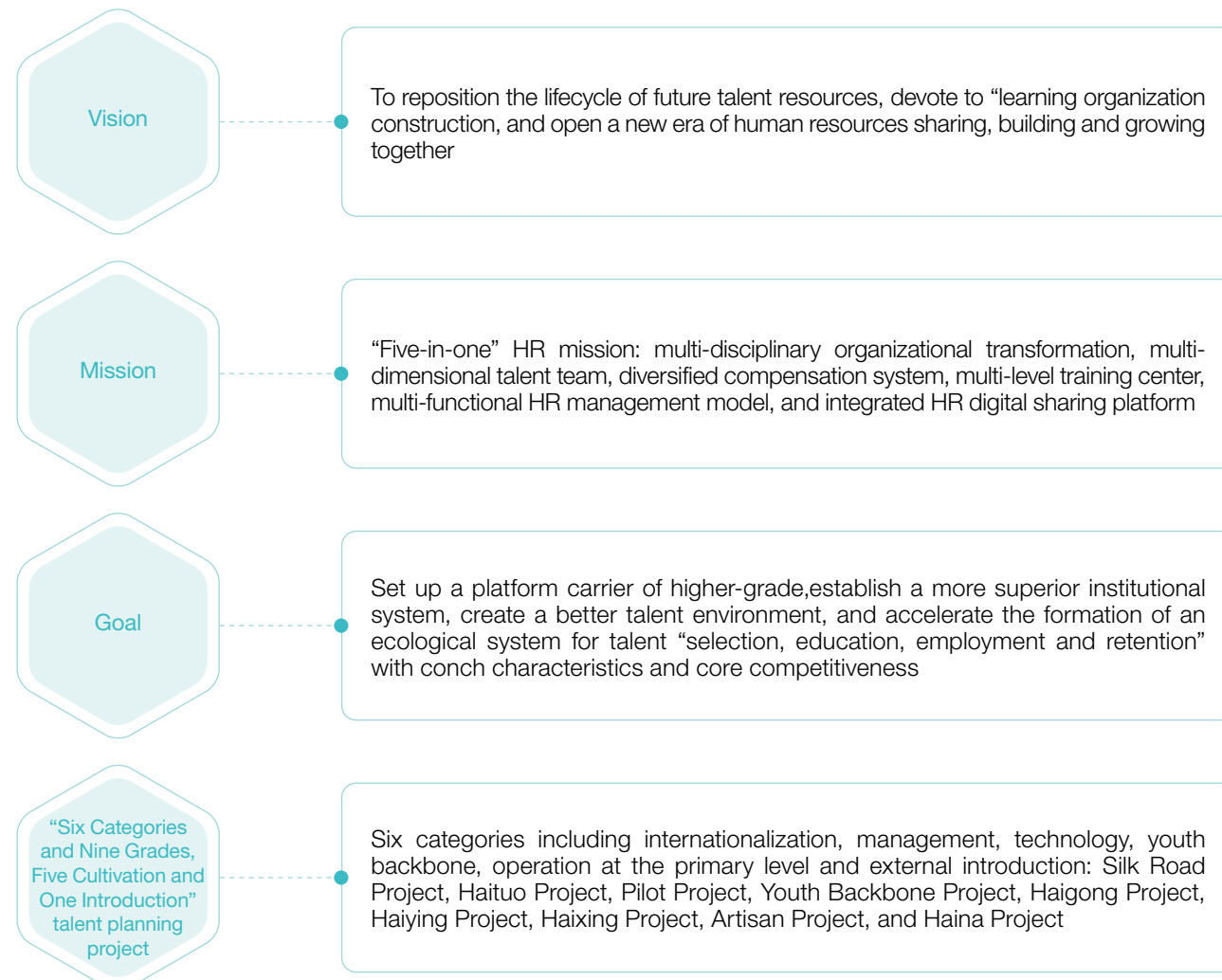
Conch Cement firmly believes that talents are an important internal driving force to realize the Group's sustainable development. We always uphold the people-oriented employment concept, give every employee the greatest support and guarantee, and strive to create an equal, diverse, inclusive and warm workplace environment to achieve the shared development of employees and the Group. We

adhere to the strategy of strengthening enterprises through talents, continuously improve and optimize the employee training and promotion system, and build a leading talent team in the industry. We provide employees with competitive salary and welfare, convey care to employees with practical actions, and protect the cornerstone of Conch Cement's development with our heart.

8.1 Talent Strategy

We regard the human resources strategy of the "14th Five-Year Plan" as an important guideline for the construction of talent echelon, aiming at attracting, cultivating and bringing up a group of diversified, compound and international high-quality professionals, creating a higher-level, more perfect and competitive talent development ecosystem, cultivating a world-class talent team and gradually building a talent center with comprehensive influence.

Overall Strategy and Planning of Human Resources



8.2 Employee Employment

The Group continuously strengthens talent attraction and creates more high-quality employment opportunities for the industry and society. We carry out employment work in an efficient and standardized manner in strict compliance with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Employment Promotion Law of the People's Republic of China and other laws and regulations applicable to the business locations and according to various recruitment systems and processes of the Group.

8.2.1 Compliance Employment

In the process of recruitment of employees, the Group strictly examines and verifies the age and identity information of candidates, resolutely prohibits the employment of child labour and ensure the authenticity of the identity and age information of candidates. In case of any illegal employment-related incident, we will promptly check such incident with relevant internal departments and take dismissal handling. During the Reporting Period, child labour and forced labour have not been found in Conch Cement.

backgrounds of candidates and employees, and resolutely opposes any discriminatory behavior due to gender, age, education, region, nationality, race and religious beliefs. We regularly carry out recruitment anti-discrimination inspections according to the requirements of relevant national departments to ensure the fairness of recruitment and employment. Conch Cement maintains a "zero tolerance" attitude towards all harassment and infringement acts in the workplace. When necessary, we provide corresponding legal support and assistance to employees in time. In addition, we support employees to voluntarily join legitimate trade unions or societies, and protect employees' right to freedom of association with others.

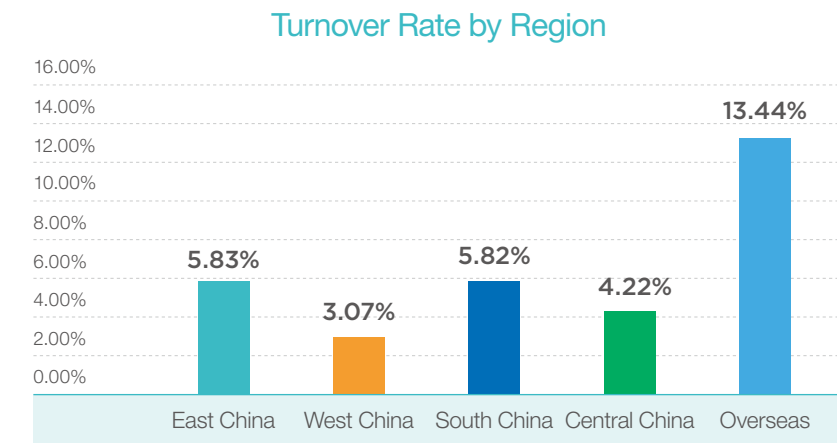
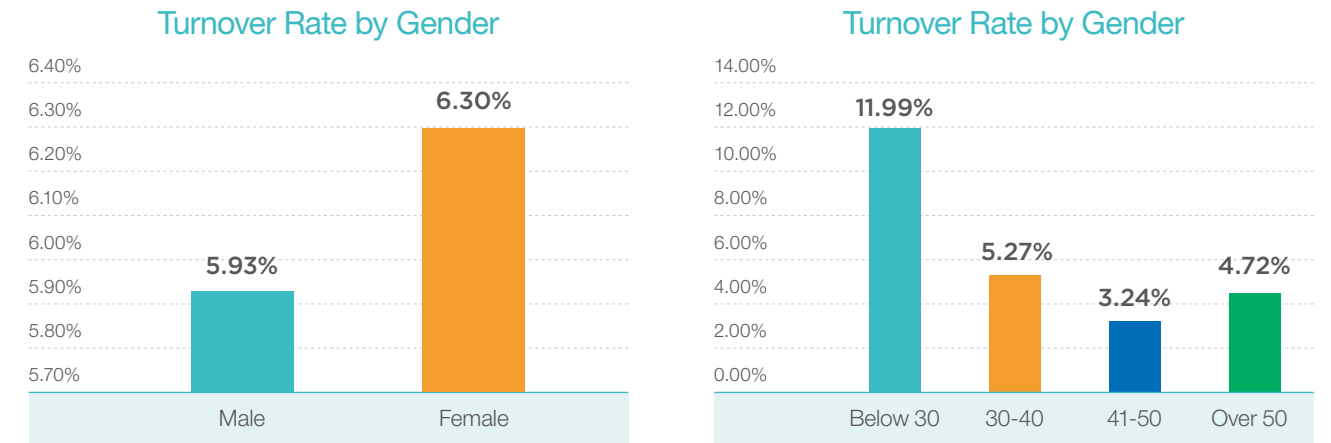
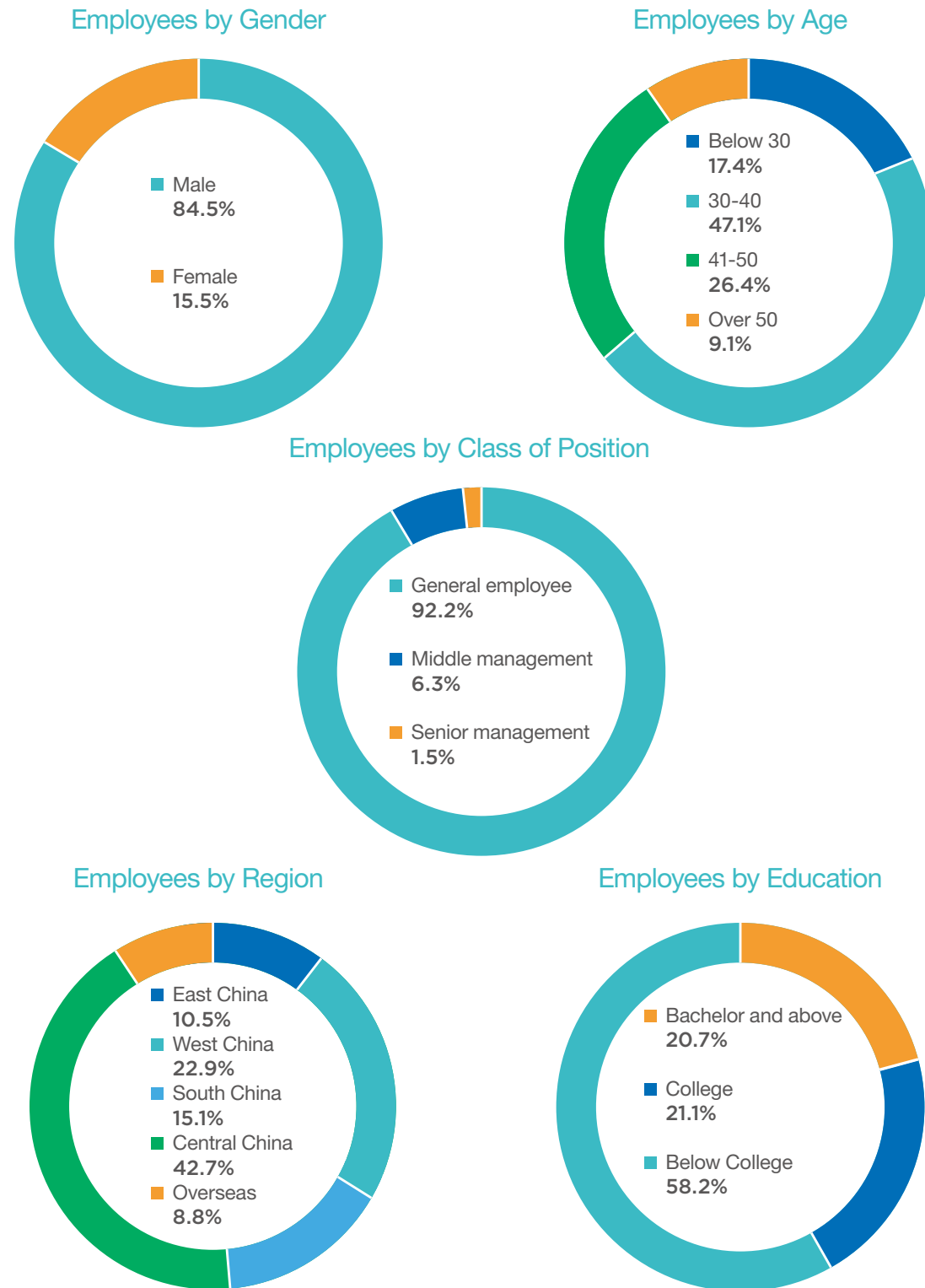
The Group adheres to the principle of equal opportunities and diversified development, understands and respects the diverse





As of the end of the Reporting Period, the Group had a total of 50,769 on-the-job employees, all of whom were full-time employees, without part-time employees. There were 4,472 overseas employees and 3,612 foreign employees, and the ethnic minority employees accounted for 7.2%. Among the Group's middle and senior management, female members accounted for 5.46% and ethnic minority members accounted for 4.04%.

While ensuring the establishment of the legitimate labor relation and rights and interests with each employee by signing labour contracts, we make efforts to lower the employee turnover rate. During the Reporting Period, 3,089 employees left the Group, with a turnover rate of 5.99%.



8.2.2 Recruitment channel

We absorb talents from different ages and different professional fields, and constantly strengthen talent reserve and cultivation. With the leading business development layout and talent attraction, we admit fresh graduates with excellent academic performance from nationwide key universities every year. Through going to colleges and universities to carry out cooperation and exchanges, inviting teachers and students from colleges and universities to visit and practice in the Company, participating in college mutual election meetings and other forms, the understanding of teachers and students about Conch Cement was deepened, which can further broaden the channels for talent introduction. In 2023, the Group recruited more than 800 "Haiying" and "Haixing" talents in total. At the same time, we select the best candidates from the society, further consolidate and enhance the Group's professional technology and management capabilities, and provide a strong backbone for promoting high-quality development.





Campus Recruitment Process of Conch Cement



Campus Recruitment Project of Conch Cement

“Haiying Project”

- “Haiying Project” refers to the talent training project of Conch Cement. As one of the important strategic plans for talents of Conch Cement, Haiying Project serves the goal of becoming a world-class enterprise with global competitiveness, and aims to cultivate “Conch’s future core backbones” through a “five-year, four-stage” cultivation cycle.

“Haixing Project”

- “Haixing Project” is a cultivation project for the future talents of college graduates in various regions of Conch Cement, and it is an important part of the “14th Five-Year Plan” talent strategic project. Conch Cement strives to recruit, reserve and cultivate a group of young talents who adapt to Conch culture through various regions and subsidiaries, so as to provide strong talent support for the Group’s future development.

In 2023, we went to Tongji University, Wuhan University, Hefei University of Technology, Anhui University, Wuhan University of Technology and other universities to conduct the recruitment work, attracting a group of like-minded young talents with great potential.



Campus Recruitment Presentation Site

During the Reporting Period, we gave full play to the advantages of digitalization and informatization, further optimized and improved the online recruitment mechanism, efficiently promoted the recruitment process, improved the matching between personnel and posts, and helped the intelligent transformation of functions and business management.

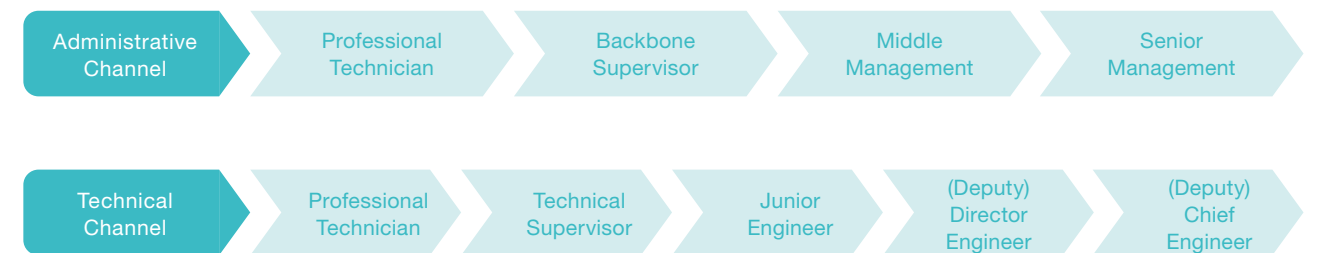
8.3 Employee Development

The growth and development of employees is an important driving force for enterprises to achieve success. By improving the talent cultivation scheme, the Group clarifies the career promotion path, builds an all-round training system, constantly improves the professional skills and management capability of employees, and provides a platform for employees’ career development.

8.3.1 Promotion path

We adopt the career promotion mechanism of large platform and dual channels, encourages employees to choose different growth channels based on their own discipline and personality characteristics, and help them play and realize their own values to the greatest extent.

Promotion Path Dual Channels of Conch Cement



8.3.2 Promotion assessment

Conch Cement implements the employee promotion assessment in accordance with the principle of “openness, impartiality and fairness”. Through 360-degree evaluation, written examination, debriefing evaluation and other methods and in combination with the unified management of employee assessment by personnel departments of subsidiaries, Conch Cement ensures the fairness and transparency of employee promotion and assessment process and results.

In order to comprehensively improve the professional skills and comprehensive management ability of managers, ensure the balanced development of the construction of cadres in various regions, and meet the needs of regional positioning and development, Conch Cement implements the alternation and rotation exchange plan of old and new cadres. During the Reporting Period, the Group adjusted and transferred 429 person-time cadres, representing a year-on-year increase of 102%, and transferred and exchanged 448 person-time middle managers, representing a year-on-year increase of 16%.

“Rainbow Plan”

During the Reporting Period, the Group further promoted the “Rainbow Plan” rating method, implemented the mode of professional rating and separation of appraisal and engagement for middle-level and below personnel, and continuously standardized the selection, cultivation, recruitment and retention of human resources professionals. During the Reporting Period, a total of 12 personnel administration professionals passed the H5 rating of the “Rainbow Plan” and were appointed as middle managers of subsidiaries.



“Advanced by Waves”

During the Reporting Period, the Group organized the “Advanced by Waves” training assessment for the third-phase “Haiying” talents who have worked for three years, 2 of whom held the heads of departments and offices or the middle management positions of subsidiaries, and 13 of whom realized the promotion and adjustment of ranks/salary scales.



8.3.3 Talent cultivation

The Group pays close attention to the career progress and growth of employees, and strives to build a perfect and comprehensive talent cultivation and training system for employees. We have implemented targeted cultivation models for employees at different ranks and career stages, giving every employee equal opportunities for growth.

Fresh graduate

- The training mode of mentorship is adopted to assign mentors to guide them.
- Induction and pre-job training are carried out for new employees, and only those who pass the assessment can take up their posts.

Ordinary employee

- Developed job skills training, focusing on the combination of professional knowledge and actual work.

Middle management

- Professional departments, offices and regions of the Company regularly organize training on professional knowledge and management ability.
- Various forms of training are provided, such as inviting external experts and internal discussion and exchange.

Senior management

- The leadership and decision-making ability is improved through training in domestic universities, exchanges and learning with domestic excellent enterprises, and offering “Conch Classroom”.

During the “14th Five-Year Plan” period, the Group plans to cultivate 30 pilots, 40 international leading talents, 50 commercial concrete project leaders, 600 “Silk Road” talents, 200 young talents, 200 “Haiying” talents and 2,000 “Haixing” talents through the “Six Categories and Nine Grades, Five Cultivation and One Introduction” project.

Five Cultivation

“Six Categories and Nine Grades, Five Cultivation and One Introduction” Talent Cultivation and Introduction Project of Conch Cement

One Introduction



Conch Cement has formulated classified, multi-level and multi-channel training plans and schemes, and built a comprehensive, compound and diversified training center to provide abundant resource support for employees. During the Reporting Period, we successfully completed the construction of Ningguo Training Center of Conch Cement, which was officially started operation on October 8. The Training Center has compiled 24 text books, hired 16 visiting professors, selected 4 full-time lecturers and more than 80 part-time lecturers, successfully held 3 classes three times a year, and trained 173 person-times successively. The subsidiaries of the Group conducted more than 1,900 internal trainings throughout the year.

Ningguo Training Center of Conch Cement

Ningguo Training Center of Conch Cement was formally established in November 2022 and officially opened in October 2023. At present, the Training Center offers several functions such as mechanical maintenance, electrical maintenance, safety education, central control simulation operation, VR and AR simulation experience, online simulation test, and corporate history and culture learning. The Training Center covers a comprehensive training building and three training bases of safety, machinery and electricity, with a total area of more than 6,400 square meters. The four majors are equipped with more than 60 full-time and part-time lecturers, and the Training Center has gradually become a training center for skilled talents integrating machinery, electricity, technology and safety.





We actively promote the cultivation and training projects for overseas and foreign employees, and constantly increase the learning and promotion opportunities for foreign managers and professionals. In 2023, we organized and carried out overseas local comprehensive quality improvement classes for foreign managers, and organized the first batch of 20 foreign grassroots management backbones to study in China, effectively consolidating and improving the management ability and professional skills of foreign employees. During the Reporting Period, 255 overseas technicians and above were newly cultivated by Conch Cement's overseas projects.



Visit Hui-style architecture in Hongcun Village



Visit Wuhu Museum

The Group makes efforts to explore innovative cooperation modes of talent cultivation, and provides employees with high-quality learning opportunities and platforms in conjunction with external universities and institutions. In 2023, we actively carried out school-enterprise cooperation with Anhui University of Science and Technology and other colleges and universities. Oriented by the joint cultivation of postgraduates, we conducted professional technical research and subject study in Wuhu Conch, Baimashan Cement Plant and subsidiaries. One patent for utility model was granted, one patent for invention was applied for, and four academic papers were published, which helped the mutual progress of the industry and scientific research.

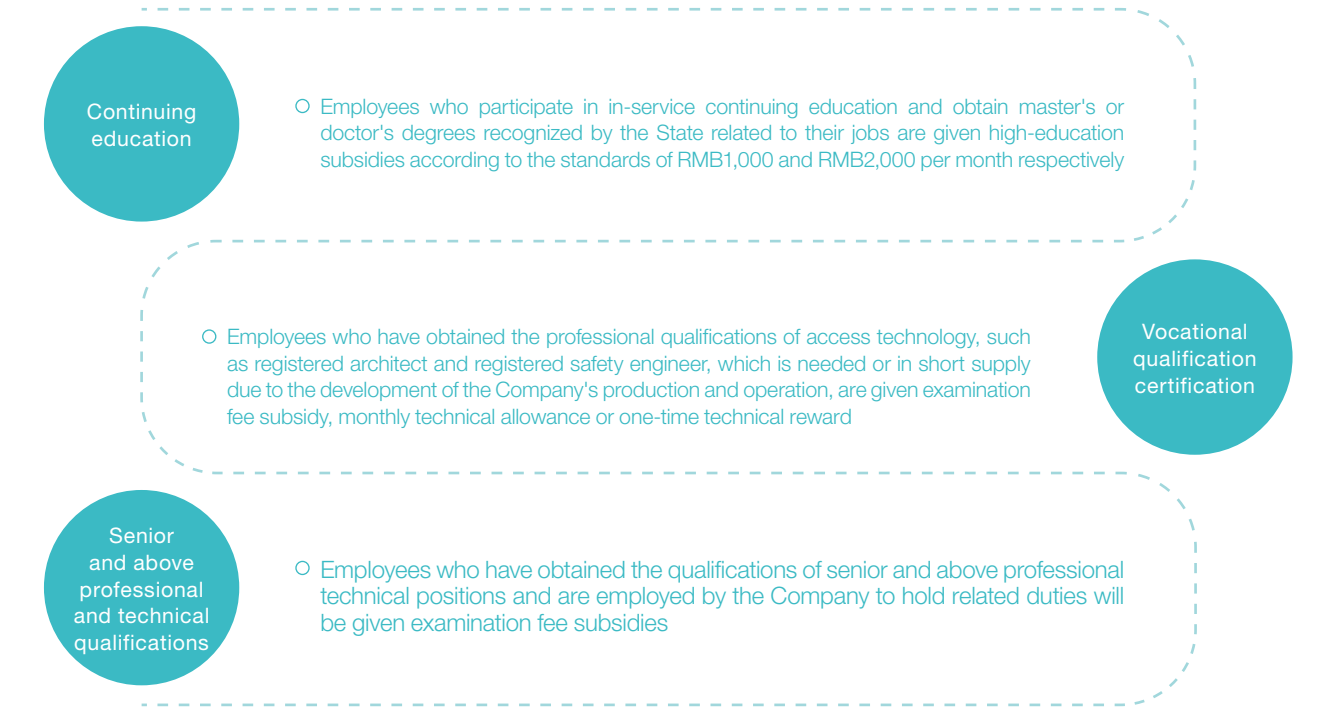
In addition, on the basis of university-industry cooperation in recent years, we continued to deepen the cooperation and exchanges with Wuhu Institute of Technology. During the

Reporting Period, we organized 25 outstanding Indonesian students to go to Wuhu Institute of Technology to study for three years, and properly cultivated the talents from overseas enterprises on an order basis.

Conch Cement supports employees to participate in in-service education, and encourages all employees to obtain professional qualification certificates recognized by the industry and be awarded professional titles during their careers, thus providing a solid backing for the talent construction of the Group. During the Reporting Period, we organized all kinds of professional title evaluation and skill training periodically, took the initiative to connect with relevant government departments, and actively guided employees in various regional departments and overseas projects to apply for professional titles, with 8,737 employees applied for intermediate and junior professional titles, and 72 employees applied for senior professional titles.

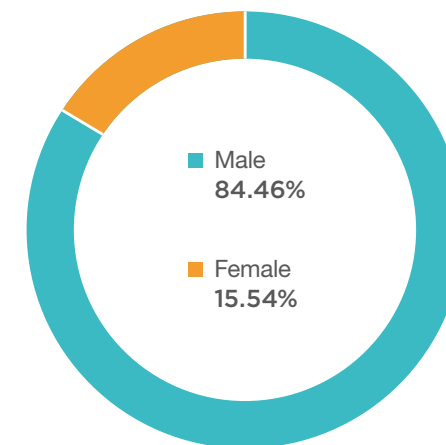


We strictly implement the relevant requirements of the Guiding Opinions on Encouraging Employees to Learn and Educate, and give education subsidies to employees who have obtained master's degrees or above recognized by the Ministry of Education to encourage employees to grow continuously. During the Reporting Period, more than 600 employees received relevant subsidies and rewards due to academic upgrading and obtaining professional certificates.

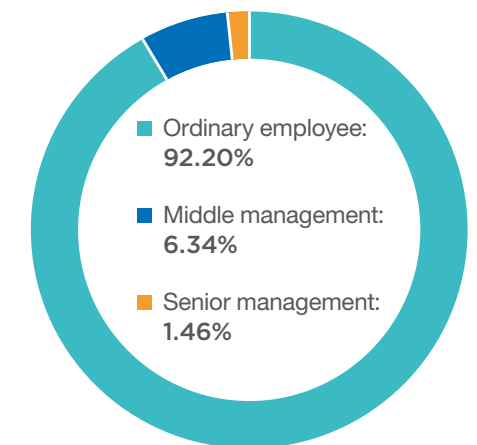


As of the end of the Reporting Period, 100% of employees of the Group received performance and career development assessment periodically, with the percentage of employees trained reaching 100%; training duration of employees amounted to 4,657,198 hours, with average training hours of 91.73 per employee, and a total of 907,987 people received the training.

Percentage of Employees Trained by Gender

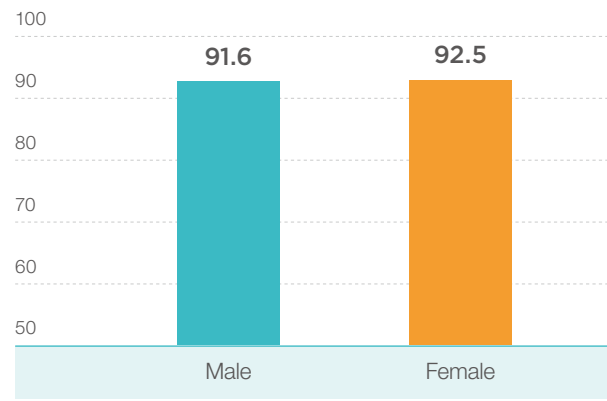


Percentage of Employees Trained by Class of Position

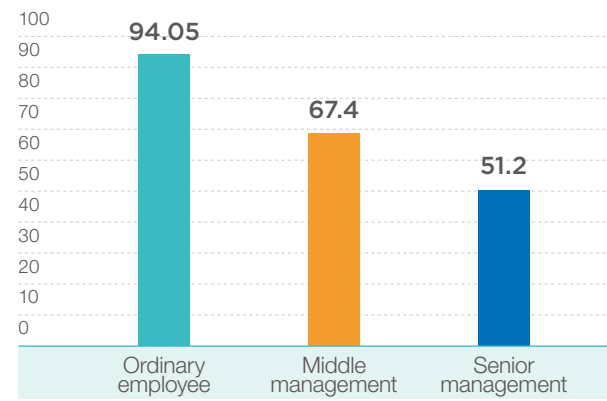




Average Training Hours per Employee by Gender (Hour)



Average Training Hours per Employee by Class of Position (Hour)



8.4 Rights and Benefits of Employees

Conch Cement always pays attention to employees' needs. While pursuing the Group's development, We continues to provide employees with competitive salary and welfare benefits in the industry, and helps employees realize their value and respond to employees' concerns with practical actions. Following the ILO Declaration on Fundamental Principles and Rights at Work, we promise to provide employees with a variety of rights, including obtaining labor remuneration, taking vacations, obtaining labor safety and health protection, receiving vocational skill training, obtaining social insurance and welfare, regular physical examination, and submitting labor disputes for settlement according to laws.

8.4.1 Salary performance

We strictly comply with the applicable laws and regulations on employees' salary and social welfare of the regions where we operate, and constantly improve the salary system and various salary incentive schemes to realize scientific, efficient and rational salary management. During the Reporting Period, we issued the Guiding Opinions on the Management of Employment and Gross Payroll in 2023, focusing on "economic benefits" and "human resource efficiency" to further optimize the control and payment of salaries, constrain the assessment and extraction of gross payroll, and give full play to the leverage of salaries.

The Group implements a floating salary mechanism, which covers all employees, including senior management. The salary structure of employees of Conch Cement mainly consists of monthly basic salary, monthly position bonus and

annual performance reward, in which the monthly position bonus is closely linked to the completion of production and operation benefits, and is associated with the benefits and personal management indicators. The annual performance reward is adjusted in a floating manner according to the completion of the annual production and operation goals and in accordance with the principle of "rewards increase when benefits increase, and rewards decrease when benefits decrease", so as to scientifically mobilize the work enthusiasm of employees and stimulate their work enthusiasm. The salary structure of the management members includes basic annual salary, performance annual salary, tenure incentive, etc. The performance annual salary and the tenure incentive are determined and paid according to the performance goals achieved during the tenure.

Employee



- Implement the salary system based on position performance, conduct assessment by linking the salary income to position indicators and the performance of duties according to the position-based assessment management system
- We formulated the "Guiding Opinions on the Management of Employment and Gross Payroll in 2023" to further improve the employment and salary control system
- Restrict the assessment of gross payroll according to the completion of profit, sales, revenue and labor productivity indicators

Middle and senior management



- Implement a contractual management mechanism, sign position appointment agreements with middle and senior managers, stipulate specific job responsibilities and division of work, and implement the tenure management.
- Establish an annual and tenure contractual assessment system, sign annual/tenure business performance responsibility statements with middle and senior managers, and issue annual/tenure key performance indicators including profit, cost, output, sales volume, environmental protection and safety production and key tasks according to the Group's development strategic plan and annual production and operation objectives.
- Upon expiration of the assessment period, establish an assessment and evaluation working group to assess the completion of the target tasks in strict accordance with the contract provisions, make an objective and fair evaluation and form assessment results.
- Implement the annual salary system for middle and senior managers, and pay the annual performance salary and the tenure incentive salary according to the results of personal annual and tenure assessments.

8.4.2 Rights and benefits

The Group fully pays the endowment, unemployment, injury, medical and maternity insurances, supplementary medical insurance and housing provident fund for all employees in strict compliance with the Labour Law of the People's Republic of China, the Social Insurance Law of the People's Republic of China, and the Regulation on Paid Annual Leave for Employees and other laws and regulations applicable to business locations. In addition, we offer supplementary medical insurance for all full-time employees, and employees can also apply for

enterprise annuity voluntarily after passing the probation period. We attach great importance to and ensure that female employees can reasonably enjoy rights and benefits such as sick leave, personal leave, marriage leave, maternity leave and other legal holidays. During the Reporting Period, the Group offered 7.92 days of paid vacation per capita. The total annual expenditure on social insurance and enterprise annuity was RMB952 million, and the social insurance coverage rate for employees of the Group was 100%.

8.5 Care for Employees

Conch Cement adheres to the working concept of "life first, then production", and continues to carry out actions to improve the quality of life of employees, puts care and caring for employees into practice, creates a warm and comfortable working atmosphere for employees, and further enhances employees' job satisfaction, professionalism and sense of happiness.

8.5.1 Employee communication

Through perfect communication channels and mechanisms for employees, we listen carefully to and treat every opinion and feedback from employees, strive to practice democratic management and build harmonious labor relations.

We exchange internal information of employees through Office Automation System (OA) and mailbox. Meanwhile, we conduct activities such as employee colloquiums, logistics meetings and "Employee Talk" periodically, deepen

the understanding of front-line employees by face-to-face communication, questionnaire survey and setting up employee suggestion boxes to listen to employees' voices in depth and build a communication bridge between the Group and employees. At the same time, we provide timely feedback on and handle the main concerns and opinions of employees.



Employees' representative conference

From January 8 to January 9, 2023, Conch Cement held the first session of second term of the employees' representative conference. The important rules and regulations of the Group and the major issues involving the practical interests of employees were submitted to the employees' representative conference for deliberation, fully guaranteeing the democratic rights of employees to participate in management and supervision. The subordinate units of the Group use employee seminars, "Five codes and Heart to Heart" and other means to unblock the channels for expressing employees' demands and respond to employees' concerns.



At the same time, we organize special inspections on the collective negotiation work of subordinate units and the signing of collective contracts. As of the end of the Reporting Period, the rate of collective negotiation and collective contract signing of the Group reached 100%, and all the 151 subsidiaries that meet the conditions have established trade unions, of which 135 have established women workers' committees, and the proportion of employees participating in trade unions reached 100%.

Characteristic Brand of "Employee Talk and Trade Unions Handle"

Zhejiang region of Conch Cement has built the characteristic brand of "Employee Talk and Trade Unions Handle", and carried out regular communication with employees, listened to employees' demands and solved practical problems. The brand case was published in Zhejiang Workers Daily. Guizhou region of Conch Cement summarized and promoted the pilot experience of factory affairs publicity of Guiding Conch, created a green "harmonious trade union" brand, enriched the content form of factory affairs publicity, and improved the system and mechanism guarantee of factory affairs publicity. The brand creation case was highly recognized by local trade unions.



8.5.2 Caring activities

We adhere to traditional holiday visits and condolence activities, implement the pairing assistance mechanism of trade union cadres, and care for employees in need and families of overseas workers. The trade unions at all levels of the subsidiaries of the Group actively strive for social resources and local support, and use the local influence to strive for preferential policies for employees in terms of children's enrollment, talent subsidies and medical security.

We always take the care and caring of female employees and the protection of their special rights and interests as the key work of the care for employees. During the Reporting Period, we carried out the law popularization and publicity month for female employees

and the cultural and sports activities for female employees, and organized a symposium for female employees to listen to and solve female employees' needs and practical difficulties. We set up women-friendly facilities such as maternal and child rooms and sunshine homes according to female employees' needs, and fulfilled corporate responsibilities with practical actions. In addition, the subsidiaries of the Group widely publicized the laws and regulations on female employees by using Conch University, publicity windows, cultural columns and other carriers, and invited professional lecturers to carry out law publicity lectures and popularize women's health knowledge, thus contributing to the protection of women employees' rights and interests.



March 8th Women's Day Theme Activity of "Climbing the Peak, Striving for Health and Far-reaching"

In order to encourage women employees to work hard, take the initiative to participate in women's meritorious activities, and contribute to the reform and development of enterprises, on March 8, 2023, the Trade Union, the Youth League Committee and the Women Employees' Committee of Conch Cement jointly launched the March 8th Women's Day Theme Activity of "Climbing the Peak, Striving for Health and Far-reaching", with a total of more than 40 female employees participating in the activity. This activity has enhanced the friendship among female employees and greatly enriched the spiritual and cultural life of female employees.



The employee care work of the Group and its subsidiaries has been widely recognized by all sectors of society. During the Reporting Period, Huaining Conch and Haichuan Equipment won the Award of Provincial Model Worker's Home, Yangchun Conch won the Award of Provincial Pilot Unit of Happy Enterprises, Nantong Conch won the Award of Provincial "Excellent Enterprise with Harmonious Labor Relations", and Baling Conch and Beigu Conch won the Award of Provincial Demonstration Unit of Open and Democratic Management of Factory Affairs.



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09

Demonstrator of Production Safety



The Group always considers employee safety as the fundamental line in our production and operation activities and comprehensively implements the safety management policy of “people-oriented, safe development; safety first, prevention oriented; integrated treatment, complete coverage”. Through well established safety management systems, effective accident prevention mechanisms, and strong safety management measures, the Group continuously enhances its safety management level.

Conch Cement’s Safety Management Performance for 2023

100%

Coverage rate of occupational health examinations

1.807 RMB100 million

Investment in employees’ occupational health and safety

8.3925 RMB100 million

Investment in production safety

9.1 Consolidation of Safety Defense Line

9.1.1 Safety management system

We keep to strengthen our study of national laws and regulations and strictly abide by the legal requirements applicable to business locations such as the Safety Production Law of the People’s Republic of China, the Administrative Measures on the Emergency Plans for Production Safety Accidents and the Implementing Measures for Work Safety Licenses of Non-coal Mines in conducting all our production safety activities. During the

Reporting Period, we revised our internal rules and systems related to occupational health and safety management and emergency plans for safety accidents, further improved the safety management responsibility systems at all levels and perfected the emergency response procedures for safety incidents, promoting a more scientific and standardized approach to safety management.

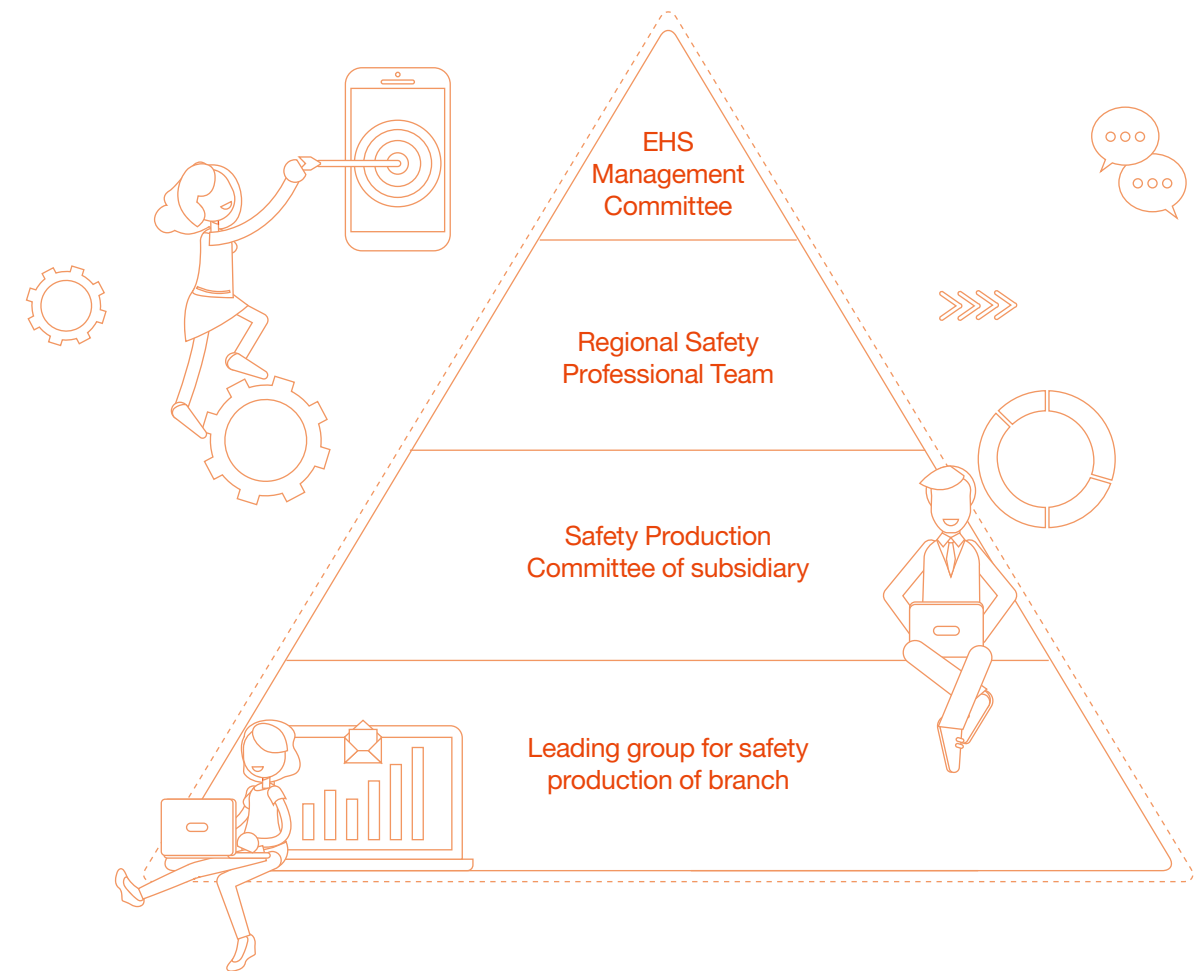


As of the end of the Reporting Period, a total of 138 subsidiaries of the Group passed the ISO 45001 occupational health and safety management system certification.

To efficiently coordinate and implement safety management and execution responsibilities at all levels, we have established a comprehensive safety management framework. Through a four-level vertical system comprising “EHS Management Committee - regional department - subsidiaries - branches”, we have created a systematic, scientific and professional safety management process and mechanism. During the Reporting Period, we formulated and issued the Guiding Opinions on the Management Activities of Conch Cement’s

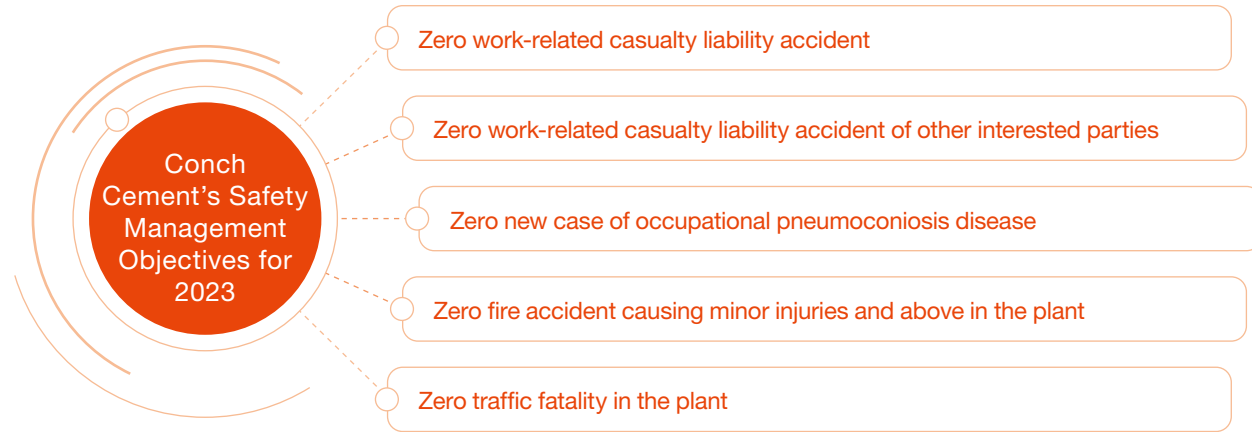
Regional Safety and Environmental Protection Professional Groups, further optimizing the staffing of the Group’s various regional safety and environmental protection professional groups and enhancing the level and effectiveness of regional production safety management. Altogether, the Group has equipped 818 safety managers at all levels, including 775 certified safety engineers, solidifying our professional foundation in safety management.

Safety Management Structure of Conch Cement



We set the safety management objectives for 2023, which include interested parties (suppliers and contractors), according to the focus and evaluation of safety management work in previous years, and directed and required 239 subsidiaries and departments to conclude the Responsibility Letter for Occupational Health Objectives in Work Safety in 2023, achieving tiered breakdown of safety responsibilities and objectives to ensure the effective implementation of safety management. We conduct quarterly evaluations of

the safety objectives responsibility system for subsidiaries and departments and give special rewards and punishments according to the evaluation results. In 2023, we tilt our safety rewards and punishments to the grassroots level and front-line, urging front-line employees to fulfill their safety responsibilities. As of the end of the Reporting Period, Conch Cement has distributed a total of RMB90.26 million for safety rewards.



The Group places high importance on the safety management of interested parties such as suppliers and contractors, and while fulfilling our own safety responsibilities, we continue to enhance our efforts for safety control of interested parties throughout the lifecycle. Following the principles of “legal compliance, rigorous scrutiny, merit-based admission, and reinforced management”, we have established bidding and tendering safety standards for the admission of interested parties in 19 aspects, including their qualification grade, organization and personnel, rules and regulations, and safety performance. We have also set up a Bidding Safety Pre-evaluation Team to comprehensively review the safety capabilities of interested parties in the early stages of bidding to ensure they meet the Group's safety admission criteria. At the same time, we have included the Independent

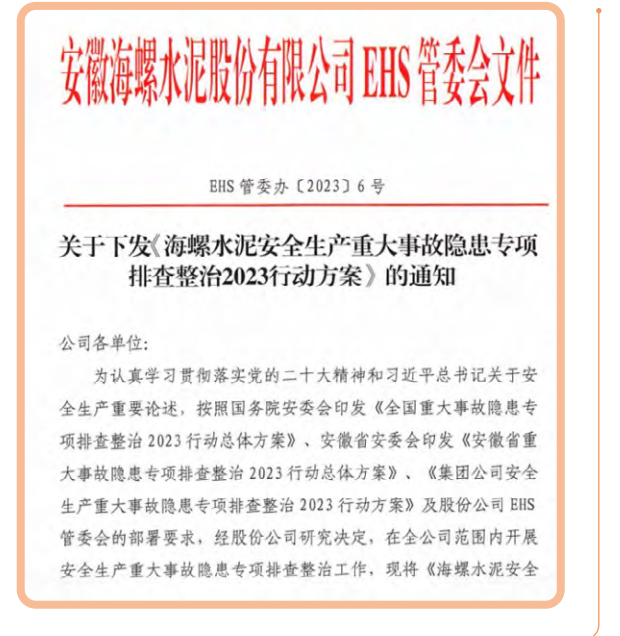
Safety Management Requirements for Interested Parties as an appendix to the bidding contracts, making it a necessary condition for interested parties' admission.

We regularly sort out safety information and strictly monitor the safety management quality for interested parties. Interested parties that fail assessments or experience safety accidents within the Group's scope will be included in blacklist management. Furthermore, we have developed and issued the Interested Parties On-site Safety Inspection Checklist (Categories A, B, C), requiring interested parties to strictly implement the relevant safety management requirements and measures, and guiding regional on-site personnel and owner units to effectively play their roles in safety supervision.



9.1.2 Control of safety hazards

The Group firmly establishes the concept that “hazards are equivalent to accidents”, comprehensively promotes comprehensive safety inspections and the establishment of production safety standards, effectively implements a dual prevention mechanism, and establishes a five-level hazard inspection system comprising “group, unit, department, workshop and post”. During the Reporting Period, we formulated and issued notifications such as the Notice on Further Strengthening Structural Safety Inspections and Conch Cement's Action Plan for Special Investigation and Rectification of Production Safety Major Accident Hazards for 2023. Across the entire Group, we carried out six comprehensive inspection tasks, including the accident prevention inspection for structural safety, special safety inspection for confined space, fire safety inspection, comprehensive production safety inspection, and rectification of major accident hazards. Additionally, we conducted 156 safety inspections in the “grassroots-level and on-site inspections without providing prior notice, informing in advance, debriefing afterwards, or requiring accompaniment” approach and remediated over 7,800 hazard issues, thereby curbing the occurrence of safety accidents from the source.



To promote the involvement of all employees in safety management, we have developed a mobile app-based early warning and prediction system. All employees can make full use of information technology to participate in hazard remediation at all stages and times through downloading the “Early Warning and Prediction” mobile app.



Conch Cement's safety management work has been widely recognized. As of the end of the Reporting Period, five companies of the Group, including Lianyuan Conch and Suzhou Conch, were honored with the title of National Safety Culture Construction Demonstration Enterprise, and another five companies of the Group, including Guangyuan Conch and Zunyi Conch, passed the on-site evaluation for Level I Production Safety Standardization.



9.2 Protection of Occupational Health

The Group strictly adheres to the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Regulations on Occupational Health Management in Workplaces, the Management Measures for Occupational Health Surveillance of Employers, and other laws and regulations applicable to business locations. We have developed and implemented numerous rules and systems such as the Occupational Health Management System to standardize occupational health management across the Group and all its subsidiaries. During the Reporting Period, we revised the Safety, Environmental Protection and Occupational Health Responsibility System to further refine the organization and staffing for occupational health management and strengthen the requirements and content related to occupational health supervision and inspections.

We continually develop the occupational health and safety management framework for all our employees and establish an occupational health leading group headed by main leaders to make overall coordination and deployment of the occupational health management of all subsidiaries. The Company's Safety and Environmental Protection Department is responsible for developing safety systems and supervising the implementation of safety work. Furthermore, each manufacturing subsidiary of the Group has at least one occupational health manager to ensure the effective implementation of relevant laws and regulations on occupational disease prevention and control in all aspects of production and business operations.

We have independently developed a robot delivery information system platform, which uses robots to replace manual loading. We have also promoted and implemented the full-process robot automatic loading system for bagged cement in 34 subsidiaries, which are located in Quanjiao, Changfeng, Taizhou etc., to minimize manual operations and occupational hazards. We constantly enhance our heatstroke prevention working system and adjust the posts in a timely manner for employees with heart, lung and cerebrovascular diseases and thus unsuitable for high-temperature environments according to their physical examination results. For employees who carry out hot work or work in high temperatures, we also provide personal protective equipment, distribute heatstroke prevention drinks and medicines, and pay high-temperature allowances according to national and local standards to protect the physical and mental health of our employees.

Furthermore, for subsidiaries that have already commenced operations, Conch Cement conducts a current situation evaluation of occupational hazards every three years and an occupational hazard detection at least once a year, forming an effective assessment and control mechanism for occupational health.

Conch Cement actively strives to become a "healthy enterprise" in accordance with the technical guide for the assessment of healthy enterprises. As of the end of the Reporting Period, 60 units, including the Group, have received the healthy enterprise title at the county level or above, with 28 units like Guangyuan Conch and Dazhou Conch obtaining provincial-level healthy enterprise title.



We pay close attention to occupational hazards and actively take measures to reduce occupational hazards and risks. The main occupational hazards of Conch Cement include dust, noise, and thermal radiation, among others.

We have reduced the impact of dust concentration, noise pollution and thermal radiation, hence mitigating occupational hazards in the workplace and environment for our employees, by continually improving production technologies, making technical improvement of on-site operation equipment, and

implementing measures such as dust removal, enclosure, isolation, sprinkling, spraying and the provision of personal protective equipment. At the same time, we carry out special occupational health inspections on a regular basis, establish occupational health records and health supervision records for each employee, and provide pre-employment occupational health examinations for new employees, annual occupational health examinations for on-the-job employees and pre-retirement occupational health examinations for retirees.



9.3 Reinforcement of Safety through Science and Technology

The Group actively responds to the national strategy on the integration of informatization and industrialization, continuously promoting the combination of intelligent technology and solutions with traditional industries. Within this context, we adhere to the contemporary theme of "reinforcement of safety through science and technology and safe development", constantly explore and seek technological innovation opportunities in safety management and production fields, and are committed to improving the Group's safety management capabilities and safety technology level.

Aligned with the development of the artificial intelligence era, the Group is progressively delving into the digital and intelligent mining domains of the cement industry. Currently, we have realized unmanned driving in mines, automated ore blending and intelligent vehicle dispatching through the establishment of geological models, mining and stripping planning, and the use of computer technology, thereby reducing the human involvement in various aspects of mining operations, effectively lowering the safety risks associated with mining operations, and significantly enhancing the safety factor for personnel.



Increasing Transportation Efficiency

Based on mining operation experience, operation was typically split into two shifts before the adoption of the unmanned driving system. Accounting for the drivers' meal times and shift handovers, the effective daily operation time was 14.5 hours. After implementing the unmanned driving system, it is possible to maintain 24-hour operation. Deducting time for refueling and inspections, a continuous operation of 22.5 hours can be achieved. This equates to an average increase of 8 hours/vehicle/day in operation hours compared to traditional manual transportation.

Ensuring Safety

The utilization of unmanned driving systems avoids accidents caused by human factors. Additionally, it enables continuous operation in harsh weather conditions, such as heavy fog, circumventing unnecessary mine shutdowns due to weather impact and preventing losses. Moreover, the 24-hour operation schedule of unmanned mining trucks eliminates the risk of fatigue driving during this period.

Conch Cement Safety Education Activities

Publicity Week for the Law on the Prevention and Control of Occupational Diseases



Distribution of Occupational Health Brochures to Employees

Production Safety Month



Signing Ceremony for the Theme of Safety Production Month

119 Publicity Month



Conducting Fire Emergency Drills at the Headquarters Building

Disaster Prevention and Mitigation Day



Providing Emergency Response Training for Dock Flood

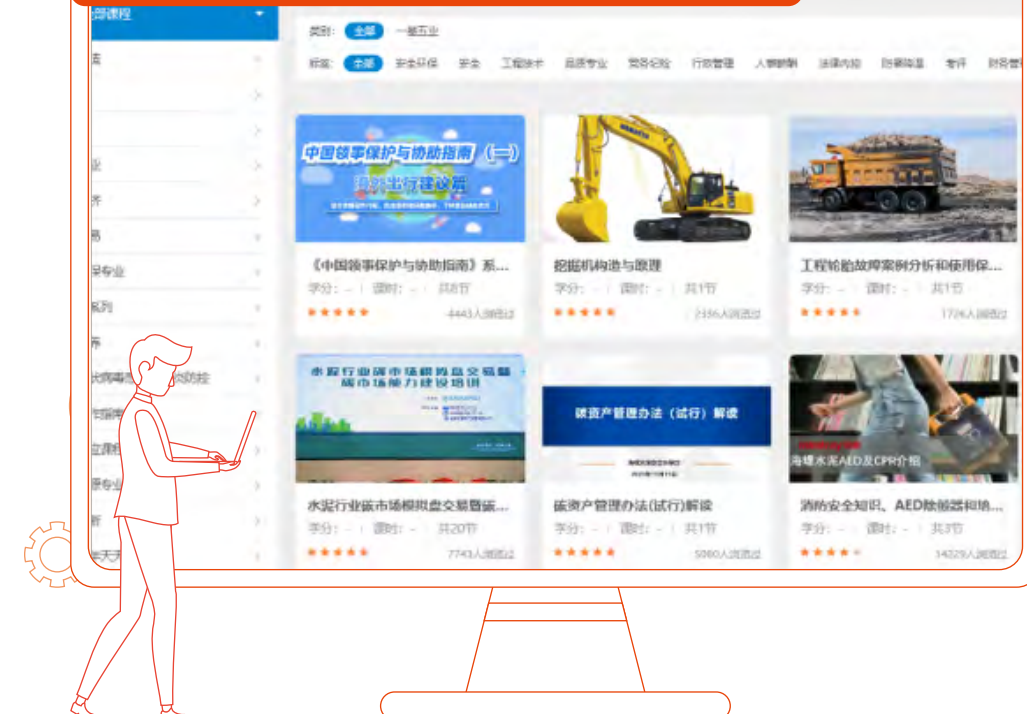
9.4 Safety Education and Training

Conch Cement consistently integrates its safety culture concept into operation and production activities and enhances employees' safety awareness. During the Reporting Period, through meticulous organization, detailed deployment and active mobilization, We conducted a series of activities, such as "Publicity Week for the Law on the Prevention and Control of Occupational Diseases", "Disaster Prevention and Mitigation Day", "Production Safety Month" and "119 Fire Protection Month". These activities widely disseminated safety knowledge through a combination of online and offline measures and utilized the "Production Safety + Internet" model to enrich the forms of safety education and training, continuously improving the safety education and training system.

As of the end of the Reporting Period, Conch Cement and its subsidiaries uploaded over 940 pieces of safety training courseware through the "Conch University" APP platform and organized more than 2,330 job qualification safety examinations. In addition, to strengthen the warning education of safety accidents, the Group compiled a total of over 110 safety accident cases and published and distributed 4 volumes of typical accident casebooks, along with 4 special accident prevention notices throughout the year. We also organized safety knowledge theory examinations for required knowledge and skills, covering 4,342 production managerial staff and 2,930 electrical professionals, ensuring that the relevant personnel have the capability for safety management and meet the required safety knowledge level.



Online Training Courses of Conch Cement





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10

Defender of Excellent Quality



Conch Cement is committed to integrating the concept of sustainable development into all aspects of the supply chain, and strives to achieve coordinated development with supply chain partners by the Company continuously strengthening green and intelligent procurement. Adhering to the principle of quality first, is committed to providing customers with high-quality products and services through cutting-edge innovative technology and quality assurance system, fully listening to customers' voices, and adhering to the business purpose of "highest quality and sincere service" in a responsible manner by setting up a perfect customer communication feedback and complaint mechanism.

10.1 Intelligent Procurement

In 2023, the Company fully launched the upgraded online "Sunshine Intelligent Purchase Platform of Conch" to realize the whole life cycle management of bidding and tendering for suppliers, manage suppliers from an all-round perspective from supplier introduction, qualification investigation, information change and on-site inspection to supplier evaluation, strengthen the openness and transparency of bidding and tendering processes and further improve the supplier system.

During the Reporting Period, the platform has carried out a total of 11,190 bidding and price comparison projects, and 11,717 suppliers have registered independently, among which 1,490 suppliers have obtained quality/environment/safety system certifications such as ISO9001, ISO14001 and ISO45001. The platform has not only become the highlight display platform of the headquarters' full-format bidding, but also further improved Conch Cement's independent procurement supervision and management mechanism, effectively safeguarding the legitimate rights and interests of suppliers. In 2023, there were no complaints caused by the bidding of the Sunshine Intelligent Purchase Platform.

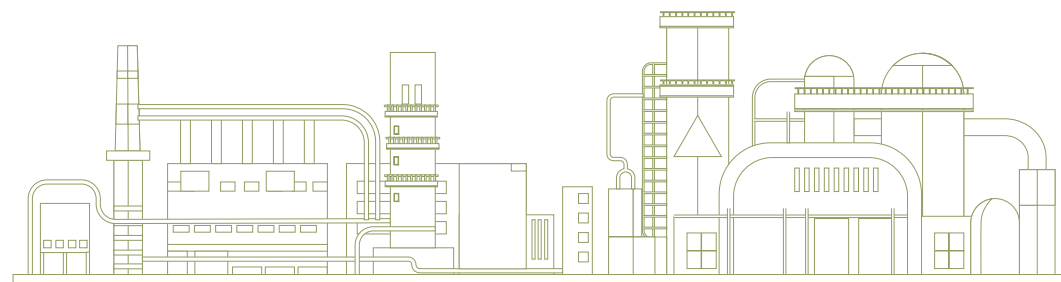
10.2 Green Supply Chain

The Company regards leading the supply chain stability as its own responsibility, actively maintains the green transformation of all links, proactively identifies the possible risks in the supply chain links by constantly improving the supplier management mechanism, and conducts diversified communication with partners in order to promote the coordinated development of the whole supply chain throughout its life cycle.

10.2.1 Supply Chain Management

The Company has formulated the Measures for Supplier Management, the Measures for the Administration of Bidding for Material Procurement, the Detailed Rules for the Implementation of Bidding for Material Procurement, the Interim Measures for the Management of Automobile Transportation Bidding and other internal systems and codes in compliance with *the Bidding Law of the People's Republic of China*, *the Regulation on the Implementation of the Bidding Law of the People's Republic of China* and other domestic and foreign related laws and regulations, further clarifying the classification and dynamic management mode of suppliers. During the Reporting Period, we further

revised the Measures for Supplier Management, improved the processes of development, selection, management and evaluation of suppliers, and standardized the responsibilities and authority of various departments in the process of transportation bidding. We coordinated market construction by closely focusing on the spirit of the Company's annual work conference and production and operation goals, and continuously promoted the cost reduction and efficiency improvement, so as to improve the level of resource control and cost control and effectively ensure the stability of the supply chain.



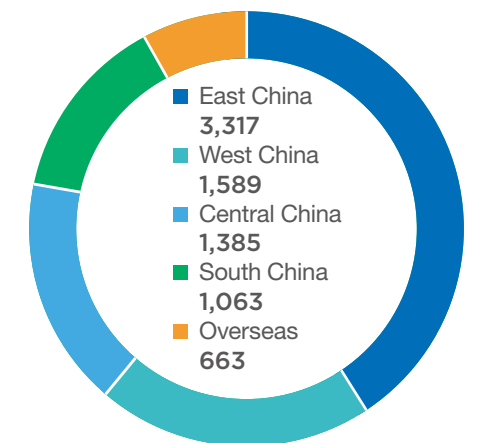
In terms of assessment of supply chain risks, we collected and sorted out the national policies, industry information, market situation and weather related to the cement industry by formulating the Supply Information Briefing to provide information support for the coordination of the supply market and the formulation of procurement strategies, so as to identify and analyze the environmental and social risks in the supply chain that may occur during the operation on a regular basis. We analyzed and identified five supply chain risks from the perspective of our own operation and in combination with the characteristics of the industry and the operating status of the headquarters and all subsidiaries.

Risk Assessment of the Supply Chain of Conch Cement



The Company adheres to the principle of local and nearby procurement, and fully considers the convenient factors such as resource distribution, logistics advantages and disposal of local industrial solid waste in the procurement of raw materials and auxiliary materials. At present, the proportion of localized procurement of raw materials has reached 100%. In addition, we have explored and created a material procurement model with Conch characteristics. We implement the material supply management mode of combining unification with separation and centralization with authorization, implement the procurement authority division principle of "headquarters is responsible for work with advantages, and regional departments and subsidiaries are in the same situation", and optimize and update the system of "one district (factory) and one policy" every year to further clarify the procurement authority of each unit. In 2023, the Company's direct supply proportion increased to 80%, further enhancing the resilience of the supply chain.

Quantity of Suppliers Classified by Regions





Supplier access

In the supplier access stage, in addition to the requirements for quality, production capacity and delivery period, we also add terms on employee rights and interests, business ethics and anti-corruption in all supplier cooperation agreements, require all suppliers to provide safety, environmental protection and other third-party qualifications, and actively urge suppliers to meet the Company's sustainable development requirements. In the procurement of liquid materials such as coal-saving agent, desulfurizer and SCR catalyst, we clearly include the safety and environmental protection performance of packaging and transportation mode and production process in the evaluation and inspection items. Conch Cement gives priority to suppliers with excellent performance in environmental protection and social responsibility as an important basis. In 2023, the proportion of suppliers obtaining ISO 14001 certification reached 11.53%, and the proportion of suppliers obtaining ISO 45001 certification reached 10.15%.

The Company conducts annual supplier review every year, which also covers environmental protection, human rights, safety, business ethics, compliance performance and other factors, so as to comprehensively consider supplier performance. According to the evaluation results, we classify the suppliers according to Tier A (strategic suppliers), Tier B (excellent suppliers) and Tier C (sealed suppliers).

Supplier Tiering Mechanism of Conch Cement

Tier A suppliers

- Large enterprises that have signed strategic agreements with the Company can be given priority to be included in Tier A suppliers, and other suppliers must pass the pre-evaluation procedure and score ≥ 80 points before they can be rated as Tier A strategic suppliers;
- The strength, equipment scale and performance of suppliers can be used as the bidding access criteria for some high-level products.



Tier B suppliers

- The default qualification system is adopted for the categories and channels that have not been pre-evaluated, and they are directly evaluated as Tier B excellent suppliers;
- Suppliers carry out normal bidding, price inquiry and supply-related procurement processes.



Tier C suppliers

- If strategic and excellent suppliers violate laws and regulations and have serious breach of contract during their performance, they will be included in the management of Tier C sealed suppliers;
- Sealed suppliers are disqualified from business cooperation for two years. For self-purchased materials, in principle, only the defaulting companies or regional departments are blacklisted, and those with serious nature that need to be blacklisted are submitted to the supply department for approval before implementation. For the materials purchased in a unified way, the supply department and relevant professional departments and offices determine the scope of blacklisted suppliers.



Supplier integrity

The Company is well aware of the importance of business ethics for the benign development of enterprises. As a responsible enterprise, we actively urge all cooperative suppliers to restrain themselves with the same business ethics standards, and formulated and issued the Measures for Supplier Management, further clarifying the definition and handling measures for suppliers' related breaches.

During the Reporting Period, we carried out inspection and supervision on 38 subsidiaries in key areas and key nodes in the supply chain by focusing on the subject responsibility of Party style and integrity construction, "Three Critical and One Importance", various tendering and bidding and material procurement, and issued 45 supervision and inspection reports. We found a total of 206 business ethics-related issues such as "correcting mistakes, plugging loopholes and preventing risks", and put forward 148 suggestions for improvement.

Integrity Requirements for Suppliers of Conch Cement

- Require subsidiaries to sign integrity agreements while signing business contracts with suppliers.
- Require subsidiaries to strengthen the publicity of incorruptible culture to external business units and suppliers.
- Take advantage of pre-festival style supervision, special supervision and other opportunities to conduct irregular market visits to understand the implementation of the integrity agreements by both parties and their opinions on the Company's integrity work.

During the Reporting Period, the signing rate of the integrity agreements of the suppliers of the Company headquarters and subsidiaries reached 100%, and no supplier integrity problems occurred.

10.2.2 Supplier Empowerment

In order to build a stable and high-quality supply chain, it is necessary for an enterprise to continuously and efficiently help partners to enhance their competitiveness while continuously strengthening the supply system. By providing smooth communication and exchange channels for all suppliers, the Company deeply assists suppliers in tackling technical problems and is committed to promoting mutual benefit and win-win results between the Company and suppliers.

The Company has established an engineering machine maintenance center with domestic agencies Komatsu and Hitachi

In November 2023, the ribbon-cutting ceremony for the opening of the new workshop of Conch Engineering Machine Technology Co., Ltd. was held ceremoniously. The workshop was jointly established by Conch Cement and domestic agencies Komatsu and Hitachi. The workshop is equipped with special equipment for detection, cleaning and maintenance, such as engine hydraulic dynamometer, hydraulic pump test bench, ultrasonic cleaning machine and horizontal rotary spray cleaning machine. The workshop is also the designated maintenance center of Komatsu and Hitachi brand engineering machine equipment in Anhui Province, and has reached the scale of undertaking 150 sets/year of maintenance of various types of engineering machines.

This cooperation will further enhance the Company's maintenance and operation capabilities, promote the collaborating cooperation between upstream and downstream enterprises in the industrial chain, and achieve a win-win situation for both parties.





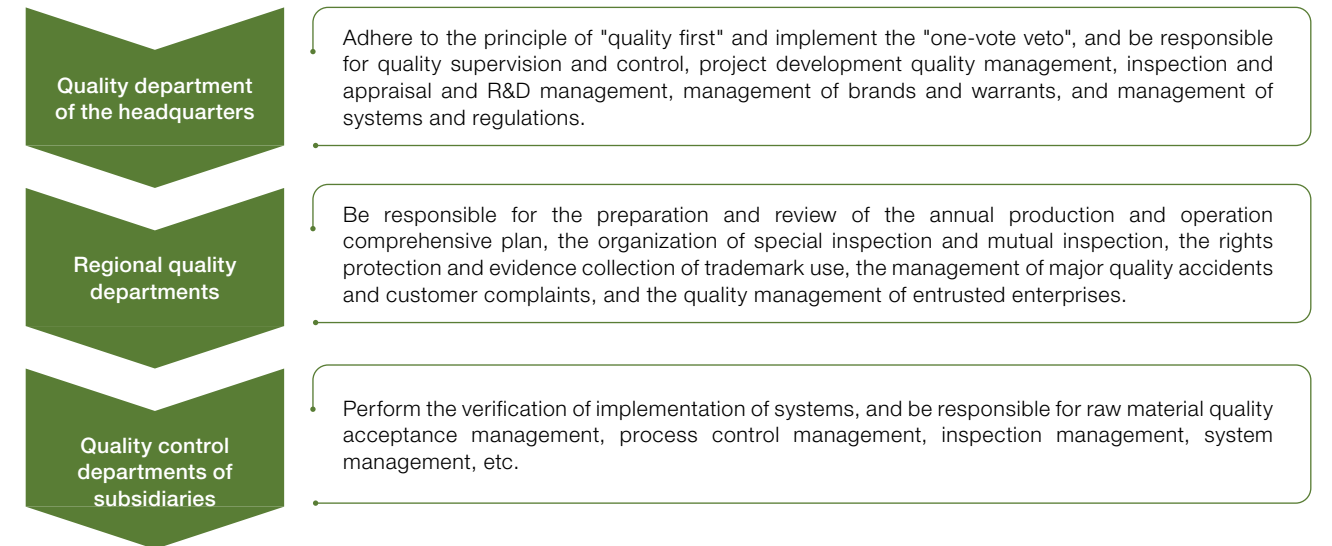
Technical transformation optimization of Sunward drilling machines

In view of the newly purchased domestic brand equipment such as Sunward in recent two years, the Company regularly collected and sorted out the defects such as poor convenience of equipment maintenance, unreasonable design layout, unstable basic parts and so on through the comparative analysis of fault conditions, performance and operation data. Through communication and coordination with manufacturers, we carried out technical transformation and optimization of Sunward drilling machines on site and completed the handling of relevant faults, further improving the intactness rate of equipment and ensuring the reliability of operation of equipment.



This year, we have assisted manufacturers to complete 99 items of transformation and optimization in total. By adding reversing radar, adding oil level identification and protective measures, and pipeline rectification, the operation efficiency and convenience of repair and maintenance of equipment have been effectively improved.

During the Reporting Period, we established a three-level quality management model, which is led by the quality department of the headquarters and combined with the regional quality professional groups and the quality control departments of subsidiaries.



In terms of return and replacement of products and handling of complaints, the Company has formulated the Interim Measures for the Management of Return and Replacement of Unified Sales of Products and the Management Measures for the Handling of Quality Complaints and Disputes, further standardizing the management of processes of return and replacement of products. During the Reporting Period, there were no product quality incidents in Conch Cement, and there were no products recovered due to safety and health problems.

10.3 Quality First

The Company always carries out the philosophy of quality first, constantly improves the product research and development ability centered on customer demand, builds a team of quality experts and establishes a quality professional technology center by optimizing the whole process management system, and takes providing expert technical services as the Company's quality goal.

10.3.1 Quality Management System

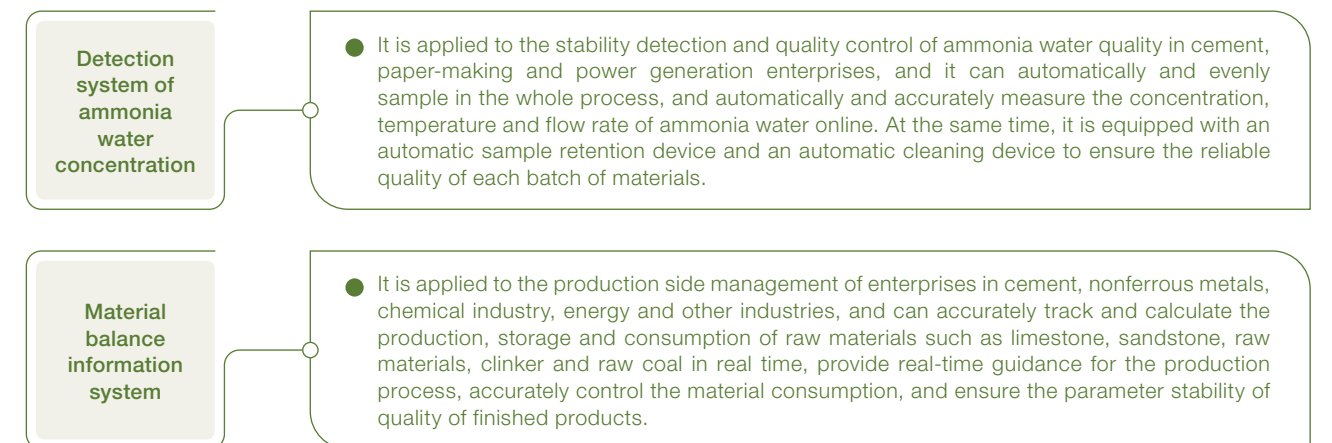
The Company has established a perfect quality management system in strict compliance with the *Product Quality Law of the People's Republic of China*, the *Product Trademark Law of the People's Republic of China*, the *Quality Control Regulations for Cement Manufactures* and other relevant laws and regulations. In addition, we have formed the product confirmation procedures and quality management process covering raw material procurement, production organization and products leaving the factory in combination with the internal quality management system, and formulated and issued the Detailed Rules for the Management of Ready-mixed Concrete Production during the Reporting Period, further clarifying and standardizing the responsibilities and processes for the management of ready-mixed concrete production units and ensuring the continuity and stability of production. As of the end of the Reporting Period, a total of 136 subsidiaries of Conch Cement have obtained ISO 9001 quality management system certification, representing an increase of 11 compared to last year.



10.3.2 Digitizing Quality Management

In order to further improve the efficiency of professional management, the Company has comprehensively promoted the digitizing system of quality management, and this year took the lead in promoting the construction of intelligent control systems such as quality management system, quality prediction system and quality traceability system in six subsidiaries. The typical case of "the practice of intelligent manufacturing based on digital empowerment in quality improvement" proposed by the Company was listed as the national quality benchmark by the Ministry of Industry and Information Technology and the China Building Materials Federation.

In terms of intelligent construction, after the quality management system is fully put into operation, the Company not only realizes the real-time alarm function of quality abnormal information, which is convenient for quality managers to intervene in time and correct deviations, but also adds an automatic monitoring system of concentration water concentration and a material balance information system, which effectively improves the quality of materials used in the production process and provides targeted standardized management for different industries related to cement application.





10.3.3 Quality Culture Construction


The Company attaches great importance to the construction of internal quality culture. We actively carry out quality-related trainings to further enhance the quality awareness of all employees, promote the quality management level of the Company and consolidate the brand image of Conch.

2023 “Quality Month” Activity

This year, the Company decided to take “preventing quality risks, consolidating quality advantages and enhancing brand influence” as the activity purpose in combination with the theme of “National Quality Month” Activity, and actively created the atmosphere of “Quality Month”.

The quality department organizes the operation training of commercial mixture and aggregate quality detection methods, operation and maintenance of fluorescence instruments and diffractometers, and all units organize the training of quality knowledge and detection methods, so as to fully cover the employees of the Company headquarters and subsidiaries. This year, the Company held a total of 352 quality trainings, with 43,988 trainees. In addition, we organized a total of 114 customer seminars, visited 1,538 customers and collected 234 opinions on quality improvement. At the same time, we found 14 places producing counterfeit products of Conch Cement, involving 92 tons of products, and we have coordinated the local market supervision departments to investigate and deal with them.

During the Reporting Period, we won many honorary awards in product quality. The Company won the quality professional certifications issued by domestic and foreign well-known institutions, such as “Quality Wuhu” certification and building materials science and technology award, and 39 subordinate units won the “Menofu Cup” National 19th Cement Quality Index Inspection Comparison Excellent Award.

 Award	Date	Awarding Institution
“Quality Wuhu” Certification Certificate	January 2023	Wuhu Intelligent Manufacturing International Certification Alliance
Science and Technology Award for Building Materials (Second Prize)	March 2023	The Chinese Ceramic Society, China Building Materials Federation
2023 Quality Benchmark Unit in the National Building Materials Industry	January 2024	China Building Materials Federation
“Outstanding Contribution Award” for 40th Anniversary of National Cement Inspection Comparison	November 2023	National Quality Supervision and Testing Center for Cement, China Testing & Certification International Group Co., Ltd.

10.3.4 Protection of Intellectual Property Rights

The Company attaches great importance to the application and protection of intellectual property rights, strictly complies with *the Patent Law of the People’s Republic of China, the Trademark Law of the People’s Republic of China, the Specifications for the Administration of Intellectual Property Rights of Enterprises* and other relevant laws and regulations, and has formulated and issued the Interim Measures for the Management of Intellectual Property Rights of Conch Cement, so as to clarify the responsibilities for management of intellectual property rights and the methods of rewards and punishments. At the same time, the departments effectively promote the smooth conduct of intellectual property work through annual task decomposition, quarterly promotion and implementation and policy incentives. During the Reporting Period, Conch Cement applied for a total of 290 patents, including 66 invention patents, 223 utility models and 1 design patent. At the same time, Conch Cement obtained 278 licensed patents,

including 26 invention patents, 242 utility models and 10 soft works. Up to now, Conch Cement has 950 valid patents.

On the other hand, in order to maintain the reputation and image of Conch brand, the Company explicitly requires all subsidiaries to continue to investigate and crack down on trademark infringement and manufacturing and sales of counterfeit goods through issuing the Notice on Further Strengthening Brand Management and Maintenance.

As of the end of the Reporting Period, 11 sales units of the Group have found a total of 89 cases of counterfeiting the Group, and investigated and dealt with 917 tons of counterfeit Conch bagged cement and 75,000 pieces of counterfeit Conch packaging bags together with the industrial and commercial and public security departments, which purified the market environment while safeguarding the corporate interests.

10.4 Customer-oriented

The Company regards gaining customers’ trust and making customers satisfied as an important part of creating a good business environment and brand influence. We always take customers as the center, improve the customer service management system through responsible marketing and strengthen communication with customers, thereby achieving mutual benefit and win-win results.

10.4.1 Responsible Marketing

The Company adheres to the sales principle of “openness, fairness and impartiality” and the transparent sales price policy. We promise to strictly comply with the compliance bottom line in the process of publicity and sales, abide by the principle of being responsible to customers, and refrain from any misleading and false publicity and inappropriate and objective evaluations of competitors.

In terms of the code of conduct for sales personnel, the Company signs the Integrity Agreements with customers and sales personnel every year, and has constantly improved the sales management systems such as the Interim Measures for the Management of Sales Personnel and the Interim Measures for Investigating the Responsibilities of Sales Personnel for Incorruptible Work. During the Reporting Period, the Company formulated the Guiding Opinions on Promotion and Exchange of the Heads of Sales Departments (Trial Implementation Draft), clarifying the punishment measures for violations of sales personnel and standardizing the behavior constraints of sales personnel.





In order to further prevent marketing risks, internally, the Company conducts audit inspections on business processes by providing regular trainings on incorruptible work for sales personnel, and externally, has established a smooth channel for reporting sales violations, requiring all bidding information to be publicized, the homepage of the Online Sunshine Purchase Platform and the office locations of professional counterpart departments to provide complaints telephone numbers for discipline inspection and supervision. In addition, the Company arranges for special persons to check all complaints and doubtful information and record them in real time, and provides the check results to the complainant as soon as possible.

Communication and Handling Mechanism of Conch Cement for Sales Violations

 <p>Establish multiple channels for reporting violations such as "400 National Service Hotline", "Sales Supervision Reporting Hotline" and the telephone numbers of discipline inspection and supervision departments, and post them on the factory delivery sites and print them on the business cards of sales personnel.</p>	 <p>Proactively understand, reveal and deal with violations of discipline, and establish a three-level telephone consultation mechanism comprising the "headquarters, regional departments and subsidiaries" to proactively understand customer demands and related violations, and let customers participate in the Company's sales management and business supervision.</p>	 <p>Adhere to the principle of investigating every case and ascertaining where the responsibility lies, and for the acts that violate national laws and regulations and the Company's systems, hold the responsible persons accountable and impose corresponding economic and Party discipline and administrative discipline punishments according to the severity of the circumstances.</p>
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10.4.2 Customer Service



The Company regards sanctification of customer demand as the driving force of the Company's continuous development and progress. We fully understand customers' real experience of products and services by actively communicating with customers and carefully listening to customer feedback.

The Company has established management systems including the Administrative Measures for Handling Quality Complaints and Disputes, the Instruction for Internal Control Inspection of Sales, and the Detailed Rules for the Implementation of Service Standardization, and established a perfect management system for handling complaints. We facilitate online and

offline channels such as the national 400 service hotline by establishing a three-level telephone consultation mechanism comprising the "departments and offices, regional departments and subsidiaries", and continuously improve the customer communication mechanism. After receiving the complaints from customers, the Company will appoint special personnel to carefully record the contents of complaints, and transfer the complaints to relevant departments and subsidiaries for handling according to the Company's management process, and conduct on-site verification within a certain period of time, and register the customer complaints for record.



During the Reporting Period, in order to further improve the customer service experience, the Company carried out a number of measures to improve and optimize customer service:

 <p>Break through business process barriers and realize multi-system linkage</p> <p>Open the whole process channel of cloud sales system, financial sharing platform, quality traceability system and intelligent flow monitoring platform, and realize the functions of automatic account entry of customer funds, automatic settlement of delivery and irregular questionnaire survey.</p>	 <p>Launch the quality traceability query platform to facilitate customers in distinguishing authenticity</p> <p>Complete the optimization of the domain name, further simplify the QR code and improve the success rate of QR code scanning by customers; add the double verification function; the interface automatically jumps out of the verification window after customers scan the anti-counterfeiting QR code.</p>
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In terms of improving customer satisfaction, each subsidiary selects some customers to carry out satisfaction surveys involving product quality, delivery management and sales service through questionnaires every quarter. During the Reporting Period, the Company conducted two online customer satisfaction surveys through the e-commerce platform of cloud sales system in June and December this year, covering 99% of cooperative customers, and the comprehensive satisfaction reached 95%.

In terms of protection of customer privacy, we promise that Conch Cement will keep the customer information collected and obtained in the course of business cooperation, including sensitive data and personal privacy, strictly confidential by

applying information encryption technology and data access authority mechanism, and will regularly delete the information through sorting and hierarchical management of customer information to ensure that the data information will never be divulged. On the other hand, the sales contracts signed by Conch Cement and customers all stipulated the relevant confidentiality clauses, and at the same time, the Company also signed the Confidentiality Agreements with the sales personnel, clarifying the due obligations and responsibilities of the sales personnel and effectively protecting customers' privacy and trade secrets.

In 2023, there were no incidents of divulging customer privacy and information in Conch Cement.





10.4.3 Customer Recognition

With excellent quality and excellent service, we have been unanimously recognized by customers. During the Reporting Period, Conch Cement was awarded the titles of “Excellent Supplier” and “Excellent Partner” in 59 domestic projects, including Changtianma Expressway, Guangzhou-Zhanjiang High-speed Railway and Longtan Bridge, and the title of overseas “Excellent Supplier” in projects such as Myanmar Yangon Dala Bridge and Tilova Shipyard.

Guaranteed Supply of South High-speed Railway along the Yangtze River Project

The south high-speed railway along the Yangtze River is now called the Nanjingnan-Taicang High Speed Railway, which is the backbone route of the inter-city rail transit network in the Yangtze River Delta region. The newly-built main line is 278.53 kilometers long and has a design speed of 350 kilometers per hour. The project has a wide span and is difficult to construct, including 42 extra-large and medium-sized bridges, accounting for about 95% of the total length of the main line, and the requirements for cement quality are more stringent.



At the beginning of the project, Shanghai regional department of the Company immediately organized a special seminar to formulate a guaranteed supply scheme, and established the brand image of Conch in line with the quality requirements of “to have what others haven’t”. The departments at all levels worked together, and finally all the 6-10 standard main projects of the inter-city railway along the south river used Conch cement, of which Zhangjiagang Conch exclusively supplied 1.2 million tons of 6-9 standard cement and Haimen Conch exclusively supplied more than 400,000 tons of 10 standard cement, using more than 1.6 million tons of Conch cement in total.

10.5 Industry Exchange

The Company is committed to promoting the sustainable development of the industry, strives to continuously explore the technical level and standard construction conducive to the development of the industry through scientific research cooperation and exchange, and regards promoting the development of the industry as its own responsibility.

In terms of formulation of industry standards, during the Reporting Period, the Company participated in the formulation of seven national, industry and group standards, including the Determination Method of Total Chromium in Cement Raw Materials, the Autoclave Method for Soundness of Portland Cement, the Method for Chemical Analysis of Gypsum and the Portland Cement used for Ocean Project. In terms of cooperation with universities, as the first batch of sub-projects of the “Open Competition to Select the Best Candidates” and the “Research and Development of Carbon Peaking and Carbon Neutrality and Carbon Dioxide Resource Utilization Technology

in THE Cement Industry” of Anhui science and technology major project, Conch Cement, together with South China University of Technology and Hefei University of Technology, carried out research on the preparation technology of low clinker content composite cement and the matching of high-activity admixture, cement clinker, low-activity admixture and inert filler, put forward the design principle of cement particle gradation, and explored the preparation technology of low clinker content cement, which not only improved the cement production efficiency, but also helped universities to cultivate professional talents.

We also actively participated in a number of industry activities, conducted in-depth exchanges with our partners from the dimensions of intelligent construction and technological breakthroughs, and were committed to contributing to promoting the development of the industry.

Participate in the national on-site promotion meeting of intelligent construction of open-pit mines

From September 25 to 26, 2023, the national on-site promotion meeting for intelligent construction of open pit mines was held in Erdos, Inner Mongolia. At the meeting, the “Research and Development and Application of the Unmanned Project of Conch” was nominated and praised for many times. The meeting fully affirmed the innovative mode of Conch’s independent establishment of a technology company and empowering traditional industries to upgrade intelligently, thought that this measure effectively solved the problem that “mining enterprises don’t understand intelligence and high-tech companies don’t understand mining”, and highly agreed with Conch’s concept of “unmanned cost being not higher than labor cost, efficiency being not lower than labor efficiency, and safety being far greater than that of manual labor” in the intelligent construction of mines. The meeting emphasized that it was necessary to improve the top-level design, clarify the development goals and coordinate the intelligent construction of open-pit coal mines and non-coalmines, and by 2025, large mines and newly built, rebuilt and expanded large open-pit mines should be fully intelligent, and small mines should be partially intelligent.



Conch Cement won many honors at the 15th Digital Transformation Conference of Intelligent Manufacturing in the Building Materials Industry

On December 5, 2023, the 15th Digital Transformation Conference of Intelligent Manufacturing in the Building Materials Industry hosted by the Information Center of China Building Materials Industry was held in Chengdu, Sichuan Province, and Shanghai Zhizhi, Conch Zhongnan and Haibo Intelligent of Conch Cement were included in the honor list.

In recent years, the digital industry companies such as Shanghai Zhizhi, Conch Zhongnan, Haibo Intelligent have adhered to innovation-driven, closely followed customer needs, and devoted themselves to researching and developing and promoting the products and services such as intelligent equipment, quality control, unmanned driving and robot automatic loading, cultivating a digital transformation service ecology, enhancing the digital technology integration ability of building materials enterprises, and helping the building materials enterprises to digitally transform and upgrade. With high-quality products, excellent technology and good reputation, three subsidiaries of Conch Cement in the digital industry were awarded the honorary title of “Excellent Solution Providers for Digital Transformation of Intelligent Manufacturing in the Building Materials Industry in 2023”.





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Promoter of Co-creation and Co-prosperity



Conch Cement actively responds to social needs, is committed to building harmonious communities, and boldly assumes responsibilities in areas like rural revitalization and public welfare charity. While realizing the Company's social value, we make sincere contributions to promote the healthy and sustainable development of the economy and society. During the Reporting Period, the Company's contributions in the provision of condolence funds and supplies amounted to RMB7,817,400.

To deepen the construction of "Four Virtues" — social morality, professional ethics, family virtues and personal morality — with the focus on professional ethics, the Company mobilized employees to participate in volunteer activities such as "Learning from Lei Feng" and visits to nursing homes to care for the elderly. These activities continuously improve the ideological and moral quality and the civilization level of the employees, promoting social harmony and progress. During the Reporting Period, the total number of hours invested in employee volunteer activities of the Group amounted to 16,433 hours.

11.1 Community Public Welfare

We actively participate in community building and social responsibilities through practical actions, contributing our own strength to the development of public welfare causes from all walks of life. During the Reporting Period, we extended consolation to 2,500 employees in difficulty, retirees, and family members of overseas employees.

Xiangshan Conch Organizes a Blood Donation Activity

On the occasion of the 38th International Volunteer Day, Xiangshan Conch organized a blood donation activity themed "Roll up Sleeves to Save Lives". This activity received an enthusiastic response from a broad range of employees, with a total of 28 employees participating. They collectively donated 4,600 milliliters of blood, demonstrating Xiangshan Conch employees' spirit of caring for life and selfless dedication.



Xiangshan Conch Organizes a Blood Donation Activity

Xuancheng Conch Conducts Voluntary Service Activity at Shuidong Town Nursing Home



In December 2023, Xuancheng Conch visited the Shuidong Town Nursing Home and organized a volunteer service activity called "Love in the Nursing Home, Warmth in the Elders' Hearts". The volunteers brought living supplies such as rice, cooking oil and milk to the elderly and utilized their skills to inspect and repair room wiring and electrical outlets, and replace faucets. These tangible acts of assistance allowed the elderly to feel cared for and cherished and also highlighted Xuancheng Conch's sense of social responsibility and spirit of dedication.

Xuancheng Conch Conducts Voluntary Service Activity at Shuidong Town Nursing Home

Linxia Conch Participates in Earthquake Relief Efforts

Following the earthquake in Jishishan Bonan-Dongxiang-Salar Autonomous County, Gansu Province's Linxia Hui Autonomous Prefecture, Linxia Conch immediately responded by organizing charitable donations from its cadres and employees, purchasing and donating living supplies such as quilts and mineral water to the disaster area, and dispatching engineering machinery such as backhoes and loaders for the construction of the Goujia Village resettlement site, thus making a positive contribution to the earthquake relief efforts.



Linxia Conch Participates in Earthquake Relief Efforts

Lingyun Tonghong Visits Children at Special School

The union cadres of Guangxi Lingyun Tonghong Cement Co., Ltd. visited the special school in Lingyun County to conduct a "Children's Day" consolation activity on June 1. They brought gifts for the children, including study materials, sports equipment, and refreshments such as milk and herbal tea, to make the children feel the care and warmth of society. This visit not only brought joy and love to the children but also transmitted positive social energy and highlighted the Company's commitment to social responsibility.



Lingyun Tonghong Visits Children at Special School



11.2 Rural Revitalization

Conch Cement remains true to its original aspiration and actively responds to the various decisions and arrangements related to rural revitalization made by the provincial committee and the provincial government of Anhui. The Company firmly shoulders the responsibility of helping, implements assistance measures as a targeted assistance responsible unit, and regularly schedules assistance tasks. It continues to increase investment in assistance efforts and concentrates resources and strengths, cumulatively investing RMB260,000 in assistance funds. These measures have effectively improved the appearance of the assisted areas and enhanced the quality of life of the local population.

Assistance in Improving the Economy

Conch Cement coordinates its affiliated units' logistics canteens to purchase agricultural and sideline products from the assisted areas, with an annual cumulative purchase of nearly RMB500,000. The Company has extensively mobilized and organized professional forces to increase external promotion liaison efforts, broadening consumption channels for high-quality agricultural products from the assisted areas. It has aided in the sale of agricultural products such as bamboo shoot products and pecans from the assisted areas, amounting to RMB980,000, thereby promoting the expansion of industrial scale and leading to increased income and prosperity for the local people.



Assistance in the Sale of Agricultural and Sideline Products from Wangren Town



Zhongcun Township Agricultural and Sideline Products Processing Center

Assistance in Improving People's Livelihood

Conch Cement is advancing the improvement of living environment vigorously to support the building of a beautiful and harmonious countryside that is desirable to live. The Company guides various village-based work teams to carry out regular environmental improvement activities at the village level, removing garbage from hidden corners and maintaining public facilities to enhance the quality of residents' lives. Conch Cement has donated cement worth about RMB150,000 to Jianglaojia Community and Zhongcun Township for the construction of road shoulders and lanes, eliminating safety hazards and improving the living environment.



Jianglaojia Village Lane Construction



Pingding Village Illumination Project

Basu Conch Cement Assists Fruit Farmers with Harvesting

In August 2023, Basu Conch Cement rallied a team of over ten employee volunteers who headed to the Xiba Key Economic Forest in Basu, Tibet, to assist local fruit farmers with the urgent harvesting of fruits. Upon completion of the harvest, the volunteers further helped the farmers expand sales of the harvested goods via WeChat Moments or purchasing. This activity not only solved a practical problem for the fruit farmers but also displayed the spirit of dedication, fraternity and mutual help embodied by volunteer employees of Basu Conch Cement.



Basu Conch Cement Assists Fruit Farmers with Harvesting

11.3 Performing Responsibilities Overseas

As an international enterprise, Conch Cement upholds its social responsibilities throughout overseas development, pays close attention to the needs of local communities, and offers support and assistance in sectors such as education, healthcare and environmental protection, passing on love and warmth.

PT. Conch South Kalimantan Cement Scholarship Program

To quicken the pace of nurturing local talent, PT. Conch South Kalimantan Cement, with the support of the Tabalong Regency Government in South Kalimantan Province, has established the "Conch Scholarship". Each term, the scholarship selects 10 outstanding students from primary, middle, and high schools within Tabalong Regency and awards them IDR3,000,000 each (equivalent to approximately RMB1,500). The scholarship program, which was initiated in 2019, has been successfully conducted over three terms and has received high commendations from both the government and schools in the regency.



PT. Conch South Kalimantan Cement Scholarship Program

Laos Luang Prabang Conch Cement Repairs Public Road

Laos Luang Prabang Conch Cement has assisted with road repair in Paliang Village, Luang Prabang, Laos. The Company arranged for personnel to conduct field surveys, develop road repair plans, and take action to ensure the passage of vehicles and people. This resolved the significant inconvenience caused to local villagers by the only road to the provincial city falling into disrepair due to years of neglect. Since 2020, Luang Prabang Conch Cement has been maintaining this road annually, providing better travel conditions for the local villagers.



Laos Luang Prabang Conch Cement Repairs Public Road



Time flies and a new journey has already begun. The year 2024 marks the 75th anniversary of the founding of the People's Republic of China and is a crucial year for the realization of the goals and tasks of the 14th Five-Year Plan. In the new year, Conch Cement will continue to pursue high-quality development, and strive to create a world-class enterprise with global competitiveness. We will unswervingly implement the new development concept, take "maintaining market shares, increasing benefits, seizing opportunities, promoting development, tapping potential, reducing costs, strengthening management and consolidating strength" as the main line, emphasize the core position of innovation in the enterprise reform and development, closely focus on the general trend of innovation-based development, optimize the development of main business, expand the extension of industrial chain, and explore a path of innovation and development with Conch characteristics.

In 2024, the Group will continue to deeply respond to the national "carbon peaking and carbon neutrality" policy, lead the new trend of low-carbon development, promote the widespread application of digital & intelligent achievements in the industry with technological innovation, promote low-carbon transformation, achieve the dual goals of pollution and carbon reduction, comprehensively explore the new energy industry, and make green development a distinctive sign of high-quality development of the enterprise.

In 2024, the Group will continue to stick to the business tenet of "highest quality and sincere service", strictly control product quality, ensure high-standard management, strengthen the foundation of production safety, promote the optimization and integration of the supply chain,

strengthen the ESG risk control of key suppliers, and lay a solid foundation for industrial development with a sustainable green supply chain.

In 2024, the Group will continue to improve the corporate governance structure, continuously improve the corporate governance mechanism and system, elevate the overall governance level of the Group, strengthen compliance management and improve the compliance awareness of all employees on the basis of complying with the standardized operation of listed companies. In the meantime, the Group will maintain continuous and effective communication with stakeholders to uphold a positive interactive relationship.

In 2024, the Group will continue to adhere to the "people-oriented" core value, deeply implement the strategy of "strengthening the enterprise with talents", bring industrial reform to the grassroots level and front-line, meticulously nurture a team of knowledge-based, skilled and innovative industrial workers, warm every employee with practical actions, ensuring care measures are effectively implemented, optimize the salary incentive mechanism, unleash the innovative potential of talents, and strive to build a global talent pool.

In 2024, the Group will stay committed to public welfare and philanthropy, actively fulfill social responsibilities, increase investment in public welfare, contribute to the building of beautiful villages, warm society with love, gather boundless love with a heart of gratitude, and contribute our strength to social progress and development.



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Looking into 2024



Appendix I: GLOSSARY

Terms	Definitions
Greenhouse Gases	Includes carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF ₆).
Nitrogen Oxides (NO _x)	Includes a number of compounds such as nitrous oxide (N ₂ O), nitric oxide (NO), nitrogen dioxide (NO ₂), dinitrogen trioxide (N ₂ O ₃), nitrogen tetroxide (N ₂ O ₄) and dinitrogen pentoxide (N ₂ O ₅), etc. Except for NO ₂ , all other NO _x variants are extremely unstable and, when exposed to light, moisture or heat, are liable to converting into NO ₂ and NO, and then from NO into NO ₂ . Therefore, the gas to which workers are exposed to in the working environment is usually a mixture of several types of gas, which is called smoke (gas) and is mainly comprised of nitric oxide and nitrogen dioxide, with nitrogen dioxide being the main component. Nitrogen Oxides are all toxic to a varying degree.
Pure low-temperature Residual Heat Power Generation	Power generation using the residual heat of medium-and-low temperature waste gas discharged from the emission ends of the kilns of the cooling machine, with no fuel consumed or pollutants produced.
Denitration Technology	A technical measure to prevent excessive emission of NO _x from the combustion process within the cement kilns for the purpose of environmental protection by reducing the amount of NO _x and eliminating the NO _x in the flue gas.
Desulphurization Technology	A technical measure to prevent excessive emission of SO ₂ from the combustion process within the cement kilns for the purpose of environmental protection by reducing the amount of SO ₂ and eliminating the SO ₂ in the flue gas.
Electric dust collector	A dust collecting device to separate particulates from flue gas by electrostatic force.
SNCR	Selective non-catalytic reduction, a process of converting nitrogen oxides in the flue gas to nonhazardous nitrogen gas and water by injecting reductants into the "temperature window" for denitration reactions without using a catalytic agent.
SCR	Selective catalytic reduction, a process of selective reaction of reducing agents such as ammonia with NO _x under the action of a catalyst to generate N ₂ and H ₂ O.
Carbon Capture and Storage (CCS)	A process where the CO ₂ captured is treated through desulphurisation, purification, compression, dehumidification and liquefaction and then sold to the market for reuse.
Domestic waste treatment technology with the use of cement kilns	A technology for treatment of urban domestic waste by using the high temperature of the cement kilns, and is an ideal alternative to traditional landfill treatment method that takes up large area of lands and results in environment pollution. This technology is the first of its kind in the world, which, without classification of wastes, enables degradation of dioxins without producing any undesirable odours and allows solidification of heavy metals and purification of sewage at the same time.
Cement grinding aid	A chemical admixture, the addition of a small amount of which in the cement grinding process can improve the grinding efficiency.
RDF	RDF is the short name for Refuse Derived Fuel, it has the characteristics of high calorific value, stable combustion, convenient for transport and storage, low secondary pollution and low emission of dioxin-like chemicals and is widely used in the fields such as dry process, cement manufacturing, heating engineering and power generation project.



Appendix II: SUMMARIZATION OF INDICATOR DATA

Tracking of Environmental Goals					
Indicators	Goals	Data of baseline year(2020)	Data in 2021	Data in 2022	Data in 2023
Greenhouse gas emission	Reduce carbon emission (clinker process) intensity (t-carbon dioxide/t-clinker) by 6% compared to a 2020 baseline by 2025	0.8412	0.8392	0.8356	0.8270
Energy consumption	Reduce energy consumption (clinker process) intensity (kg of standard coal/t-clinker) by 6% compared to a 2020 baseline by 2025	110.54	110.20	104.88	102.63
Water resources	Reduce Water consumption (clinker process) intensity (t-water consumption/t-clinker) by 10% compared to a 2020 baseline by 2025	0.403	0.352	0.343	0.308
Wastes	100% compliance disposal of hazardous wastes and 100% recycling of non-hazardous wastes	/	100%	100%	100%

All Performance Indicators	Unit	Indicator data in 2023
Clinker production capacity	100 million tons	2.72
Cement production capacity	100 million tons	3.95
Aggregates production capacity	100 million tons	1.49
Commercial concrete production capacity	10,000 cubic meters	3,980
Revenue from principal operations	RMB100 million	1,410
Payment of taxes	RMB100 million	71.69
Investment in environmental technological improvement	RMB100 million	15.5
Investment in energy conservation and emission reduction	RMB100 million	26
Total Sulfur dioxide emissions	Tonne	6,101
Average emission concentration of Sulfur dioxide	mg/Nm ³	12.95
Total Nitrogen oxides emissions	Tonne	52,817
Average emission concentration of Nitrogen oxides	mg/Nm ³	132.59
Total particular matter emissions	Tonne	2,441
Average emission concentration of particular matter	mg/Nm ³	3.88
Greenhouse gas direct emission (Scope I)	tCO ₂	175,889,434
Greenhouse gas indirect emission (Scope II)	tCO ₂	7,889,128
Total greenhouse gas emission (Scope I + Scope II)	tCO ₂	183,778,562



All Performance Indicators		Unit	Indicator data in 2023
Greenhouse gas emission per unit clinker (clinker process)		tCO ₂ /t clinker	0.8270
Greenhouse gas emission per unit operation revenue		tCO ₂ /RMB100 million	130,339
Direct energy consumption		10,000 tonnes of standard coal	2,344.60
Indirect energy consumption		10,000 tonnes of standard coal	166.47
Wind power generation		10,000 kWh	113
Optical storage power generation		100 million kWh	4.29
Biomass power generation		10,000 kWh	226.14
Total energy consumption (direct + indirect)		10,000 tonnes of standard coal	2,511.07
Energy consumption per unit clinker (clinker process)		kg of standard coal/t clinker	102.63
Energy consumption per unit operation revenue		10,000 tonnes of standard coal/ RMB100 million	1.78
Total amount of hazardous wastes		Tonne	5,283
Hazardous wastes per unit operation revenue		t-hazardous waste/RMB100 million	3.75
Total amount of non-hazardous wastes		Tonne	474,191
Non-hazardous wastes per unit operation revenue		t-non-hazardous waste/RMB100 million	336
Non-hazardous wastes per unit operation revenue		Tonne	513,367
Total water consumption		Tonne	97,598,412
Water consumption intensity per unit clinker		t-water consumption/t-clinker	0.308
Water consumption intensity per unit operation revenue		t-water consumption/RMB100 million	69,218.73
Quantity of cement package bags consumed		Tonne	100,533
Cement package bags consumed per unit operation revenue		Tonne/RMB100 million	71.28
Total treatment with cement kiln		Tonne	3,205,250
Total number of employees		Person	50,769
By gender	Male	Person	42,879
	Female	Person	7,890
By position	Senior management	Person	740
	Middle management	Person	3,219
	Employee	Person	46,810



All Performance Indicators		Unit	Indicator data in 2023
By age	Under 30	Person	8,806
	30-40	Person	23,934
	41-50	Person	13,415
	Above 50	Person	4,614
By region	Eastern	Person	5,318
	Western	Person	11,635
	Southern	Person	7,675
	Central	Person	21,669
	Overseas	Person	4,472
By service years	Under 5 years	Person	6,553
	5-10 years	Person	9,214
	11-20 years	Person	22,607
	Above 20 years	Person	12,395
By educational level	Bachelor degree or above	Person	10,527
	College degree	Person	10,700
	Below college degree	Person	29,542
Employee turnover rate		%	5.99
By gender	Male	%	5.93
	Female	%	6.30
By age	Under 30	%	11.99
	30-40	%	5.27
	41-50	%	3.24
	Above 50	%	4.72
By region	Eastern	%	5.83
	Western	%	3.07
	Southern	%	5.82
	Central	%	4.22
	Overseas	%	13.44
Number and rate of work-related fatalities	2021	Person	2
		‰	0.0428
	2022	Person	1
		‰	0.0224



All Performance Indicators		Unit	Indicator data in 2023
Number and rate of work-related fatalities	2023	Person	2
		‰	0.0432
Lost days due to work injury		Day	14,430
Total number of trained employees		Person	50,769
Total training time		Hour	4,657,198
Percentage of trained employees		%	100
By gender	Male	%	84.46
	Female	%	15.54
By position	Senior management	%	1.46
	Middle management	%	6.34
	Employee	%	92.20
Average training hours of employees		Hour	91.73
By gender	Male	Hour	91.6
	Female	Hour	92.5
By position	Senior management	Hour	51.20
	Middle management	Hour	67.40
	Employee	Hour	94.05
Number of suppliers		/	8,017
By region	Eastern	/	3,317
	Western	/	1,589
	Central	/	1,385
	Southern	/	1,063
	Overseas	/	663
Percentage of products recalled for safety and health reasons		%	0
Number of compliant relating to service and products		/	0
Percentage of compliant relating to service and products		%	0
Number of cases regarding corrupt practices		/	0
Money contributed to the charity		RMB10,000	781.74
Anti-corruption training for members of the Board	Number of individuals		149,000
	Time		33



Appendix III: HKEX ESG Guide Index

ESG aspects, General Disclosure and KPI (KPI)			Chapter
Environment			
A1: Emissions	General Disclosure	Information relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and nonhazardous wastes: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Leader of Low-carbon Cement- Green Manufacturing p40 Guardian of Green Ecology- Discharge Management p58
	KPI A1.1	The types of emissions and respective emissions data.	Guardian of Green Ecology- Discharge Management p58
	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Leader of Low-carbon Cement- Green Manufacturing p40
	KPI A1.3	Total hazardous wastes produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Guardian of Green Ecology- Discharge Management p58
	KPI A1.4	Total non-hazardous wastes produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Guardian of Green Ecology- Discharge Management p58
	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Guardian of Green Ecology- Discharge Management p58
	KPI A1.6	Description of how hazardous and nonhazardous wastes are handled, reduction target(s) set and steps taken to achieve them.	Guardian of Green Ecology- Discharge Management p58
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Guardian of Green Ecology- Resource Utilization p64
	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Guardian of Green Ecology- Resource Utilization p64
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Guardian of Green Ecology- Resource Utilization p64
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Leader of Low-carbon Cement- Green Manufacturing p40



ESG aspects, General Disclosure and KPI (KPI)			Chapter
A2: Use of Resources	KPI A2.4	Description of issue in sourcing water, water efficiency target(s) and steps taken to achieve them.	Guardian of Green Ecology- Resource Utilization p64
	KPI A2.5	Total packaging materials used for finished products (in tons) and, if applicable, with reference to per unit produced.	Guardian of Green Ecology- Resource Utilization p64
A3: Environment and Natural Resources	General Disclosure	olicies on minimising the issuer's significant impact on the environment and natural resources.	Guardian of Green Ecology- Resource Utilization p64 Guardian of Green Ecology- Green and Low-carbon Mine p66
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Guardian of Green Ecology- Resource Utilization p64 Guardian of Green Ecology- Green and Low-carbon Mine p66
A4: Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Leader of Low-carbon Cement- Response to Climate Change p49
	KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Leader of Low-carbon Cement- Response to Climate Change p49
Society			
B1: Employment	General Disclosure	Information relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Escort of Employee Development- Employee Employment p73
	KPI B1.1	Total workforce by gender, employment type (e.g. full-time or part-time), age group and geographical region.	Escort of Employee Development- Employee Employment p73
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Escort of Employee Development- Employee Employment p73
B2: Health and Safety	General Disclosure	Information relating to providing a safe working environment and protecting employees from occupational hazards: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Demonstrator of Production Safety- Protection of Occupational Health p92
	KPI B2.1	Number and rate of work-related fatalities for each year in the past three years (including the reporting year).	Demonstrator of Production Safety- Consolidation of Safety Defense Line p88
	KPI B2.2	Lost days due to work injury.	Demonstrator of Production Safety- Consolidation of Safety Defense Line p88
	KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Demonstrator of Production Safety- Protection of Occupational Health p92



ESG aspects, General Disclosure and KPI (KPI)			Chapter
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Escort of Employee Development- Employee Development p77
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Escort of Employee Development- Employee Development p77
	KPI B3.2	The average training hours completed per employee by gender and employee category.	Escort of Employee Development- Employee Development p77
B4: Labour Standards	General Disclosure	Information relating to preventing child and forced labour: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Escort of Employee Development- Employee Employment p73
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Escort of Employee Development- Employee Employment p73
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Escort of Employee Development- Employee Employment p73
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Defender of Excellent Quality- Green Supply Chain p98
	KPI B5.1	Number of suppliers by geographical region.	Defender of Excellent Quality- Green Supply Chain p98
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, as well as how they are implemented and monitored.	Defender of Excellent Quality- Green Supply Chain p98
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Defender of Excellent Quality- Green Supply Chain p98
B6: Product Responsibility	General Disclosure	Information relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Defender of Excellent Quality- Quality First p102
	KPI B6.1	Percentage of total products sold or shipped subject to recall for safety and health reasons.	Defender of Excellent Quality- Quality First p102
	KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Defender of Excellent Quality- Quality First p102



ESG aspects, General Disclosure and KPI (KPI)			Chapter
B6: Product Responsibility	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Defender of Excellent Quality- Quality First p102
	KPI B6.4	Description of quality assurance process and product recall procedures.	Defender of Excellent Quality- Quality First p102
	KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Defender of Excellent Quality- Customer-oriented p105
B7: Anticorruption	General Disclosure	Information relating to bribery, extortion, fraud and money laundering: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Practitioner of Integrity Governance-Business Ethics p32
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Practitioner of Integrity Governance- Business Ethics p32
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Practitioner of Integrity Governance-Business Ethics p32
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	Practitioner of Integrity Governance-Business Ethics p32
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Promoter of Co-creation and Co-prosperity p110
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Promoter of Co-creation and Co-prosperity p110
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Promoter of Co-creation and Co-prosperity p110



Appendix IV: CONTRIBUTION TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Conch Cement fulfilled the social responsibility centering on the United Nations Sustainable Development Goals (SDGs).

Contribution to SDGs	Action-Involving Chapters	
	Demonstrator of Production Safety	p86
	Escort of Employee Development	p70
	Escort of Employee Development	p70
	Guardian of Green Ecology	p50
	Escort of Employee Development	p70
	Defender of Excellent Quality	p96
	Leader of Low-carbon Cement	p36
	Guardian of Green Ecology	p52
	Practitioner of Integrity Governance	p24
	Defender of Excellent Quality	p96