

2023 ESG
Environmental, Social, and
Governance Report



中国中煤能源股份有限公司
CHINA COAL ENERGY COMPANY LIMITED

Description of the Preparation of the Report

Report Summary

The China Coal Energy ESG Report 2023 is the environmental, social and governance report published by China Coal Energy Company Limited (the “ESG Report”), which mainly provides information in respect of, among other things, environmental protection, social contributions and corporate governance of the Company in 2023, and aims to enhance communication and contact with various stakeholders.

The Company has published 15 annual corporate social responsibility reports in aggregate since its first release in 2008. To further satisfy the information disclosure requirements for listed companies, the Company has issued its environmental, social and governance reports from 2021.

Range of Period

From 1 January 2023 to 31 December 2023. To increase the comparability of the report, certain contents may date back to previous years where applicable.

Scope of Reporting

This report covers China Coal Energy Company Limited and its subsidiaries (branches).

Basis of Preparation

“Self-Regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 1 – Regulated Operation” issued by the Shanghai Stock Exchange;

“Environmental, Social and Governance Reporting Guide” (ESG Reporting Guide) issued by the Stock Exchange of Hong Kong Limited. The Company has complied with the disclosure requirements of the “comply or explain” provision set out in the *ESG Reporting Guide*;

The “GRI Standards” issued by the Global Reporting Initiative (“GRI”);

The “Guidelines on Corporate Social Responsibility Report for Enterprises in China” (CASS-ESG 5.0).

Source of Information

Financial data in this report were extracted from the audited annual report of China Coal Energy Company Limited (prepared in accordance with the PRC Accounting Standards), whilst other data came from internal data of the Company and other relevant statistics. China Coal Energy guarantees that this report does not contain any false representations, misleading statements or material omissions.

Description of References

For easy reference and reading, China Coal Energy Company Limited is also referred to as “China Coal Energy”, “the Company” and “we” in this report.

Frequency of Publication

The report is published annually.

Access to the Report

This report is prepared in Chinese and English. The electronic version of this report can be downloaded on the website of China Coal Energy Company Limited:

<https://www.chinacoalenergy.com>.

Contents

Chairman's Statement	02
ESG Governance Statement from the Board	04
Company Overview	04
Corporate Culture	05
Organisation Chart	06

Outlook 2024	42
Appendix I: ESG Key Performance Indicators (KPIs) for 2023	43
Appendix II: ESG Indicator Index	47
Appendix III: Definitions of Terms	48



Pursuit of Excellence in Governance

Strategies of the Company	09
Regulated Operation	09
Internal Control	10
Party Construction	11
Anti-corruption and Advocacy of Integrity	11
Management of ESG	12
Stakeholder Communication	14
Response to the 2030 Sustainable Development Goals (SDGs) of the United Nations	16



Green and Low-carbon Development

In Response to Climate Change	19
Strengthening Environmental Protection	23
Conserving Energy Resources	26



Fulfilment of Social Responsibilities

Products and Services	29
Production Safety	33
Technological Innovation	34
Employee Care	36
Social Welfare	38

Chairman's Statement



Dear Friends,

On behalf of the Board of Directors, I would like to extend my sincere gratitude for your continuous interest in and support for China Coal Energy.

The year 2023 represented the first year of fully carrying out the spirit of the 20th Party Congress and also marked an important year in the development history of China Coal Energy. Throughout the year, China Coal Energy was guided by Xi Jinping's Thoughts on Socialism with Chinese Characteristics for a New Era, adhered to the development concept of "efficiency enhancement and incremental transformation", kept on further reform and innovation, strictly controlled production and operation, and greatly fostered quality and efficiency enhancement. With continuous growth of operating results and acceleration of transformation and development, various tasks have achieved excellent results again. The Company has continuously enhanced its core functions and thus its core competitiveness. Furthermore, the Company held on to the value of sustainable development and its corporate mission of "supplying quality energy, leading industrial development for a prosperous life", and secured energy supplies in line with its social responsibility, thereby contributing to the public's well-being as well as economic and social stability. The Company redoubled its efforts and accomplished new results in corporate governance, value creation, work safety, environmental protection, technological innovation, staff caring and society contribution. It also continuously empowered its stakeholders and drove synergistic development of the economy, society and environment.

Provision of Quality Energy

The Company duly implemented major national strategic deployment, thoroughly implemented "two combinations" development model, made full efforts on securing coal and energy supply, enhanced production organisation, optimised production deployment, increased its unit production and input level, and achieved a new high in terms of coal production. During the year, the Group produced 134.22 million tonnes of commercial coal, representing an increase of 15.05 million tonnes or 12.6% compared with last year. In 2023, raw coal productivity was 37.04 tonnes per worker-shift, maintaining a leading level in the coal industry.

The Company strengthened coal production and sales coordination, consolidated effective resources, and made every effort to secure the supply of electricity coal. The Company rigorously implemented the national coal price policy, maintained market order, and ensured full fulfilment of electricity coal contracts, thus effectively reduced the overall energy cost in society. The cumulative sales volume of commercial coal was 284.94 million tonnes for the year, representing a year-on-year increase of 8.4%. In particular, the sales volume of self-produced commercial coal was 133.91 million tonnes, representing a year-on-year increase of 11.3%, hence making positive contribution to ensure national energy security and serve social and economic development with practical actions. The Group was widely praised by national ministries and commissions, local governments and key users.

The Company made detailed organisation on coal chemical production, and produced 6.036 million tonnes of major coal chemical products during the year, representing a year-on-year increase of 6.5%. Sales of major coal chemical products reached 6.126 million tonnes, representing a year-on-year increase of 9.7%. The Company strictly implemented the national policies of securing supply and stabilising price of chemical fertilizers. All chemical fertilizers were supplied to the domestic market, successfully completing the



placement of national commercial reserve of chemical fertilizers for 2022-2023, and the allocation ahead of schedule for 2023-2024, which actively contributing to food security of the country.

The Company promoted green and low-carbon energy transformation, and the “two combinations” development model has undergone continuous iteration and upgrading. “Coal and coal energy” combination was optimised, “coal power and new energy” combination was firmly facilitated, “coal-power-chemical-new energy” industry chain was explored and accessed, and key industrial parks and key projects had made sound progress. Shanghai Energy Company’s “integration of source-network-load-storage” demonstration project was included in the third batch of national tremendous wind power and photovoltaic base construction project list, with the construction, grid connection and power generation of the 263,000 kW phase one project completed with full capacity. Pingshuo Group has completed the first photovoltaic project of 100,000 kW in outdoor restoration area in Shanxi province.

A Pacesetter in the Energy Industry

The Company always put life and safety first, made considerable efforts to implement safety development strategy, and tightened safety accountability. In the meantime, it refined safety management, enhanced on-site implementation, conducted strict supervision and inspection, thereby maintaining a stable safe production trend in general. Throughout the year, RMB2.868 billion was invested in work safety, and sophisticated equipment was introduced. The Company thoroughly commenced its safe production standardisation and establishment, and enhanced the construction of its emergency rescue system to enhance its capability to ensure safety.

As a champion of green development, the Company fostered safe and green coal mining and clean and efficient utilisation, and reinforced comprehensive management, systematic management and source management. Also, it promoted pollution reduction, carbon emission reduction and synergic efficiency enhancement, concretely prevented and resolved ecological and environmental risks, and stabilised and improved the quality of ecology and environment. With major indicators remaining positive, no sudden environmental incident has occurred throughout the year. “China Coal Pingshuo’s transformation of black coal field into green forest” case was featured in the report on the first “National Ecological Day” by CCTV in 2023, Shaanxi Company was awarded as a “national green demonstration factory” and Zhangjiakou Coal Mining Machinery was awarded as “China green establishment demonstration enterprise”, becoming the first “green factory” in the coal industry.

The Company was determined to develop through innovation, constructed the “small internal brain + big external brain” technological innovation system with China Coal characteristics, focused on the in-depth integration of the innovation chain, industry chain, capital chain and talent chain, and built itself as the origin source of original technologies. Throughout the year, the Company invested RMB4.279 billion in research and development with increasing research and development investment intensity. The construction of intelligent coal mines has achieved significant results. In 2023, a total of 9 coal mines have passed the examination and inspection of intelligent coal mine, and 46 intelligent excavation faces were established, of which 2 intelligent coal mining faces were conferred special awards in the National Coal Mining Faces Intelligent Innovation Competition.

Contribute to Prosperous Life

Adhering to the people-oriented principle, the Company has built harmonious labour relations, strengthened occupational health

protection, and fully safeguarded the legitimate rights and interests of its employees. The Company continuously improved the salary distribution system, further reformed the allocation system, and optimised the revenue distribution structure. It continuously improved employees’ income and significantly increased their sense of well-being.

The Company insists on harmonious win-win development and supports the development of the local economy and society. In 2023, the total amount of the Company’s social contribution through the payment of taxes, labour costs and net profit totalled RMB71.877 billion (including RMB26.969 billion in taxes and administrative fees paid throughout the year), with a record-high social contribution value of RMB5.42 per share.

The Company has deepened efforts to consolidate and expand the integration of effective poverty alleviation efforts and rural revitalisation, insisted on undiminished efforts and non-lowered standards, and made due contribution to “paired up assistance” with passion and energy. Its affiliates assisted 26 villages/towns and invested RMB32.67 million in assistance funds (including cash equivalents for material aid), and implemented 46 assistance projects, benefiting more than 30,000 people who were lifted out of poverty.

The Company has been actively involved in charitable causes, supported cultural, sports and health undertakings through money and material donations, gave back to society by donating a total of RMB8.94 million (including cash equivalents for material aid), and won the “China Red Cross Universal Fraternity Medal”. Putting its professional advantages in terms of mines, dangerous chemicals and fire-fighting and emergency rescue team into full play, the Company actively participated in local mine rescues as well as accidents and disasters relief, and thus played an important role in securing life and properties of the public.

The year 2024 marks the 75th anniversary of the establishment of the People’s Republic of China and a key year for realising the targets and tasks of the “Fourteenth Five-Year” Plan. The Company will follow Xi Jinping’s Thoughts on Socialism with Chinese Characteristics for a New Era, make progress amid stability, advance to foster stabilisation, make establishment and then breakthroughs. Adhering to strengthening core functions and enhancing core competitiveness, the Company will implement further upgrading campaigns for the reform of state-owned enterprise, and continue to promote “efficiency enhancement and incremental transformation”. Focus will be placed on enhancing technological innovation capability and value creation capability to strive for realising the effective enhancement of quality and reasonable growth of quantity for operation and development. The Company will accelerate to build itself as a world-class energy enterprise to make greater contribution to economic and social development.

At present, the ESG philosophy has become a growing consensus and is gaining traction among investors. Bearing in mind its responsibility and mission as a state-owned energy enterprise, China Coal Energy will proactively adapt itself to the ESG development trend, advocate the ESG philosophy, further develop the ESG working mechanism, and enhance ESG performance. We will promote mutual advancement and integration of economic value, social value and environmental value, and work together with stakeholders to create a better future.

Wang Shudong
Chairman
20 March 2024

ESG Governance Statement from the Board

The Board of Directors of China Coal Energy undertakes that the Company will strictly comply with the disclosure requirements of the environmental, social and governance reporting guidelines of the stock exchange in the place of listing. The Board of Directors of the Company has participated in the review and decision-making regarding major issues of ESG, including the formulation of relevant strategies and policies and the deliberation of its annual ESG Report and social responsibility practices. The Safety, Health and Environmental Protection Committee of the Board of Directors is responsible for monitoring the commitment and performance of key ESG issues of China Coal Energy. Through convening regular meetings and other forms, we discuss and clarify the regulatory responsibilities of the Board of Directors, and improve its regulatory process, so as to integrate ESG into the Company's business

operation and long-term development objectives, and ensure that ESG is truly incorporated into the Company's corporate culture.

On the basis of corporate strategies, current corporate management status and concerns of stakeholders, the Board of Directors benchmarks the Company against enterprises in the industry in terms of sustainable development strategies and management, material issues, quantitative indicators and the best practice, thereby achieving continuous improvement. This report discloses the progress and performance of China Coal Energy's ESG works in 2023 in details, and has been considered and approved at the first meeting in 2024 of the fifth session of the Board of Directors of the Company on 20 March 2024.

Company Overview

China Coal Energy Company Limited was incorporated as a joint stock company and was exclusively sponsored by the China National Coal Group Corporation on 22 August 2006, with its headquarters located in Beijing, China. The Company was successfully listed in Hong Kong in December 2006, and its A shares were issued in February 2008.

The Company is a large-scale energy enterprise with four principal businesses including coal production and trading, coal chemical processing, power generation and coal mining equipment manufacturing.

Coal Industry

The Company boasts abundant coal resources and diversified coal products as well as modern mining, coal washing and compounding technologies and techniques. Mining areas in Pingshuo, Shanxi Province, and Hujirt, Ordos of Inner Mongolia, primarily developed by the Company, are important thermal coal production bases in the PRC. Xiangning mining area in Shanxi, where Wangjialing Coal Mine is located, is the production base of high-quality low-sulfur, ultra-low-phosphorus coking coal in the PRC. Jincheng mining area in Shanxi, where Libi Coal Mine is located, is the production base of quality anthracite in the PRC. The major coal production bases of the Company have well-established coal transportation networks connected to coal ports, creating favorable conditions for the Company to sharpen competitive edges and achieve sustainable development.

Coal Chemical Industry

The Company has focused on the development of modern coal chemical such as coal-to-urea and coal-to-carbamide operations. The coal chemical business is mainly located in Inner Mongolia, Shaanxi, Shanxi, etc. By maintaining safe, stable, long-term, fully loaded and optimum operation of the equipment, the Company's major production and operation indicators have remained at industry leading levels.

Power Generation Industry

Mainly located in provinces such as Shanxi, Jiangsu, Xinjiang and Inner Mongolia, the Company adheres to the guideline and concept of "two combinations" and follows the principles of "determining electricity with coal, developing quality projects" to commence the development of its power industry projects. Energy safety is secured and green transformation of the Company is promoted. Meanwhile, the Company conducts diversified and innovative exploration of its energy industry into other directions, promotes the combination of renewable energy and chemical, realises the local consumption of renewable energy and formulates a development mode based on industrial parks and bases.

Coal Mining Equipment Manufacturing Industry

The Company's coal mining equipment manufacturing industry takes the lead nationwide with the capability to develop, manufacture and supply comprehensive coal exploitation equipment. The technologies and market share of complete set of intelligent coal mining platform with transportation, support and mining equipment take a leading position in China.



Industry model of China Coal Energy



China Coal Energy's logo consists of two letters of "C", which denotes "CHINA" and "COAL" respectively. The two "C"s form the Chinese character "中", in which the Chinese Character and English letters are joined together to create a vivid image. The combination of the trapezoidal C and the elongated C resembles a ring of light emanating from an old miner's lamp. The shape of a Chinese lantern is formed on the outer contour, which signifies auspiciousness, stability and dignity and conveys strong oriental charm. The base color of the logo is purple blue, the color of coal or gas that combusted in the fullest and the most environmental-friendly way. The logo integrates English, Chinese and a variety of symbols, reflecting the Company's style as a diversified and international conglomerate.

China Coal Energy's Vision:

To Build Itself into a World-class Energy Enterprise

China Coal Energy's Mission:

To Supply Quality Energy and Lead Industrial Development for a Prosperous Life

To supply quality energy: to build itself into a clean energy supplier, adhere to the integration of coal, electricity and chemical industries, promote clean and efficient utilisation of coal so as to provide energy assurance for China's economic construction.

To lead industrial development: to strive to become the leader in the safe, green energy production industry, the role model of the utilisation of clean energy, the propeller driving technological advancement in the industry, and a practitioner in providing superior quality service.

To contribute to a prosperous life: to put people first and provide employees with more concrete sense of gain, happiness and security; to fulfil social responsibilities more properly to contribute to the building of a beautiful China.

China Coal Energy's Spirit

Dedication, Integrity, Innovation and Being a Forerunner

Dedication – being dedicated to duties, being courageous to undertake responsibilities, being passionate for work and being loyal to the Company.

Integrity – seeking truth and being pragmatic with a down-to-earth working style, being industrious and thrifty, being honest, doing solid work and seeking actual results.

Innovation – being open minded, being courageous to explore, adhering to scientific thinking, enhancing innovative capacity and building an innovative enterprise.

Being a Forerunner – being pioneering and ambitious, being courageous to scale new heights, benchmarking against excellent enterprises, striving to surpass them, establishing a China Coal Energy brand and striving to become a role model in the industry.

China Coal Energy's Core Values

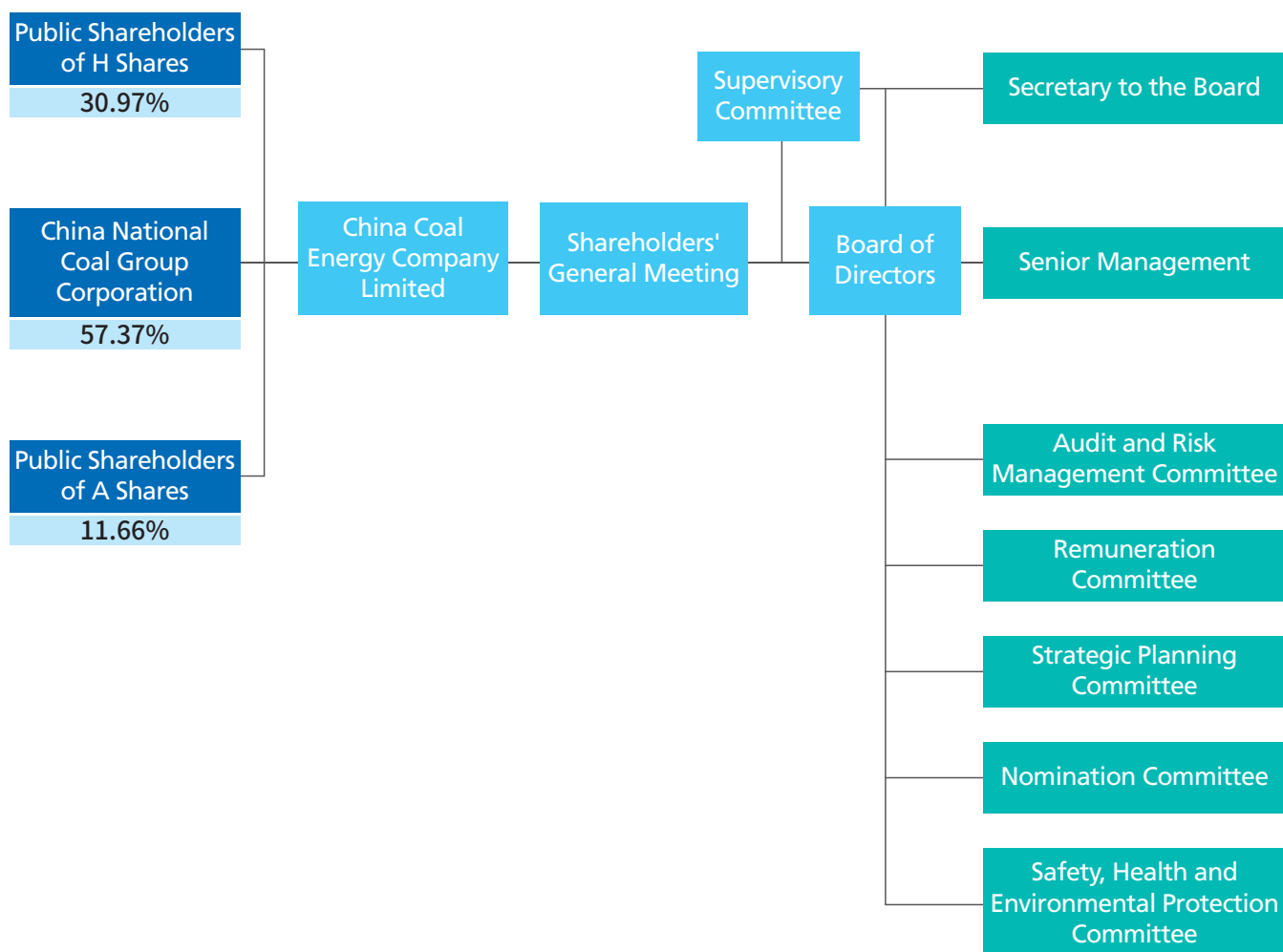
Scientific Development, Safety and Efficiency, Harmony and Win-win Situation

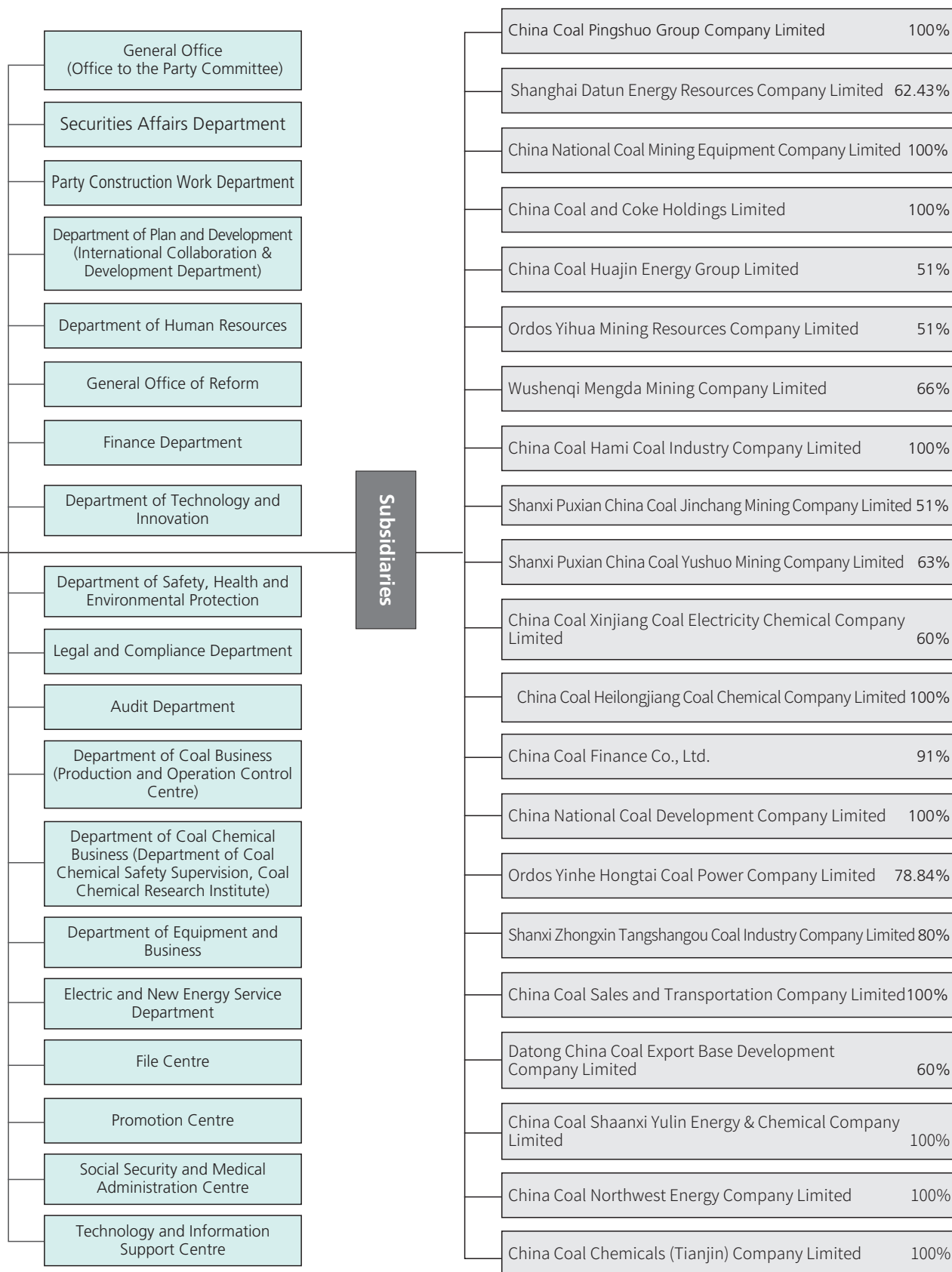
Scientific development: being people-oriented and making overall planning and consideration to achieve comprehensive, balanced and sustainable development of the Company.

Safety and efficiency: being committed to safe development and to improving efficiency and benefits.

Harmony and win-win Situation: being honest and trustworthy, and striving to achieve mutual benefit and win-win situation as well as harmonious coexistence and joint development of the Company and its employees, of the Company and other enterprises and of the Company and society.

Organisation Chart







Pursuit of Excellence in Governance

Strategies of the Company
Regulated Operation
Internal Control
Party Construction

Anti-corruption and Advocation of Integrity
Management of ESG
Stakeholder Communication
Response to the 2030 Sustainable Development Goals (SDGs) of the United Nations



Strategies of the Company

Guided by Xi Jinping's Thoughts on Socialism with Chinese Characteristics for a New Era, the Company has thoroughly carried out the spirit of the 20th Party Congress and 20 sessions of the National People's Congress, and deeply implemented the new energy safety strategy with "four reforms and one cooperation". By fully, actively and stability fostering the significant strategic decision on carbon emissions peak and carbon neutrality, the Company firmly establishes itself as a better and bigger national capital and state-owned enterprise, and puts the core functions of securing energy safety and supply and promoting green transformation into fully play. The Company upholds its development strategy and fully implements the development directions of "efficiency enhancement and incremental transformation" to build a dense industry chain for coal, coal power, new energy and coal chemical, while refines and optimises the comprehensive energy service industry. By 2035, the Group will become a world-class bigger enterprise of multi-energy complementation, green and low-carbon, innovation demonstration and modern governance.

Firstly, the Company strongly enhances carbon supply capability and industry leading status. The Company will organise and optimise the deployment of production and development, actively develop advanced production capacity, continuously enhance coal supply quality, and fully strengthen the quality of marketing. The Company will enhance its precise marketing service level, accelerate the construction of big marketing management system with China Coal characteristics, steadily enhance its energy safety and supply security capability, continuously increase industry competitiveness, and lead and facilitate high-quality and sustainable development of coal industry in the PRC.

Secondly, the Company actively facilitates "two combinations" for enhancement of risk resistance. Based on the advantages of coal resources and industry and by implementing the development mode of the "two combinations", the Company actively promotes big coal base and the combined deployment of coal power. With the stable development of coal power industry, the level of integrated collaboration between coal and coal power industry has been effectively enhanced. Directed by green and low-carbon transformation and fueled by its own resources under the supplement of external expansion, the Company will focus on the development of tremendous new energy base and integration of source-network-load-storage demonstration project which suit the combination of coal power and new energy. The Company will explore multi-energy complementation development mode and put efforts on adjusting its electric installed structure.

Thirdly, the Company develops modern coal chemical industry in a high-end, low-carbon and industrial park-based manner. The Company will organise the "dual carbon" strategic requirement, the demand from national energy safety strategy and the actual situation of the industry to scientifically and reasonably plan for the development scale of coal chemical industry. By developing in a high-end, diversified, low-carbon and industrial park-based manner, the Company will unleash and upgrade existing projects and steadily deploy in incremental projects to fully put the "raw material" function of coal into play. By extending the industry chain, increasing the coal-based polygeneration levels and added value of products, the Company will build a demonstration and leading modern coal chemical industrial cluster.

Fourthly, the Company refines and strengthens comprehensive energy service industry. By placing equipment manufacturing industry as the core component of the chain and regarding comprehensive energy service as key demonstration under the active supplement of other coal-based service and business, the Company will fully

facilitate thorough corporate reform, expertise enhancement, business resources consolidation, commercial model innovation as well as internal and external market expansion. The Company will concentrate on the high-quality development of coal-based industry, high-end intelligent innovation of energy and equipment, development of overground and underground space and resources for coal mines, formulation of project demonstration in terms of innovative comprehensive energy service model, thus realising the modern development of comprehensive energy service.

Regulated Operation

Governance structure

The Company has established a corporate governance structure comprising the Shareholders' general meeting, the Party Committee, the Board, the Supervisory Committee and the management team in accordance with the provisions of relevant laws and regulations including the Company Law and the Securities Law, so as to establish a check-and-balance and coordinating mechanism with clear delineation of rights and responsibilities and standardised operation among the executive, leadership under the Party Committee, decision-making and supervisory bodies and the management team. The Company has formulated a series of rules and regulations such as *Articles of Associations*, *Rules of Procedures of Shareholders' General Meetings*, *Work Rules of the Party Committee*, *Rules of Procedures of the Board of Directors*, *Rules of Procedures of the Supervisory Committee* and *Rules of Procedures of the Management Team*. During the reporting period, the corporate governance of the Company complied with the requirements of relevant regulations.

Standardised operation

The Shareholders' general meeting is the highest authority of the Company, and Shareholders exercise their rights via the Shareholders' general meeting pursuant to the law. The Company convenes the Shareholders' general meeting in strict compliance with the Articles of Association, and conducts works on notification, consideration, voting and information disclosure in accordance with the rules of procedures to fully secure the equal status of all Shareholders to effectively exercise the rights to information, participation, enquiry and voting.

The Board is the permanent decision-making authority and is accountable to the Shareholders' general meeting. When the Board decides on major issues, such as the direction of the Company's reform and development, its main objectives and tasks, and the



Board meeting of China Coal Energy

arrangement of key duties, it shall first hear the opinions of the Party organisation, so as to give full play to the leadership of the Party organisation. Under the Board, five special committees are established, namely the Audit and Risk Management Committee, Remuneration Committee, Strategic Planning Committee, Safety, Health and Environmental Protection Committee and Nomination Committee. The special committees are enabled to employ their full functions, and major decisions will be discussed first by the special committees before submitted to the Board for review.

Independent non-executive Directors of the Board account for one third of the members of the Board, which meets the relevant regulatory requirements. A work mechanism has been established for independent non-executive directors to conduct fieldwork research. The Board makes an overall arrangement of the annual plan for Board meetings, adopts new forms of meetings and ensures that independent non-executive directors can attend meetings on time and fully express their views. The Supervisory Committee reports to the Shareholders' general meeting and monitors daily operation activities and the performance of duties by the directors and the senior management in accordance with the Articles of Association and the relevant laws and regulations.

In 2023, China Coal Energy organised and convened three Shareholders' general meeting, seven Board meetings and five Supervisory Committee meetings. The Board of China Coal Energy steps up scientific decision making and supervision of the Company's major matters such as development strategies, investment plans, financial management and production and operations, as well as guides and promotes corporate reform and development, thus effectively enhancing the Company's core competitiveness and sustainability.

Internal Control

Supervision through auditing

The Company has always adhered to the positioning of "economic supervision" in internal audit work. Upholding the integration of problem orientation, target orientation and result orientation, the Company places focus on key fields, material assets, important projects and "key minority". Research-based audit is implemented throughout the whole process of auditing projects. The Company insists on demanding resources and efficiency for the audit information system, accurately identifies the bottleneck, pain points, bleeding points and risk points in the process of corporate reform and development, and keeps on enhancing the high-quality development of auditing work. It continues to facilitate the long-term mechanism for audit and rectification works, upholds the simultaneous launch of both the "second half of the article" and the "first half of the article" for auditing, and insists on the combination of "instant correction" and "long-term establishment", thereby enhancing the application of audit results. The Company comprehensively integrates into the corporate big supervision system, integrally promotes problem revealing, regulation and management and facilitation of reform to firmly safeguard the interests of investors.

Internal control system

The Company has established an internal control construction and supervision management system under the overall leadership of the Board of Directors, active promotion of the management, and coordination of the internal control department and the business departments to effectively promote the implementation of internal control requirements to the whole process and all links of the internal control system.

With the goal of "internal control enhancement, risk prevention and compliance improvement", the Company further consolidates and optimises relevant systems on internal control, risk and compliant operation, while establishing and improving an internal work mechanism with strong leadership, definite responsibilities, clear processes and effective regulations. Through establishing a sound mechanism for self-repairing work such as the development, evaluation, improvement and perfection of internal control systems, regularly reviewing the existing internal control system and its implementation, examining the deviations in the Company's compliance with laws and regulations, and timely revising and improving the internal control system, the Company assures the timely conversion of external regulatory requirements into internal corporate requirements, effectively embeds internal requirements into the whole process of production, operation and management, and promotes implementation by all staff.

Through continuously optimising the management control model of each business sector and regional branch, and by implementing differentiated management across enterprises in different business sectors, the Company has developed a system and framework with different tiers and categories, and successfully improved the effectiveness of control across various business sectors.

Budget management

Adhering to various works on operation management and reform and development, the Company has established a "five-in-one" close-loop management system of strategic planning, integrated planning, comprehensive budget, results appraisal and positive motivation. By refined and strict control and through implementing vigorous budget management and appraisal measures, the management concepts and requirements of the Company have penetrated into all levels of the enterprise, all sessions of business and the whole process of reform. The Company further extended Key Performance Indicator (KPI) management, integrated the completion of all key duties with relevant operating performance appraisals, highlighted personalised appraisal indexes and increased the weight of key duties in the performance appraisal, so as to guarantee the realisation of current operational performance objectives, the fulfilment of key duties as well as the enhancement of development strength.

Compliant operation

The Company earnestly and fully implements the strategic deployment of the rule of law, and always regards "corporate governance according to the rule of law" as one of its core corporate management concepts. It strictly implements the requirements of the State-owned Assets Supervision and Administration Commission of the State Council for the construction of the rule of law and compliance management. By strengthening synergic operation among law, compliance, risk and internal control, the Company optimises the compliance risk event database to incorporate compliance and internal control requirements into systems and procedures, and establishes a tier and type classification system and management structure with full coverage and effective operation. The Company upholds business ethics and market rules, regulates the compliance review on material decision making and risk assessment, consolidates the management of due diligence on projects, and strengthens the implementation of risk counter-measures to ensure decision making complies with laws and regulations. While cultivating compliance culture, the Company formulates the *List of Internal Party Regulations and National Laws that Should be Acknowledged by Leaders and Cadres*, actively organises

training on legal awareness for all employees, conduct behavior compliance training and other campaigns, hence firmly establishes the concept of compliant operation, compliance with the law and integrity among all cadres and employees.

Risk management

The Company continues to improve the major risk assessment and monitoring mechanism with prediction at the beginning of the year, quarterly monitoring and assessment at the end of the year. Closely focusing on “target, risk and control”, the Company conscientiously rationalises the weakness and potential risks of its enterprises in the course of operation and management. By integrating the changes in risks of industries, domestic and foreign market environment and bulk commodity prices, the Company scientifically identifies material risk categories, continuously optimises monitoring model, objectively reflects risk characteristics, formulates targeted risk responsive measures, and regularly reports to the decision-making body and management. For early detection, early warning and early disposal of major risks, the Company establishes a material risk event reporting mechanism, sets up risk monitoring indicators, and builds a long-term mechanism. It also decomposes material risk management and control measures, consolidates risk management and control responsibilities of all departments and subsidiaries with controlling interests at all levels of the Company, tracks and monitors material risk management and control on a quarterly basis, eliminates possible material risk hazards, and effectively prevents the occurrence of material operational risk incidents.

Party Construction

The Party Committee of the Company upholds the guidance of Xi Jinping’s Thoughts on Socialism with Chinese Characteristics for a New Era, thoroughly learns, promotes and carries out the spirit of the 20th Party Congress, and promotes the organic alignment of leadership under the Communist Party and corporate governance. With steady progress and continuous improvement of the work and quality of party construction, it provides a concrete guarantee of the completion of reform and development tasks and acceleration of building a world-class energy enterprise.

Leadership under the Communist Party was strengthened in the optimisation of corporate governance. The Company dynamically optimises the list of matters to be considered and decided by the Party Committee and the list of matters to be considered and discussed in advance, fully leveraging the leadership role of the Party Committee in setting direction, overseeing the overall situation and ensuring implementation.

The Company commences in-depth studies and implementation of the thematic ideological education of Xi Jinping’s Thoughts on



Thematic seminar on learning and implementing the spirit of the 20th People Congress of the Communist Party and “China Coal 2035 Big Lecture”

Socialism with Chinese Characteristics for a New Era. Adhering to the theme mainline and fundamental tasks, and integrating thematic Communist Party lessons, “three meetings and one lesson” and Thematic Communist Party Day, the Company extensively launched campaigns such as “Everybody Gives a Speech”, “Sharing Good Lessons” and “Bring Learning to the Frontline”. Thorough learning from designated materials for thematic education is conducted with integration of the actual situation of enterprises. The Company makes in-depth studies on the spirit of important speeches, instructions and approval of Xi Jinping, the General Secretary, on state-owned enterprises, energy industry and coal industry, seriously commences investigations and researches, firmly implements respective works, strengthens problem rectification, and addresses over a thousand issues that impede the reform and development of the enterprise and that put employees and the public in emergency, difficulty and anxiety.

The Company consolidates the foundation of Party construction, thoroughly implements the quality and efficiency enhancement for fundamental Party construction, deepens the implementation of safety accountability under the Party’s management, and actively promotes the organic integration of Party construction works and production and operation. By enhancing the digital construction of Party construction, the Company realises the operation of digital Party construction system and enhance the level of regulation, standardisation and informationisation of Party construction works. Education and trainings for the secretaries, leaders and members of the Party organisations are enhanced, with 13 training sessions of various aspects organised to promote learning and implementation of Xi Jinping’s Thoughts on Socialism with Chinese Characteristics for a New Era as well as the spirit of the 20th People’s Congress of the Communist Party in the grassroots level, frontline, workshops and teams. The Company continues to reinforce the construction of demonstration (brand) Party branch, leverages advanced models to lead and demonstrate, and continuously enhances the political and organisational functions of grassroots Party organisations.

Anti-corruption and Advocation of Integrity

The Company strictly complies with the anti-corruption and anti-bribery laws and regulations applicable in the locations where it operates, and has zero tolerance for corruption and other illegal activities.

The Company places high emphasis on anti-corruption and advocacy of integrity. Main persons in charge of the Party Committee and the Discipline Inspection Committee strictly implement “two responsibilities”, while other members implement “dual responsibilities for one position”, thereby firmly formulating the force of integrity construction to drive, serve and secure high-quality development of the enterprise.

The Company has issued the “Administration and Implementation Measures on Problems and Clues Management”. In strict compliance with laws and regulations, the Company conducts works on visits, reporting and cases investigation, allows unimpeded access to visits and reporting, and investigates problems and clues involving corruption in accordance with regulations, disciplines and laws.

The Company promoted integrated “three refuses on corruption” by way of “full-cycle management”. By insisting on no forbidden areas, full coverage and zero tolerance, the Company continued to edge up the execution of discipline inspection and enhancement of deterrent effect for “dare not to corrupt”. The Company fostered and optimised over 130 systems, tightened systems and restrictions

in all domains, and scientifically allocated authorities. The room for corruption was reduced via sound systems and mechanisms and constraints on “cannot corrupt” were strengthened. In terms of continuous enhancement of integrity culture construction in the new era, the Company has established 78 integrity culture demonstration units and launched teams to promote integrity culture in different areas, teams and projects. Members and leaders of the Communist Party possess strengthened awareness of self-discipline for integrity and a strong atmosphere of “clean duties” is created, thereby consolidating and enhancing the level of “unwilling to corrupt”.

Integrity education for members and leaders of the Communist Party is normalised, with organisation of learning from the “Educational Reading Materials on the Nature, Spirit and Disciplines of the Party”, watching “Zero Tolerance”, a warning educational video, and printing the “Learning from Cases to Build an Integral Mindset – Selected Case Studies on Classical Violations of Disciplines and Codes”. The Company convened warning education meetings and practice enhancement warning education meetings to realise the complete coverage of integrity education for all members and leaders of the Communist Party.

The Company puts the functions of anti-corruption coordination team into full play, fosters collaborative cases handling, and commences joint supervision and inspection. Targeting at feedbacks and problems discovered from, among other things, visits and reporting, supervision and examination, review and investigations, patrol and inspection, the Company commences special rectification and creates a sound operation environment.

There was no litigation in relation to corruption against the Company in 2023.

Management of ESG Work System of ESG

China Coal Energy further optimises its ESG system and structure, and has formulated *China Coal Energy’s Manual on ESG Indicators and System* and *China Coal Energy’s Manual on ESG Management System*, and actively explores a management system of ESG which suits the Company.. The Company has established an ESG management system covering three levels including “decision making, organisation and implementation”, and placed emphasis



Shaanxi Company commenced integrity education

on integrating ESG concepts into its existing management system. The Company has formulated an implementation strategy and a promotion plan in accordance with its key ESG management aspects, and encourages different departments and business institutions to incorporate relevant work into their daily operations.

Decision-making level

The Board of Directors of the Company have participated in the review and decision-making regarding major issues of ESG, including the formulation of relevant strategies and policies and the deliberation of its annual ESG Report and ESG practices. The Board has established the Safety, Health and Environmental Protection Committee, which oversees the commitments and performance of the Company on key ESG issues.

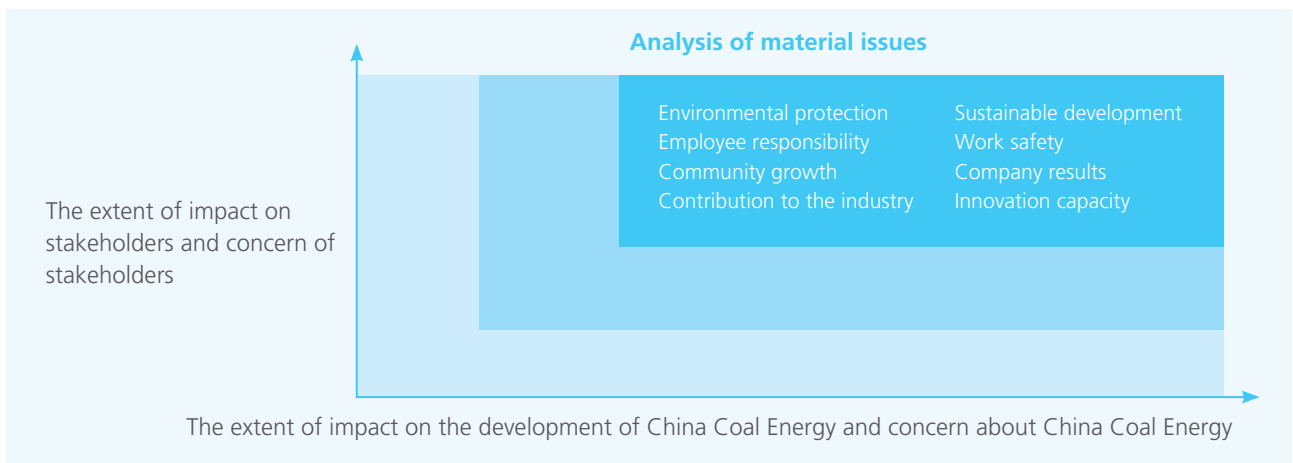
Organisation level

The Company has established an ESG management team, which is responsible for coordinating daily management work related to ESG, including formulating annual ESG reports, organising and conducting training, collecting ESG performance indicators, collecting and sharing exemplary cases of ESG practices, and planning and implementing ESG practices.

Implementation level

The functional departments of the Company and different business institutions are responsible for the centralised management of ESG issues and the regular reporting of relevant management measures, performance indicators and exemplary cases. The Company has established a system of ESG indicators covering three areas:

Identification of ESG Issues





environment, society and corporate governance, which provides rich historical data on ESG management, ensures the comparability of indicators in ESG reports, and lays a foundation for the incorporation of ESG into the management and operations of the Company.

Progress of ESG Work

Integrating ESG into corporate strategy. When formulating the corporate development strategy, the Company incorporates concepts of ESG through parallel planning and implementation, thus forming the top-level design of ESG management of China Coal Energy.

Conducting ESG training. China Coal Energy has established a learning and communication platform for ESG, has internally carried out ESG training activities in a systematic and graded manner via various means such as convening meetings and training, and inviting experts to give lessons, and has actively participated in a range of external professional training courses to broaden its horizons and raise awareness, including the ESG training session organised by the SASAC of the State Council, the ESG report seminar and forums held by relevant professional organisations.

Promoting the practice of ESG. At the beginning of year, the Company collected ESG work summary for the previous year from each work unit and arranged major ESG tasks for the year. Through carrying out the voting of excellent cases of ESG, the Company raised corporate ESG awareness and practical ability of its affiliates, and encouraged qualified major subsidiaries to regularly publish social responsibility/ESG reports. By strengthening research on ESG, and exploring the concept, implications, objectives and pathways for coal enterprises' fulfillment of social responsibility, the Company has promoted the performance of social responsibility in a more effective manner.

Enhancing communication about ESG. Since 2008, when its first social responsibility report was issued, China Coal Energy has issued social responsibility/ESG reports for 15 consecutive years, and was awarded the title of "CCTV Finance 50 Index • Top 10 Companies in Social Responsibility" twice. China Coal Energy has published its annual environmental, social and governance (ESG) reports since 2021. The Company has been selected in the "State-owned Enterprise ESG Pioneer Top 100 Index" list for three consecutive years, with its ranking raising to the nineteenth in 2023. In 2023, China Coal Energy was awarded Hong Kong Stocks Golden Bull Award and was selected as the "Top 50 State-owned Enterprise" (ranked fifth) and the "Top 100 Enterprise" (ranked eighteenth) in ESG Golden Bull Award.



Selected in "Top 100 State-owned Enterprise in ESG" list



Awarded Hong Kong Stocks Golden Bull Award and Selected as Top 50 State-owned Enterprise and Top 100 Enterprise in ESG Golden Bull Award

Stakeholder Communication

China Coal Energy has improved the mechanisms of compilation, publication and transmission of the ESG report, and has enhanced the procedures for the compilation and publication of the report. The Company convened regional forums for major clients, occasionally invited news media and investors to come to China Coal Energy for interviews, sought suggestions from outside experts on ESG and listened to the advice of employee representatives and employees. By incorporating the participation of internal and external stakeholders, the Company has effectively responded to the stakeholders' concerns about ESG, which has specifically improved the Company's ESG performance.

Stakeholder	Ways and channels for communication and participation	Material issues	Feedback
Government	Regular work meetings, Report of information, Specific agenda meetings	Tax contribution, Job creation, Contribution to social development	Operation in compliance with laws, Tax payment in compliance with laws, Promotion of economic development
Investors	Reports and announcements, Results release, Daily receptions, Interactive Q&A platforms	Corporate governance, Stable operation, Profit sharing, Information communication, Market value management	Enhancing corporate profitability by high-quality development; Regulating information disclosure and strengthening investor relations; Reinforcing market value management and increase investors' confidence.
Suppliers	Public tendering procedures, Work meetings	Business ethics, Fair cooperation, Mutual development	Fair procurement, Performance of contracts in compliance with laws, Formulation of Management Measures for Materials Procurement, Name List of Qualified Suppliers and Name List of Key Suppliers
Customers	Service hotline, Post-sales service, Seminars, Regular visits	Product quality, Service quality, Business ethics, Satisfaction of individual needs	Provision of quality and customised products and services, Establishment of convenient sales network
Employees	Meetings of employee representatives, Satisfaction surveys, Seminars, Mailings and visits, Online college	Basic rights, Occupational health, Remuneration and benefits, Working environment, Career development, Democratic management, Concern for livelihood	Staff training, Provision of good working conditions, Provision of good working environment, Provision of long-term career development opportunities
Peer mining companies	Cooperation, Workshops on specific issues	Industry standards, Fair competition, Promotion of industry development	Cooperation, Experience sharing, Promotion of sustainable growth of the industry
Financial institutions	Specific agenda meetings, Information reports, Timely repayment of principal and interest	Business operations, Operational risks, Compliance governance, Credit facilities	Timely repayment of principal and interest
Media	Information transparency	Publication of reports, Multi-channel information disclosure	Regular disclosure of information on ESG and significant events of public concerns
Community and the public	Public service activities, Environmental protection	Charity donations, Volunteer services, Community development	Disaster relief, Poverty alleviation, Environmental protection



Management of Investor Relations

In 2023, the Company fully exerted the advantages of its diversified and multi-layer communication mechanism. During the year, the Company was selected as the “Best Listed Company in Management of Investor Relations” by Crystal Ball Awards for Listed Companies, and won the “China Outstanding IR Best Capital Market Communication Award” and the “Best Value Delivery IR Team” again.

In 2023, the Company conducted over 100 investor exchange campaigns with over 8,000 participants, which marked another record high. With the establishment of high-quality and professional results publication team, the Company organised 4 quality annual, interim and quarterly results announcements and 12 monthly production and operation explanation meetings. Over 1,500 questions were answered with better investor visit and telephone exchange as well as reply on E-Interaction Platform of the Shanghai Stock Exchange. The Company organised investors to participate in the “Investors into Listed State-owned Enterprise” campaign in Pingshuo Coal Mine to increase the understanding and recognition of investors on the Company. Collection and compilation of capital market information were improved, and over 1,000 investor relations monthly reports, capital market analysis reports and various news information were prepared and distributed.

Safeguarding Shareholders’ Interests

In 2023, the Company has convened a total of 3 shareholders’ general meeting with the combination of on-site voting and internet voting. The Company fully utilises modern information technology measures to bring convenience to its shareholders for exercising their rights, and provides conditions for all investors to participate in corporate governance in an equal and effective manner. Hence, the legitimate interests and proper demands of various investors are firmly safeguarded to ensure the shareholders’ general meeting makes resolutions in a fair and open manner. For material matters involving the interests of minority and medium investors, the Company follows the requirements of regulatory institutions to

conduct separate voting by minority and medium shareholders and make disclosure, so that the shareholders’ rights of minority and medium investors are fully safeguarded.

Directors, supervisors and senior management of the Company actively participated in shareholders’ general meeting, and conducted in-depth exchange with investors. Specific attendance and participation of relevant personnel are disclosed in the announcement of voting at the shareholders’ general meeting for the supervision by regulatory departments and investors. Meanwhile, the Company complies with requirements such as the Governance Standards of Listed Companies, and employs solicitors to witness the whole process and issue legal opinions for ensuring the validity and authenticity of shareholders’ general meeting.

Information Disclosure

Since the listing of its H Shares in 2006 and its A Shares in 2008, the Company has continued to improve its information disclosure management mechanism. Taking account of the regulatory differences between Shanghai and Hong Kong, the Company upheld the principles of being “true, accurate, complete, timely, fair, simple and clear, easy to understand, stringent and objective with more stringent standards prevail” for information disclosure. By capturing the new trend of digital and intelligent information disclosure in the internet, the Company follows market dynamics and investors’ concerns and orients itself to the prevailing and future corporate development, and keeps on enhancing the timeliness, accuracy, transparency and effectiveness of information disclosure. The Company will allow investors to “get closer, understand better, see clearly and maintain confidence”. Such approach puts the functions of a listed company into full play, and paves the path of high-quality development in a more in-depth and concrete manner. During the reporting period, the Company prepared the disclosure of 4 A+H periodic reports (in Chinese, English and Japanese), over 70 provisional announcements totalling over 300, and thus realised zero enquiry from regulatory institutions. The Group maintained A grade in the information disclosure evaluation of the Shanghai Stock Exchange for 14 consecutive years.



China Coal Energy commenced the “Visit to State-owned Enterprises by Institutional Investors” campaign

Response to the 2030 Sustainable Development Goals (SDGs) of the United Nations

SDGs	Actions we took in 2023	SDGs	Actions we took in 2023
 <p>1 NO POVERTY</p>	Assisted in consolidating the achievements of poverty alleviation and promoted revitalisation in the rural area	 <p>2 ZERO HUNGER</p>	Expanded assistance to the industry, innovated assistance to cultural tourism, and helped increase income in assisted areas
 <p>3 GOOD HEALTH AND WELL-BEING</p>	Strengthened production safety and cared for health and life of employees	 <p>4 QUALITY EDUCATION</p>	Strengthened education and training of employees, and continued to carry out donation activities for education
 <p>5 GENDER EQUALITY</p>	Protected the interests of female employees and provided equal opportunities for employment and development	 <p>6 CLEAN WATER AND SANITATION</p>	Optimised the structure of water consumption and recycled water resources
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	Strengthened the clean and efficient utilisation of coal and vigorously promoted the development of the new energy industry	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	Provided good employment opportunities, promoted local employment, and supported local economic construction
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	Implemented in-depth innovation-driven development strategy	 <p>10 REDUCED INEQUALITIES</p>	Prohibited the use of child and forced labour, and prohibited all forms of employment discrimination

SDGs	Actions we took in 2023	SDGs	Actions we took in 2023
	<p>Provided assistance to people in need, made donations to education and disaster relief, and developed together with local communities for mutual benefit and win-win results</p>		<p>Vigorously developed clean, low-carbon, safe and efficient energy and adhered to green procurement</p>
	<p>Made continuous improvement to the governance mechanism that responds to climate change, continuously optimised risk management, and comprehensively promoted greenhouse gas emission reduction</p>		<p>Strictly managed the discharge of mine water, sewage and wastewater, and maximised the comprehensive utilisation of wastewater resources</p>
	<p>Attached equal importance to coal mining and ecological restoration, and protected animals and plants in mining areas</p>		<p>Refined corporate governance, compliant operation and clean governance</p>
	<p>Worked with stakeholders to achieve mutual integration and win-win results</p>		



Green and Low-carbon Development

In Response to Climate Change

Strengthening Environmental Protection

Conserving Energy Resources

In Response to Climate Change

Targets to address climate change

Adhering to carrying out the “dual carbon” targets on carbon peak and carbon neutrality of the Central Committee and the State Council, the Company insisted on green development, enhanced the green and efficient utilisation of coal, accelerated green and low-carbon transformation, continuously fostered carbon emission reduction, and contributed to the construction of a new energy system of the PRC.

Climate risk management

With reference to documents such as the Suggestions of the Task Force on Climate-Related Financial Disclosures (TCFD) and the Guidelines on Climate Disclosures of the Hong Kong Stock Exchange, the Company systematically identifies major climate related risk points which affect its strategies and formulates the corresponding counter measures. The Company’s capability to address potential climate risk and opportunity has been enhanced at a strategic level. By continuously optimising the risk management system related to climate change, the Company will transform addressing climate change to an important opportunity to realise changes of development approaches.

Climate risk identification and response

The Company has established its climate change management framework and risk response mechanism and made evaluation on the possibility of the occurrence of risk and its influence. Combining its comprehensive risk management system and framework, the Company identifies related physical risk and transformation risk, formulates response plans and measures, and comprehensively reduces the impact brought by climate risk.



Pingshuo Group 100MW photovoltaic project

Green and Low-carbon Development

Risk Type	Risk Identification and Description	Counter Measures
Physical risk	<p>Acute risk</p> <p>The increasing occurrence of extreme weather such as typhoon, storm and flood may pose risks on the Company including production equipment damage, transportation obstruction and supply chain disruption, threatening the environment and public safety, and resulting in higher operating cost and lower corporate profitability.</p> <p>Extreme weather incidents may induce secondary disaster and secondary production incidents, which may threaten personal safety, ecology and environment and cause economic loss.</p>	<p>Better extreme weather monitoring and warning would be conducted. Specific disaster emergency plans are determined based on the characteristics of operation location. Emergency drills are regularly conducted and regular training would be offered to employees to enhance their safety awareness and response. Emphasis is placed on the daily reserves of materials for disaster prevention and reduction.</p> <p>Production and operation facilities are regularly examined and upgrading and modification are conducted as needed. Extreme weather protection facilities are added to increase the level of disaster protection.</p>
	<p>Chronic risk</p> <p>Change of rainfall volume and extreme climate change may increase the Company's infrastructure cost (eg. the extension of the construction period and earlier wear and tear of equipment) and the premiums for equipment and personnel insurance.</p> <p>The increase or decrease in average temperature may increase the demand for cooling or heating in production and office premises, which may result in the increase in the operating cost of the Company.</p>	<p>Subsidiaries are encouraged to identify climate vulnerability of the region where they are located, and to include the consideration of climate risk in infrastructure construction.</p> <p>Energy conservation and emission reduction efforts as well as the utilisation efficiency of energy, water and other resources are continuously enhanced to reduce the dependence on natural resources.</p> <p>Extensive climate change related science education is provided to stakeholders and low-carbon environmental protection concepts are advocated.</p>
Transformation risk	<p>Policy and regulation risk – carbon quota and carbon transaction</p> <p>Higher requirements on corporate greenhouse gases emission management promulgated by the country may increase administrative cost. Increase in carbon transaction price may increase the Company's operating cost.</p>	<p>Close attention is paid to the change of policies and regulations related to carbon transaction. With more stringent carbon assets management, the Company actively participates in national carbon transaction market, optimises transaction strategies, and completes the performance of carbon quota task in a compliant manner. Carbon emission reduction work is promoted, and measures such as energy conservation and emission reduction are adopted to reduce its own carbon emission level.</p>
	<p>Policy and regulation risk – "dual control" indicator</p> <p>Given the "dual carbon" target, the government shifts the "dual control" on energy consumption to the "dual control" on the total volume and intensity of carbon emission. More stringent laws and regulations on restricting or reducing carbon emission will be introduced, which may increase the Company's investment in energy conservation and emission reduction, thereby increasing its compliance operation cost.</p>	<p>Adhering to the development idea of "efficiency enhancement and incremental transformation", the Company reduces carbon storage, controls carbon increase and develops negative carbon, and strictly controls the intensity and total volume of carbon emission. The Company actively applies technologies such as the integration and complement of coal chemical and renewable energy, the integration of "green hydrogen" and CO₂ methanol production and CCUS. While continuously fostering the purification of fossil energy, scalable development of clean energy, low-carbon development of production process, the Company fully facilitates green and low-carbon development.</p>



Risk Type	Risk Identification and Description	Counter Measures
Technical risk	Driven by national policy, the Company's demand for low-carbon modification and the introduction of energy conservation and consumption reduction equipment has increased, thereby increasing the research and development cost of technological innovation.	Investment in technological innovation is increased while low-carbon and energy conservation technologies are greatly developed. Renewable energy, hydrogen power, energy storage technology and CCUS technology are gradually adopted as replacement.
Market risk	People's concern on climate change may foster the market preference on low-carbon products and services, hence affecting the demand for fossil fuels. Rapid development of alternative energy, new energy and new products may impose competition pressure on the Company to a certain extent.	Climate related factors are considered in investment decision making, and more investment will be placed on new energy and alternative energy. The Company's coal – coal power – new energy combination model will be actively fostered to promote the Company's green and low-carbon transformation and development as well as sustainable development.
Reputation risk	Low-carbon image has become a label with significant influence and focus of stakeholders for energy companies. If the request related to actively addressing climate change is not satisfied, the Company may lose its investors or customers and be negatively affected.	The Company actively and steadily conducts green and low-carbon transformation, and increases the information disclosure level and transparency related to addressing climate change. Communication and exchange with stakeholders will be strengthened to maintain a good corporate image.

Climate management mechanism

Climate change imposes material risk on global economy and sustainable corporate development. Always upholding the baseline thoughts and risk awareness on climate change, the Company continues to optimise climate change addressing system, establishes governance structure, formulates counter strategies, commences climate change influence identification and evaluation works, and discloses its targets and performance. The Company emphasises on enhancing the management effectiveness on addressing climate change. To fully monitor the impact of climate change issues on its business and operation, the Company has systematically commenced climate change risk governance, strategies formulation, information disclosure and other tasks.

The Company has, based on the *Interim Measures for Carbon Emission and Carbon Asset Management*, standardised the establishment of a three-level carbon asset management system of “company headquarters – secondary companies – production enterprises”. Carbon asset management centre is specifically responsible for works related to addressing climate change.

Taking Actions to Address Climate Change

The Company actively takes governance actions to address climate change, fosters the purification of fossil energy, scalable development of clean energy and low-carbon development of the production process, and accelerates the implementation of greenhouse gases emission reduction actions. While optimising carbon emission management system, the Company focuses on strengthening the management procedures of carbon emission data and reasonably optimises carbon emission management information system. Measures such as energy conservation and carbon reduction projects, the research and application of CCUS technology and controlled emission of methane are greatly promoted to reduce greenhouse gases emission. With orderly breakdown and implementation of carbon peak action targets, the “dual control” management on the total volume and intensity of carbon emission is enhanced.

Carbon emission management

The Company continuously organises greenhouse gases investigation and the scope of investigation covers production enterprises of the Company in three major business segments, namely coal, power and chemical. The calculation module of carbon emission management information system is continuously optimised to enhance the work efficiency of reporting corporate data, thereby consolidating the data basis for addressing climate change. The scope of inspection includes direct greenhouse gases emission (scope 1) and indirect greenhouse gases emission (scope 2), and greenhouse gases included in the calculation are CO₂, CH₄, N₂O, etc. The calculation of carbon emission data complies with standards such as ISO14064-1:2006 standard, *Guidelines on Enterprises Greenhouse Gas Emissions Accounting and Reporting (Power Generation Facilities)*, *Guidelines for Enterprise Greenhouse Gas Emission Accounting and Reporting (Chemical Industry)* and *Guidelines for Enterprise Greenhouse Gas Emission Accounting and Reporting (Coal Production) (Trial)*.

According to preliminary statistics, in 2023, the total carbon emissions of the Company’s three major business segments, namely coal, power and chemical, were 46.90 million tonnes, being 1.2% higher than that in 2022; with carbon dioxide emission per RMB10,000 production value (comparable price) of 4.76 tonnes carbon dioxide equivalent/RMB10,000, being 1.5% lower than that in 2022. (The above data related to carbon emission is the statistics data of the Company)

Carbon asset management

The Company actively participates in the national carbon emissions trading market, coordinates the quota surplus and deficit of emission control enterprises, formulates the “Carbon Trading Fund Budget and Trading Strategy”, scientifically develops carbon trading plans, carries out centralised management of carbon trading, and ensures that all seven key emitting units fulfill their carbon quota compliance tasks on time. It actively tracks the policies of national voluntary emission reduction projects and promotes the development of such projects at the national level.

The Company steadily improves its level of green electricity consumption, pays attention to green electricity trading policies, optimises electricity management, and develops tailored green electricity consumption plans based on local conditions. The Company’s affiliated Huajin Group and Shaanxi Company have cumulatively purchased 42.705 million kWh of new energy electricity throughout the year.

Carbon emission reduction management

The Company actively explores green transformation and development path, deeply unleashes the potential of energy conservation and carbon efficiency increment, edges up efforts on low carbon technological innovation, and greatly enhances green low-carbon and recycling production level.

Implementing the main responsibility for energy conservation. The Company has issued the “Energy Conservation Management System” and established an effective working mechanism. It strengthens the upgrade and transformation of transportation system equipment, smart heating systems, waste heat utilisation of air compressors, and heat source systems, and gradually replaces existing high-energy-consuming equipment in various production enterprises. Shaanxi Company is implementing the retrofit project of steam and water recovery in the thermal power center, which is expected to save 4,630 tonnes of standard coal and reduce carbon emissions by approximately 12,000 tonnes per year. Pingshuo Group adopts a new type of coupled heat pump to recover waste heat from circulating water, with an expected annual recovery of 42,580 GJ of waste heat from circulating water, saving approximately 27,000 tonnes of steam and reducing carbon emissions by 4,684 tonnes.

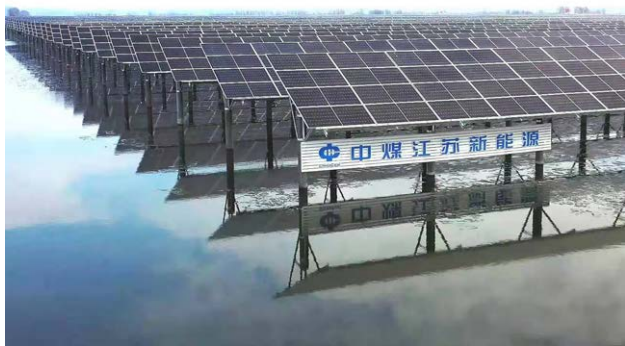
Strengthening the resource utilisation of coal chemical waste and exhaust gases. Shaanxi Company uses raw materials such as industrial carbon dioxide tail gas emitted by low-temperature



methanol carbon elution devices to construct a chemical waste gas resource reuse project.

Deploying and initiating the implementation of green and low-carbon technology research and development projects. The Company maintains a strong investment in research and development in the key areas of green and low-carbon technologies. Major special research projects have been launched, including efficient development and cascade utilisation technologies for coal mine gas resources, comprehensive utilisation technologies for coal gangue resources, and key technologies for converting carbon dioxide into green liquid fuels. It has also promoted the approval of the demonstration project for carbon dioxide hydrogenation to methanol technology as a “Enlisting and Leading” project in the “dual carbon” technological innovation major demonstration project in the Inner Mongolia Autonomous Region.

Advancing green and low-carbon transformation and development. The Company promotes the green and low-carbon transformation of energy and continuously iterates and upgrades the “two combinations” development model. It optimises the “coal and coal power” integration and solidly promotes the “coal power and new energy” integration, exploring the integration of the “coal-power-chemical-new energy” industrial chain. Key parks and projects have made positive progress. The “integration of source-network-load-storage” demonstration project of Shanghai Energy Company has been included in the third batch of large-scale wind and photovoltaic base construction project list by the national government. The first phase of the project with a capacity of 263,000 kilowatts has been completed and connected to the grid for power generation. Pingshuo Group has completed the construction of the first 100,000-kilowatt photovoltaic project in the open-pit reclamation area of Shanxi Province. The Yulin Coal Deep Processing Base project of China Coal Group has been selected as a typical case for environmental impact assessment of greenhouse gas emissions by the Ministry of Ecology and Environment. It is the only coal chemical project selected among central enterprises. It has significant demonstration significance in promoting the integration of pollutant and carbon emission assessment management, and enhancing the synergy between climate change response and environmental governance.



New energy demonstration base project of Shanghai Energy Company

Strengthening Environmental Protection

The Company adhered to green development, strictly fulfilled the political and social responsibilities of central enterprises for ecological and environmental protection, upheld precise and scientific pollution control in accordance with the law, coordinated operation and development, energy supply guarantee, and ecological and environmental protection, effectively prevented and resolved ecological and environmental risks, and steadily improved the ecological environment. The main indicators continued to perform well while no environmental emergencies occurred during the year.

Wastewater treatment and reuse

The wastewater discharged by the Company was mainly coal mine water and coal chemical industry wastewater, and the main water pollutants were chemical oxygen demand and ammonia nitrogen. The discharge standards implemented included the *Emission Standard for Pollutants from the Coal Industry (GB20426-2006)*, the *Integrated Wastewater Discharge Standards (GB8978-1996)*, etc. According to the different characteristics of mine water and domestic sewage, the Company actively implemented wastewater control projects, strengthened categorised treatment of wastewater, adopted corresponding processing techniques to ensure that the quality of water after treatment met the standards. Moreover, the Company deeply explored the potential of using water with different quality standards and multiple use in the mining area and the park, and integrated and optimised the comprehensive utilisation system of wastewater to maximise the comprehensive utilisation of wastewater resources. In 2023, the chemical oxygen demand and emission of the Company were basically flat as compared with those of last year, with a comprehensive utilisation of mine water of 97.9%, maintaining an advanced level in the industry.

Air pollution control

The exhaust gas emitted by the Company was mainly flue gas generated by coal-fired boilers, and the main air pollutants were sulfur dioxide, nitrogen oxides and soot. The discharge standards implemented were the *Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011)* and the *Emission Standard of Air Pollutants for Boilers (GB13271-2014)*. The Company continuously promoted air pollution control, accelerated the promotion of clean energy substitution and boiler flue gas treatment, and strengthened the control of unorganised emissions in coal mining, transportation, storage and transfer. Electric power and coal chemical enterprises of the Company also strictly controlled the emission indicators of air pollutants and carried out in-depth treatment of volatile organic compounds (VOCs), which achieved positive results.



Ecological environment restoration and treatment of waste dump of Dongpo Coal Industry

Solid waste disposal and utilisation

The solid waste generated by the Company was mainly hazardous waste such as mixed salt and general industrial solid waste such as coal gangue. The Company strictly carried out solid waste disposal in accordance with the laws, regulations and standards including the *Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes*, the *Hazardous Waste Transfer Management Measures* and the *Standard for Pollution Control on the General Industrial Solid Waste Storage and Landfill (GB18599-2020)*. The Company strengthened the storage, utilisation and disposal management of bulk solid waste, actively promoted the use of coal gangue with technologies such as layer separation grouting and underground filling to expand the use of coal gangue, and maximised the reduction and recycling of solid waste such as gangue to improve the level of solid waste utilisation. The Company also collected, stored, transferred and disposed of hazardous waste in strict accordance with the requirements, and reinforced the standardised management of hazardous waste so as to comply with the law and regulations.

Hazardous waste

The hazardous waste produced by the Company was mainly mixed salt. The Company standardised the management of hazardous waste storage environment in accordance with the *Standard for Pollution Control on Hazardous Waste Storage (GB18597-2023)*, established a hazardous waste management register in accordance with the *Technical Guidelines for Deriving Hazardous Waste Management Plans and Records (HJ1259-2022)*, strengthened

the management of the production, storage, transfer and other procedures of hazardous waste, and entrusted qualified entities for disposal. In 2023, the Company generated 174,000 tonnes of hazardous waste, with 17.6 kg of hazardous waste per RMB10,000 of production output, all of which were disposed of in a standardised manner

General industrial solid waste

The general industrial solid waste produced by the Company was mainly coal gangue. The Company actively promoted the comprehensive utilisation of coal gangue, including power generation, production of construction materials, extraction of high value-added products, road backfilling and land reclamation, advocated the application of gangue filling and mining, layer grouting and other technologies according to local conditions, and comprehensively utilised solid waste such as fly ash and slag as raw materials for cement and building materials to further improve the utilisation efficiency of resources. Waste which could not be utilised was disposed of in accordance with the *Standard for Pollution Control on the General Industrial Solid Waste Storage and Landfill (GB18599-2020)*. In 2023, the Company produced 20.19 million tonnes of coal gangue, with approximately 0.2 tonne of coal gangue produced for 1 tonne of commercial coal and a comprehensive utilisation of 19.74 million tonnes (including comprehensive utilisation of the stock from previous years). The Company also produced 6.26 million tonnes of other general industrial solid waste including fly ash, slag and chemical waste, with a comprehensive utilisation of 3.37 million tonnes.

Packaging materials

The coal produced by the Company was a bulk commodity and did not require the use of packaging materials. Polyolefin, urea and ammonium nitrate from the coal chemical business segment involved the use of product packaging materials. The total use of packaging materials was 16,453 tonnes, and the use of packaging materials per unit product was 3.98 kg per tonne.

Ecological restoration

The Company actively practised the concept of “Lucid waters and lush mountains are invaluable assets”, strictly abided by the relevant regulations of the ecological protection red line, attached equal importance to coal mining and ecological restoration, and actively promoted land reclamation and subsidence area management. In view of the current situation of underground coal mines and mining subsidence areas, the Company reasonably planned and actively promoted the treatment of mining subsidence areas in accordance with the principles of “overall layout, coordination and unification” to fulfil the obligations of ecological and environmental treatment of mines. Our open-pit coal mining operation’s integration of “stripping, transportation, disposal and reclamation” became increasingly mature, with three-dimensional planting of grass shrubs, the pilot ecological planting and ecological breeding, etc., which combined green mining with green development, and realised the synergy of ecological, social and economic benefits.

Pingshuo Group made efforts to promote the ecological industry and took the innovation path of “green bearing and ecological harmony”. It has been adhering to the equal emphasis on mining and ecology, unified planning and implementation of land

reclamation and production construction, and the integrated and coordinated development of “stripping, transportation, disposal and reclamation”, so as to realise “mining without destroying the environment, mines regaining greenness, forming industrial chains, and benefiting the society with wealth”, and strive to create Pingshuo’s own sample to practise the theory of “Two Mountains”. Since the establishment of the mine, a total of RMB2.3 billion has been invested in ecological restoration, and more than 60,000 mu of land has been reclaimed, more than 60,000 mu of area has been afforested around the mining area, and the vegetation coverage rate in the reclamation area has increased from less than 10% before mining to more than 90%. The integrated practice case of mining and reclamation in Pingshuo mining area was awarded as an excellent social responsibility case of “green and low-carbon” by central enterprises, and the ecological construction achievements were listed as the practice highlight of central enterprises in the “Two Mountains” by the State-owned Assets Supervision and Administration Commission of the State Council, the case of the Group was publicised and reported by a number of mainstream media at the central and local levels. On 15 August 2023, the first “National Ecology Day”, China Media Group launched a special report on “China Coal Pingshuo Transforming the Black Coalfield into a Green Ocean of Forest”, demonstrating the Company’s responsibility and outstanding contribution as a central energy enterprise to pursue the “dual carbon” goal, lead the green and low-carbon development of the industry, and build green mines. The “Pingshuo Reclamation Area Biodiversity Conservation and Practice to Help Enterprise Sustainable Development” campaign won the “Golden Key – Excellence Award” in the “Golden Key – China Action for SDG” and “Privileges for Nature” categories in 2023 sponsored by the Sustainable Development Economy Guide.



Reclamation Land with Greening after Soil Improvement in Pingshuo Mining Area

Conserving Energy Resources

Conserving energy

The Company has strictly abided by laws and regulations such as the *Energy Conservation Law of the People's Republic of China*, the *Renewable Energy Law of the People's Republic of China* and the *Circular Economy Promotion Law of the People's Republic of China*. The Company issued the *Energy Conservation Management System of China Coal Energy*, established and improved the top-level design of the energy conservation management system, formed a chain of responsibility pressure transmission at all levels, and guided affiliated enterprises to establish resource- and energy-saving enterprises. The Company prioritised energy saving in its production and operations, and strived to consume minimal energy to guarantee normal production and operation activities. The conservation of coal, electricity, oil and other energy resources was fully promoted in each of the Company's bases, industry sectors, enterprises and fields, achieving good results in cost reduction, efficiency enhancement, energy saving and emission reduction. Huajin Group was awarded the title of Advanced Enterprise in Energy Conservation and Emission Reduction in China's Coal Industry, and Zhangjiakou Coal Mining Machinery Company was enlisted as a National Green Factory by the Ministry of Industry and Information Technology. In 2023, the Company's integrated energy consumption per RMB10,000 of production output was 1.209 tonnes of standard coal/RMB10,000 (comparable prices of 2020). The comprehensive energy consumption for raw coal production was 3.27 kg standard coal/tonne coal, staying ahead of that of its industry peers.

Energy utilisation efficiency target: integrated energy consumption per RMB 10,000 of production output decreases by 10% as compared to 2020.

Coal segment

Coal enterprises vigorously promoted energy-saving technological transformation of the coal segment and continuously optimised coal mining design. The transportation route of the open-pit coal mines and the heating system in the mining area were renovated. The Company implemented underground separation filling, intelligent heating transformation of mines, utilisation of residual heat and pressure, and green mining technology along empty roads to improve energy efficiency, saving 1,540 tonnes of standard coal per year and approximately 13,000,000 kWh of electricity. The energy consumption per unit product of coal mining decreased by 0.41 kg of standard coal/tonne year-on-year, and the energy efficiency of open-pit and underground coal mines basically reached an advanced level.

Power segment

Power enterprises took "intelligence" as an important breakthrough in the actual integration and innovation of refined management and production, combined with the production characteristics and digital technology of the power industry, carried out the construction of a batch of power plant fuel intelligence systems, and promoted the refined management of "coal-to-power" to achieve a year-on-year decrease of 5% in the annual power consumption rate.

Coal chemical engineering segment

Coal chemical engineering enterprises explored the retrofit potential of energy-saving and carbon-reduction technology, optimised the production process, and continuously improved energy efficiency.

The comprehensive energy consumption per unit of main products such as methanol and olefins was 1,386 kg standard coal/tonne and 2,580 kg standard coal/tonne respectively, both of which were better than the industry benchmark value.

Resource conservation

Resource recycling

The Company continued to increase the selected proportion of raw coal and continued to strengthen the comprehensive utilisation efficiency of resources. The Company actively utilised underground filling and layer separation grouting to maximise on-site consumption and safe disposal of coal gangue. The Company optimised and adjusted the production process and parameters of low calorific value coal-fired power plants, prioritised the consumption of low calorific value coal produced by self-owned coal mines, and realised efficient transformation of resources nearby.

Water conservation

The Company strengthened the analysis and demonstration of water sources, water extraction, water use and water conservation measures. Industrial water-saving facilities in construction projects were designed, constructed and put into operation with the main project at the same time. The Company strengthened water-saving management throughout the production process, and implemented water-use plans and target management. It strengthened the treatment and regional recycling of mine water. The Company carefully calculated and used water resources, strictly managed water resources, and implemented water resource recycling projects in the process of mine water utilisation and washing. In 2023, the Company's freshwater consumption (total water consumption) was 68,440,000 tonnes, with new water consumption of 6.94 tonnes per RMB10,000 of production output and a reuse rate of 98.1%.



Treatment Device of Ordos Energy & Chemical Company

Water efficiency target: mine water utilisation rate of at least 90%

Efforts: The Company upgraded transformation standards of treatment facilities for industrial and domestic sewage, promoted the application of technical processes such as recycling water and wastewater resource utilisation, improved the reuse rate of mine



Brisk walking campaign of Guangdong Company of Sales Company

water, made overall planning for coal mines and coal chemical projects with high water consumption. Additionally, the Company coordinated and promoted the intensive recycling of mine water resources, qualified mine water for domestic consumption, ecological flow supply, agricultural irrigation, reclamation and greening, conducting to the improvement of the local ecological environment.

Construction of energy management system

The Company continuously updated system documents to ensure the effectiveness of the energy management system. In order to effectively improve energy utilisation efficiency, strengthen the energy use process and continuously optimise the production elements, Pingshuo Group, the affiliated companies of Shaanxi Company followed the *Standard of Energy Management Systems - Requirements with Guidance for Use (GB/T 23331-2020)* to carry out in-depth energy management system construction and various energy management work in strict accordance with system standards, and revised the Company's system documents and management review reports in order to ensure the continuous and effective operation of the energy management system.

Information supporting was strengthened to advance the refined management of energy. In order to promote the whole process, comprehensive and intelligent transformation and upgrade of energy measurement, Dahaize Coal Mine built an intelligent coal flow control system, where its self-controlled utilisation rate and automatic production process data acquisition rate exceeded 95% to realise the functions of accurate prediction of demand, remote equipment monitoring, energy consumption management, predictive maintenance, and optimisation of equipment operation, so as to achieve real-time measurement, statistics and analysis of

energy consumption data, which provided basic support for the establishment of resource-saving, green and low-carbon enterprises. Huajin Group actively constructed green and intelligent coal mines, with the goal of building "unmanned work-plane", "mines with very few people" and "dark factories", and in accordance with the principle of "overall planning, step-by-step implementation, based on actual situation, advanced and reliable", the Company prepared the *Plan for Intelligent Construction of Coal Mines (2023-2025)*.

Energy consumption benchmarking management was strengthened to effectively improve the efficiency of resource and energy utilisation. Ordos Energy & Chemical Co., Ltd., China Coal Xinjiang Coal Electricity Chemical Co., Ltd, Jincheng Thermal Power Branch, etc., implemented benchmarking management improvement, and made reference to the gaps and problems in the enterprises to make up for shortcomings and weaknesses, benchmarked with national and industrial standards and leading enterprises in terms of major energy consumption indicators, unit consumption of devices, advanced technologies, etc., and promoted the steady improvement of corporate management level and comprehensive strength.

Promotion of energy saving and low carbon

The Company enhanced employees' awareness of energy conservation and low carbon by organising energy conservation and low carbon promotion campaigns with rich contents and in various forms, such as online quizzes on energy conservation and low carbon and the campaign of low-carbon travel and brisk walking, focusing on the energy conservation theme of "save energy and reduce carbon, you and me" and the low-carbon theme of "actively respond to climate change and promote green and low-carbon development" to actively promote employees to practise green and low-carbon production and life.



Fulfilment of Social Responsibilities

Products and Services

Production Safety

Technological Innovation

Employee Care

Social Welfare



Products and Services

Coal Production and Sales

In 2023, the Company conscientiously implemented the significant national strategy and deployment by deepening the “two combinations” development model. It tried its utmost to ensure coal and energy supply, enhanced production organization, and optimized production layout. The Company accelerated open-pit stripping to improve its unit production and input level, actively advanced the stable and satisfied production of the newly commissioned mines, and thus its coal production hit another record high. Throughout the year, the Company produced 134.22 million tonnes of commercial coal, representing an increase of 15.05 million tonnes or 12.6% compared with last year. The intelligent construction of coal mines was effective. In 2023, a total of 9 coal mines have passed intelligent coal mine acceptance inspection, and a total of 46 intelligent mining faces have been built, 2 of which won the special awards at the National Coal Mining Faces Intelligent Innovation Competition. In 2023, the raw coal production efficiency was 37.04 tonnes per worker-shift, maintaining a leading level in the coal industry.

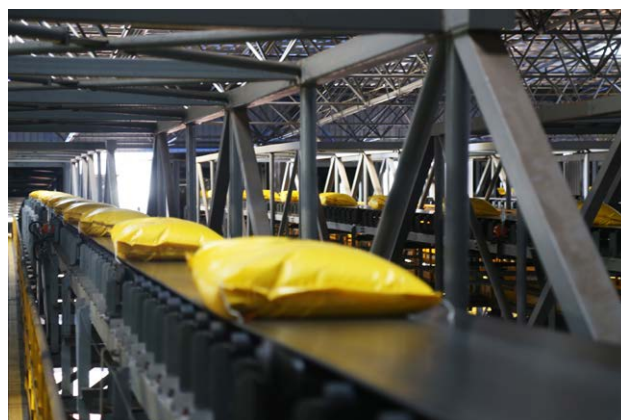
In 2023, the Company implemented thoroughly the national strategy and deployment of securing energy supply, reinforced production-sale balance, integrated efficient resources and went all out to secure electric coal supply based on regional market and leveraging channel advantages. It strictly implemented the coal price policy of the state and took the lead in maintaining market order, which sufficiently ensured full fulfillment of electric coal contracts and effectively reduced energy use cost of the society. The cumulative sales volume of commercial coal was 284.94 million tonnes for the year, a year-on-year increase of 21.99 million tonnes, of which, the sales volume of self-produced commercial coal was 133.91 million tonnes, a year-on-year increase of 11.3%, hence making a positive contribution to securing national energy safety and serving social and economic development with physical



Coal Transportation

actions. The Company’s energy supply assurance efforts have been highly recognised and well received by national ministries and commissions, local governments, broad users, and news media for many times, and the Sales Company was awarded the honorary title of “National Advanced Unit for Integrity Performance in the Coal Industry”.

The Company further enhanced management of coal quality by strengthening the whole-process coal quality control from coal mining, washing, transportation and storage. It continuously optimized product structure in light of market demand, vigorously promoted coal blending and precisely supplied customized coal products. The Company fully employed its comprehensive advantages such as brand, transport capacity and capital, strengthened its assurance of transport capacity, and provided timely supply of products, thus effectively enhancing customer satisfaction.



Chemical Fertilizer Production

Production and Sales of Coal Chemical Products

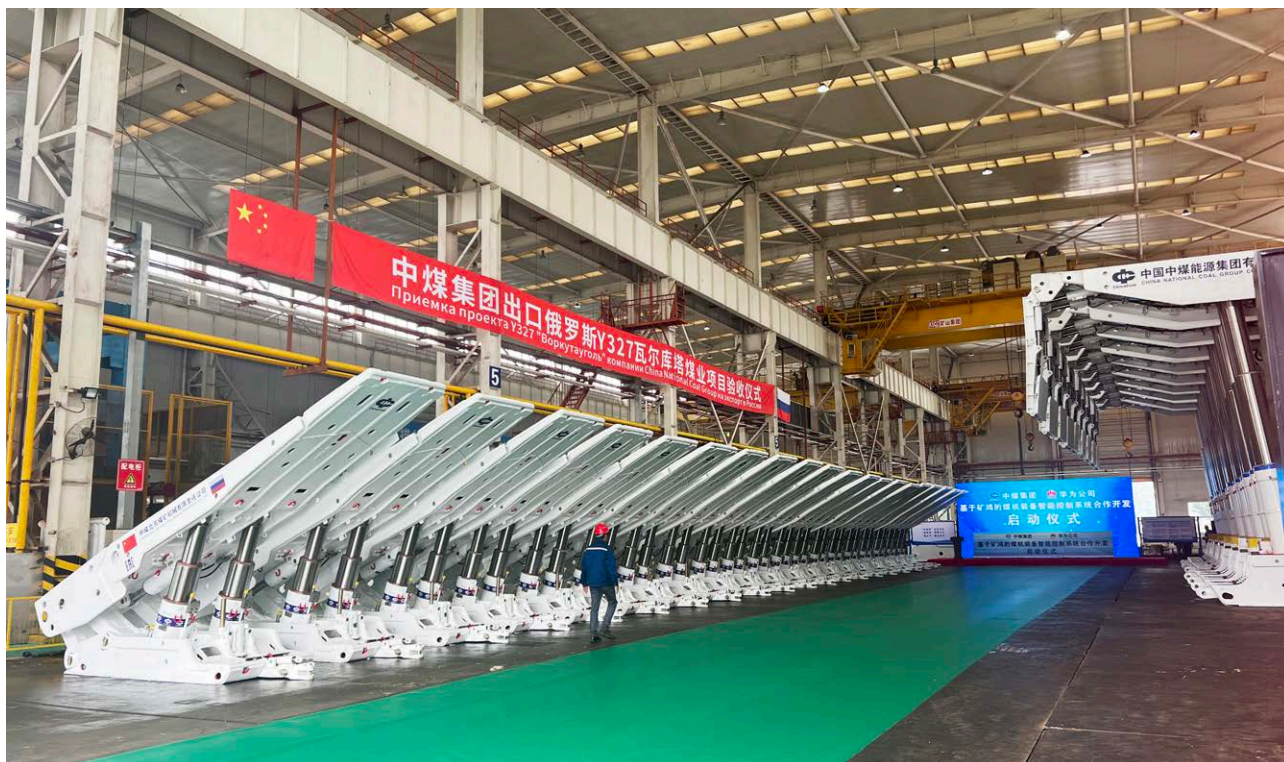
In 2023, the Company focused on achieving safe, stable, long-term, fully loaded and optimum operation of the equipment and building energy efficiency benchmarks, continuously reinforced basic management of production, scientifically assessed the operating condition of equipment, effectively controlled unplanned shutdown, laid emphasis on energy conservation, consumption reduction and management of abnormal working conditions, and steadily pushed forward the construction of an “intelligently controlled” platform for coal chemical products. The annual output of major coal chemical products was 6.036 million tonnes, a year-on-year increase of 6.5%. The 2023 intelligent coal chemical factory of Shaanxi Company was rated as a Pilot Demonstration of Industrial Internet by the Ministry of Industry and Information Technology, and selected as an Enlisting Unit for 2023 Intelligent Manufacturing Demonstration Factories by the Ministry of Industry and Information Technology.

Fulfilment of Social Responsibilities

The Company proactively responded to wild fluctuations in the coal chemical market by flexibly adjusting its marketing strategy and market layout, continuously optimizing customer service and appraisal mechanism, and effectively reducing logistic costs and inventories. The Company sold 6.126 million tonnes of its major coal chemical products throughout the year, a year-on-year increase of 9.7%. It strictly implemented the national policy related to securing supply and stabilizing price of chemical fertilizers by supplying all chemical fertilizer products to the domestic market. The Company smoothly accomplished the 2022-2023 National Commercial Reserve Chemical Fertilizer Delivery Task, overfulfilled the 2023-2024 Allocation Task ahead of schedule, and actively served national grain security. Ordos Energy and Chemical Company was rated as the "Advanced High-efficiency Fertilizer Enterprise". The Company extensively executed the differentiated strategy, and vigorously developed and promoted differentiated and customized polyolefin products, with a sales amount of 109,000 tonnes and income of RMB17.29 million. Pingshuo Energy and Chemical Company smoothly accomplished the annual overhaul and set a record high in production and sales of ammonium nitrate. It continued to expand coal chemical by-product market, optimized pricing mechanism and sales channel and achieved 100% production and sales of coal chemical by-products.

Production and Sales of Coal Mining Equipment

In 2023, Equipment Company took the initiative in obtaining market order, organized scientific and efficient production to reduce costs, improve quality and increase efficiency, maintained sound production and operation momentum through transformation and upgrading, deepening reform and technology innovation, and achieved improvement in both economic benefits and development quality with remarkable effectiveness in high-end and intelligent development of coal mining equipment. The cumulative output value of coal mining equipment for the year amounted to RMB11.43 billion, representing a year-on-year increase of 14.8%; the aggregate signed contract value increased by 12.8% year on year, and among products with the highest productivity, the proportion of mid-to-high end orders maintained at about 85%. The Company continued to expand non-coal industries, developed and formed over 10 non-coal products and new models and formats for comprehensive energy services. It actively expanded market boundary with expanding scale of international market and sustained growth of overseas operations.



The intelligent support equipment produced by Beijing Coal Mining Machinery Company and exported to Russia passed acceptance inspection successfully



Equipment Company has passed the international welding quality management system certification, the review of QEO certification system and CNAS' laboratory accreditation, and the annual review of EN1090 certification for steel products. Its quality management and standardised operation capacity, and production and manufacturing quality assurance capacity continued to be strengthened.

Improvement of Service Quality

The Company strictly abided by the Product Quality Law of the People's Republic of China and other laws and regulations, built the awareness of "quality first", and conducted in-depth comprehensive quality management. It reinforced control over the production process, and strictly fulfilled rewards and punishments regarding quality to continuously improve its all-round quality management level. Pursuing the "market-oriented and customer-centric" operation philosophy, the Company adhered to the principles of honesty and trustworthiness and ensured that advertising for coal mining equipment and other products was true, and that the labels of coal chemical products complied with relevant requirements and regulations and contained true and accurate information.

Management and technical service personnel at all levels went deep into customer sites to actively keep themselves informed about the problems encountered by customers in purchasing and using the products and services of the Company such as coal, coal chemical products, and coal mining equipment, and provided solutions in a timely manner. Pre-sale, in-sale and after-sale technical support were provided to customers for the safe use of the products and services.

The Company actively conducted customer satisfaction surveys, created a standing book on post-sale services, regularly followed users' feedback, supervised the improvements, and further improved the services.

The Company held fast to the principles of legality, legitimacy, transparency and necessity for the collection and use of personal information, proactively expressed the purpose and method of collecting and using personal information to customers, and ensured the minimum necessity of permissions on accessing personal information and system. Meanwhile, the Company strengthened employees' awareness of information security and confidentiality, strictly standardized the authorization process and customer data management, and promptly rectified the hidden hazards of privacy leakage. During the reporting period, there was no major customer privacy leakage incident.

In 2023, the Company achieved a 100% response rate in its products and services. All the objections related to the products were settled through negotiation in accordance with the sales contract. No cases of products sold or shipped being recalled for safety and health reasons were received, and no lawsuits involving the Company occurred.

Supply Chain Management

The Company promotes the new development concept of innovation, coordination, green, openness and sharing and strives to improve the resilience and safety of the supply chain. Under the main line of creating a supply chain platform of "unified standards, unified specifications and unified processes", the Company considered its overall business development and risk prevention and control, established efficient and standardized business processes, accelerated the improvement of the supply chain management and control system, and created a lean, collaborative, international, intelligent and green modern supply chain. The Company formulated the implementation plan for strengthening supply chain management, clarified the "123" medium- and long-term development and strategic goal of creating a first-class supply chain management platform, and established the Company's supply chain strategic thinking.

The Company puts efforts into the strategic reserve of key materials and actively expands supply channels. It established a linkage mechanism for supply chain node enterprises to ensure a stable supply of key equipment and parts with heavy workload and difficulty in ensuring supply, built an agile and flexible supply network layout, and established 5 regional service guarantee centers outside Beijing to achieve accurate resource matching and rapid service response.

By establishing a unified management and graded responsibility for the whole life cycle management mechanism of supplier registration and access, performance management and surviving of the fittest, the Company implements "Sunshine Procurement" and market-based procurement. Adhering to responsible procurement, the Company fully integrates the concepts and requirements of performing social responsibilities into the whole procurement process. For rating factors of supplier selection, performance by suppliers in areas such as honesty and trustworthiness, human rights of employees, occupational health and safety are considered and acknowledged.

The Company promotes sustainable development of supply chain, strengthens international cooperation in supply chain construction, focuses on cutting-edge technology, actively participates in the CIIE and the CIFTIS, and seeks new areas of industrial cooperation, new opportunities for market development, and new momentum for global development with high-value procurement.

The Company has built the "China Coal EGO" procurement supply chain platform to realize the online operation of the whole business and the whole process of the procurement supply chain, and made the most of technologies such as big data, cloud computing, artificial intelligence, Internet of Things, and block-chain to achieve smart data, smart supervision, smart early warning, and smart review. It vigorously promoted the construction of unified digital warehousing and smart logistics, and propelled the deep integration

Fulfilment of Social Responsibilities

of digital technology and the real economy, giving birth to new industries, new formats and new models, and accelerating the transformation and upgrading of the supply chain in a digital and intelligent manner.

In 2023, the “China Coal EGO” platform won the national “Digital Procurement Innovation Platform” award issued by the China Federation of Logistics and Purchasing, and the “Digital Pioneer Award” in the field of energy supply chain issued by the Procurement and Supply Chain Innovation and Development Conference of Chinese Energy Enterprises.

As of the end of 2023, the Company had 133,975 suppliers, of which 133,870 were domestic suppliers and 105 were overseas suppliers.

Geographical distribution of China Coal Energy’s suppliers by place of registration

Indicator	2021	2022	2023	
Total number of suppliers	73,823	105,739	133,975	
Overseas suppliers	Asia	6	35	36
	North America	28	20	22
	Europe	25	37	47
Domestic suppliers	Northeastern China	2,719	3,595	4,439
	Northern China	28,690	42,938	55,107
	Eastern China	23,394	31,786	39,373
	Southern China	1,459	2,267	3,447
	Central China	5,871	7,996	9,987
	Northwestern China	10,289	15,040	18,655
	Southwestern China	1,342	2,025	2,862



China Coal Energy participated in CIIE



Production Safety

In 2023, the Company conscientiously implemented the arrangements of production safety from the competent authorities, insisted on putting the people and life at first place, and adhered to starting from scratch and striving to achieve the goal of zero mortality. It secured safety responsibilities, refined safety management, enhanced field implementation, conducted strict supervision and inspection, vigorously promoted special investigation and rectification of major accidents and hidden dangers and the year of strengthening safety management, carried out in-depth special rectification of formalism and bureaucracy in safe production, 100-day tough problems tackling and other characteristic activities, and maintained overall stability of safe production.

Preventing and Resolving Major Risks

In order to comprehensively lift our capability of risk identification and quality control, we deepened the construction of dual-prevention mechanism, and improved the major safety risk management and control mechanism of “annual identification, quarterly evaluation, monthly summary, weekly analysis, and daily scheduling”, so as to effectively prevent security risks. It improved the intelligence of safety risk management and control, established an intelligent monitoring and early warning system platform for coal mine safety risks, and completed the construction of a digital platform for the dual-prevention mechanism of five coal chemical units, so as to realize intelligent monitoring, early warning, comprehensive analysis, and management following-up of major safety risks and hidden dangers. It also studied and solved more than 100 key and difficult safety issues through expert consultation, business consultation and other methods to prevent and control major safety risks in advance

Improving Security Capabilities

The Company carried out in-depth standardization of coal mine safety production. 11 coal mines of Pingshuo Group, including Anjialing Mine, have been rated as national first-class standardized coal mines for safety production, with continuously improved security capabilities. The Company accelerated the construction of intelligent coal mines, and a total of 9 coal mines passed intelligent coal mine



Huajin Group commenced inspection and governance of safety hazards for coal mines

acceptance inspection in 2023, among which the Wangjialing Coal Mine of Huajin Group and the East Open Pit Coal Mine of Pingshuo Group have passed the acceptance inspection by experts on the first batch of national intelligent demonstration coal mines. The Company continued to promote the “one optimization and three reductions”, invested RMB2.868 billion in safety expenses, vigorously upgraded the core equipment in coal mines, and promoted the application of advanced equipment such as kilometer directional drilling rigs. More than 100 major production system modification works were completed, including “one ventilation and three preventions”, prevention and control of water pollution, machinery transportation and electricity transmission. It also strengthened the construction of the emergency rescue system, and the emergency rescue capabilities of three national teams, including Hazardous Chemicals Emergency Rescue China Coal Pingshuo Team, Mine Rescue Datun Team and Hazardous Chemicals Rescue China Coal Yulin Team, have been further enhanced and approved for public announcements by the Ministry of Emergency Management.

Securing Safety Responsibilities Level by Level

The Company improved the safety management system, perfected the assessment system for the implementation of safety production responsibilities by managers at all levels, revised and improved more than 4,500 post safety production responsibility systems, plugged the loopholes in the safety management system, and further clarified the safety production responsibilities. It innovated safety assessment methods by formulating the safety target remuneration management measures for the persons-in-charge of its affiliated enterprises, highlighting the safety objectives and safety process assessment and forcing the implementation of safety responsibilities. It conducted safety performance assessment on 6 coal mining enterprises, and completed safety audit and evaluation of 5 coal chemical production units in operation, so as to further promote the responsible persons to perform their duties. It also implemented safety guarantee at all levels and provided guarantee to 28 mines (plants) to promote the implementation of on-site safety responsibilities. The Company insisted on holding regular meeting for the safety committee and safety supervision bureau as well as monthly safety production video conferences, relentlessly commenced safety supervision and inspection, and continuously promoted the implementation of key safety works.

Strengthening Supervision in Key Safety Factors

The Company organized and carried out special investigation and rectification of major accidents and hidden dangers, the year of strengthening the safety management of central enterprises, special supervision of safety production, normalized safety supervision, production safety month, 100-day tough problems tackling and other activities, to relentlessly maintain a tough position in and create a strong atmosphere of safe production. It issued the work plan for the special rectification of formalism and bureaucracy in production safety, and carried out in-depth special rectification focusing on the specific manifestations of 60 formalism and bureaucracy in 10 aspects, effectively improving the work style in production safety. It maintained strict assessment and accountability,

Fulfilment of Social Responsibilities

revised the measures for investigating the responsibility for production safety accidents of its affiliates to increase accountability intensity and implement precise accountability, comprehensively promoted the construction of video AI “anti-three violations” platform to gradually realize full coverage of video surveillance in key venues and give full play to the deterrent effect of video supervision



The Company's emergency rescue team achieved good results in the 12th National Mine Emergency Rescue Skills Competition

Technological Innovation

In 2023, the Company extensively implemented the innovation-driven development strategy. With a focus on the development idea of “efficiency enhancement and incremental transformation”, it strengthened technological innovation as the primary driving force for enterprise development, and made use of its advantages in industry and scenarios. The Company adhered to demand orientation, and pursued innovation effectiveness by optimizing the innovation layout, consolidating the innovation foundation and improving its scientific and technological innovation system. It integrated into the national scientific and technological innovation system to deepen the reform of the system and mechanism and improve the efficiency of scientific and technological innovation. Focusing on the national strategic needs of energy security, the green and low-carbon transformation of the energy industry and the self-reliance and self-improvement of energy technology, the Company vigorously promoted the breakthroughs in key core and cutting-edge technologies and “bottleneck” technologies, and created a source of original technology to promote the development of strategic emerging industries and future industries, lead the modern industrial system with scientific and technological innovation, and accelerate the formation of new productivity. The Company's scientific and technological innovation system has been continuously improved, its innovation ability has been continuously enhanced, scientific and technological achievements have been emerging, demonstrating the role of scientific and technological innovation in supporting and leading its transformation and development.

Enhancing Innovative Capacity Building

Focusing on its development strategy and based on its actual situation, China Coal Energy kept exploring the path of scientific and technological innovation with China Coal's characteristics, established a “small internal brain + large external brain” scientific and technological innovation system and a “scattering out-retrieving” innovation path, improved the “six-in-one” scientific and technological innovation work guarantee system with “project, platform, talent, investment, management and mechanism” as the core elements, and built a “science-technology-engineering-market” innovation chain. Giving full play to the key role of innovation decision-making, R&D investment, scientific research organization, and achievements transformation, the Company built an efficient innovation model that is enterprise-led, effect-oriented, and demand-driven, to accelerate the improvement of quality and efficiency of existing industries, and promote the high-end and large-scale development of incremental industries.

As at the end of 2023, the Company has built an independent, open and integrated R&D system supported mainly by China Coal Coal Chemical Research Institute, China Coal Equipment Research Institute, 1 national energy coal mine extraction mechanical equipment R&D (experimental) center, 2 national enterprise technology centers, 2 national energy technology equipment evaluation centers, 7 nationally recognized laboratories, 7 provincial enterprise technology centers, 1 provincial enterprise R&D center, 3 provincial engineering research centers, 5 provincial engineering and technology research centers, 4 provincial technological innovation centers, 5 postdoctoral research stations, 2 provincial postdoctoral innovation practice bases, 18 high-tech enterprises, 4 “mass entrepreneurship and innovation” demonstration bases, China Coal Energy-China University of Mining and Technology Collaborative Innovation Center, China Coal Energy-China Coal Science and Industrial Technology Innovation Strategy Alliance and Coal Mining Equipment Intelligence Industry Alliance, which has significantly enhanced its technological R&D capability. Equipment Company has been approved as the supporting unit of the National Natural Science Foundation of China, and thus is qualified to independently declare and undertake projects of the National Natural Science Foundation of China.

Strengthening Key Technology Research and Development

Focusing on the national strategic needs of energy security. By relying on large-scale modern energy base constructions in Shanxi, Inner Mongolia, Shaanxi and Xinjiang, the Company continuously carried out major scientific and technological breakthroughs and innovation demonstrations such as coordinated industrial development, major disaster management, intelligent construction, and high-end coal mining equipment manufacturing, so as to ensure the strong resilience of energy supply and further promote the optimization of energy structure. The results of major coal mine disaster governance have been continuously revealed, driving the researches and breakthroughs on strong water-rich coal seams in deep Jurassic coal seams, which formed a technical system for the prevention and control of water hazards in close coal seams under



high-confined aquifers. The Company drove the research on the “air, space and ground” integrated monitoring technology, which solved the technical obstacles in geological disasters and ecological environmental protection. Key technologies and complete sets of equipment have been developed for coal mine post-mining filling, separation grouting and four-dimensional integrated slurry filling, ensuring the safe, green and efficient disposal of solid waste in coal mines. The intelligent construction of coal mines boosted safety and efficiency. 46 intelligent mining sites have been built, and China Media Group has specially reported on the intelligent construction achievements of the East Open Pit Coal Mine and Menkeqing Coal Preparation Plant. 6 cases have been selected as typical cases of national intelligent coal mine construction, 4 intelligent coal mining sites were granted awards in the National Coal Mine Coal Mining Site Intelligent Innovation Competition, and “Dahaize Coal Mine has built the world’s largest vertical coal mine intelligent benchmark for all mines” was selected as one of the top ten news in respect of coal science and technology. The high-end intelligent coal mining equipment developed by Equipment Company has supported nearly 70% of China’s intelligent mining site construction with an annual output of 10 million tonnes, the intelligent manufacturing equipment of China Coal Zhangjiakou Coal Mining Machinery Co., Ltd. made a wonderful appearance at the 7th “Made in China Day” exhibition, and the project of Beijing Coal Mining Machinery Company was nominated for the 7th China Grand Award for Industry.

Focusing on achieving self-reliance in energy science and technology. The Company has actively undertaken major national scientific and technological tasks in the energy field, and has been committed to breaking through the “bottleneck” technical problems, promoting the substitution of domestic control systems for mining equipment, high-end raw materials, basic software and key components, and creating an autonomous and controllable ecological chain. By joining hands with Tsinghua University, the Institute of Chemistry, Chinese Academy of Sciences and other universities and scientific research institutes to declare the 2023 projects of the Enterprise Innovation and Development Joint Foundation under the National Natural Science Foundation of China, one topic was approved as a national key research and development plan. In addition, one technological project was selected into the project library, on which the National Energy Administration is based in monitoring the implementation of the “14th Five-Year Plan for Scientific and Technological Innovation in the Energy Sector”, and five technological projects were selected into the first batch of scientific research projects on mine safety production by the National Mine Safety Administration.

Focusing on the green and low-carbon transformation of the energy sector. The Company has promoted carbon reduction in the process and carbon sequestration at the end, and implemented green energy substitution for open pit mining truck. Pingshuo Group’s first 120t chargeable heavy truck was put into trial operation at the open-pit mine in Anjialing, carrying out the comprehensive utilisation of gas, gangue, and excess heat and pressure. The Major Technological Project on the Comprehensive Management and Utilization of Gas has carried out a research on key technologies and equipment for the efficient development of mine gas resources. The Major Technological Project on the Disposal and Comprehensive Utilization of Coal Gangue has completed the solid filling and gob-side entry retaining integrated engineering demonstration. China Coal Yulin Coal Deep Processing Base Project was selected as a



Zhangjiakou Coal Mining Machinery Company has accelerated the implementation of the digital factory and lighthouse plant construction projects, and built intelligent workshops and intelligent production lines to improve the level of production intelligence

typical case of environmental impact assessment on greenhouse gas emissions by the Ministry of Ecology and Environment. Zhangjiakou Coal Mining Machinery Company was selected into the “2023 Green Manufacturing List” announced by the Ministry of Industry and Information Technology, becoming the first “green factory” in the coal industry. Focusing on strategic emerging industries, the Company has increased the layout of science and technology in the fields of biotechnology, new materials, new energy, new generation information technology, future space, energy conservation and environmental protection, and modern services.

The R&D investment of the Company reached RMB4.279 billion for the year 2023, and the proportion of total R&D investment to operating income increased by 0.19 percentage points year-on-year. The intensity of R&D investment in coal production, equipment manufacturing and other enterprises has reached an average of more than 3.4%. We adopted innovative method for the organizational management of technological projects, and released to the public the list of the five “Enlisting and Leading” technological projects, with a total cumulative amount of RMB23.7 million, thereby gathering the advantages of scientific research to overcome the bottlenecks of major technologies.



Pingshuo Group’s first 120-tonne chargeable mine truck was put into operation

Deepening Innovation and Entrepreneurship Activities

The Company solidly proceeded with the development of its “mass entrepreneurship and innovation” base. Uxin Banner Mengda Mining Co., Ltd., Ordos Yihua Mining Resources Co., Ltd. and Shaanxi Company Hecaogou Coal Mine were recognized as high-tech enterprises, and China Coal Information Technology (Beijing) Co., Ltd., China Coal Electric Company Limited, Zhongpan Heavy Industry Co., Ltd. and China Coal Yuanxing Company were recognized as the “specialized and new” small and medium-sized enterprises of Beijing, Guizhou province and Ordos City, respectively. Parsons (Zhangjiakou) Industrial Technology Co., Ltd. was recognized as an innovative small and medium-sized enterprise in Hebei province. China Coal Shaanxi Yulin Energy and Chemical Co., Ltd. was selected as one of the “Double Hundred” enterprises and one of the first batch of “Pilot Enterprises for Digital Transformation of State-owned Enterprises” by the State-owned Assets Supervision and Administration Commission (SASAC). Ordos Energy and Chemical Company, Zhangjiakou Coal Mining Machinery Company and Beijing Coal Mining Machinery Company were selected as model enterprises for science reform by SASAC. The Shaanxi Provincial Coal Chemical Industry Control Network Security Engineering Technology Research Center, which was declared by Shaanxi Company together with Zhejiang University and Yulin University, was approved as the Shaanxi Provincial Engineering Technology Research Center, which laid a solid foundation for collaborative innovation among industries, universities and research institutions and the transformation of scientific and technological achievements. Coal chemical companies in the Ordos region provided Tsinghua University with chemical practice bases for undergraduates and jointly cultivated “carbon peaking and carbon neutrality” talents. Pingshuo Group’s education base for science popularization was selected in the list of education bases for science popularization in the coal industry. Zhangjiakou Coal Mining Machinery Company’s high-end coal mining equipment energy science education base was selected in the list of science popularisation education creation bases in the coal industry. 20 programmes were awarded and recognized by China National Coal Group Corporation in the 4th “Youth Entrepreneurship” Youth Style Exhibition Competition, and 12 employees were rated as master technicians in the coal industry.

Strengthening Intellectual Property Protection

The Company strictly abided by the *Intellectual Property Protection Law* and other national laws and regulations, formulated the *Administrative Measures for the Protection of Intellectual Property Rights*, clarified the intellectual property management process and improved the compliance of intellectual property protection effort. The Company has specialists to classify and manage the intellectual property-related technical documents. The Company invited experts from patent companies to guide enterprises to apply for patents, and solved the difficulties and problems encountered by employees in patent application in a timely manner. When the Company was under cooperation with the third party, the third party is required to abide by the Company’s relevant regulations, protect the Company’s intellectual property rights and technical secrets, and sign a confidentiality agreement during the cooperation.

In 2023, the Company applied for 311 patents, including 111 invention patents; 273 patents were granted, including 36 invention patents.

Employee Care

The Company adheres to the employment concept of “people-oriented and sharing results”, promotes the career development of employees, safeguards the legitimate rights of employees, actively advocates democratic management, cares about the health and life of employees, attaches importance to the training of employees’ capabilities, builds a high-quality employee team, and makes every effort to create a development platform for employees, so that employees can share the development results of the Company, and we can continuously improve employees’ sense of happiness, identity and achievement.

Regulating Employment Management

The Company strictly abides by the *Labor Law of the People’s Republic of China*, the *Labor Contract Law of the People’s Republic of China*, the *Trade Union Law of the People’s Republic of China*, the *Articles of Association of the Trade Union of the People’s Republic of China* and other laws and regulations, adheres to equal and standardized employment, establishes a fair, democratic, competitive and merit-based selection and employment mechanism, publicizes the candidates to be hired, and accepts employee supervision.

In the course of recruiting, the Company strictly complies with the *Provisions on the Prohibition of Using Child Labor* and other laws and regulations, conducts strict qualification review, focuses on reviewing valid documents such as ID card and household register, and eliminates the employment and use of child labor at source. All forms of employment discrimination are prohibited, and there is no child labor or forced labor. In case of employment of child labor or forced labor, the Company will immediately terminate the labor contract with the employee and hold the relevant personnel accountable in accordance with the law.

We actively provide employment opportunities for ethnic minorities and veterans. The Company protects the rights of female employees, implements equal pay for equal work for men and women, and prohibits the employment of female employees to work underground in coal mines. The Company improves the internal labor market in accordance with laws and regulations, and promotes the orderly flow of front-line employees in all segments. The Company strictly implements the employee leave and adjusted leave system, and protects the legitimate rights and interests of employees during maternity leave, paternity leave and parental leave for sole child. The Company complies with the requirements of the relevant laws and regulations on work hours, and if employees are required to work overtime, the Company will arrange other workdays off to compensate or pay for the extra hours according to regulations.

As of 2023, China Coal Energy had a total of 47,122 employees, 7,669 of which were female employees, accounting for 16.3%. In 2023, the labor contract signing rate of employees was 100%, and the total number of working days lost due to work-related injuries



for the year were 12,007 days (Note: calculated based on the number of days compensated by work-related injury insurance).

The Company steps up its efforts in the competitive selection of talents and actively promotes the market-oriented recruitment and competitive employment of talents. In 2023, China Coal Energy conscientiously implemented the working requirements of the Party Central Committee and the State Council and vigorously carried out summer recruitment and employment stabilization for college graduates. We strengthened the market-oriented recruitment of the power and new energy segment through the open recruitment of high-end and professional talents in electric engineering, and the channels for selection and employment were further expanded.

Facilitating Democratic Management

The Company conscientiously implements various rules and regulations on democratic management of enterprises, adheres to the working principle of submitting major matters concerning the vital interests of employees to the workers' congress for consideration, standardizes the convening of the workers' congress, and stimulates the enthusiasm of employees to participate in enterprise management. The Company implements the factory affairs disclosure system, maximizes the disclosure of matters involving the vital interests of employees in the reform, widely solicits opinions and suggestions from employees, gathers ideas for the development of the Company, and stimulates the sense of belonging and ownership of all employees. The Company gave full play to the role of female employees' committee, organized activities such as theoretical and business learning, professional skills competition, sports competition, and health knowledge lectures for female employees to improve their ability and quality, truly cared for the physical and mental health of female employees to support the reform and development of the Company

Emphasizing Occupational Health

The Company adheres to the work policy of "prevention-based and prevention and remediation-combined", adheres to the five-word strategy of "preventing, treating, managing, teaching and building", conscientiously carries out the work for preventing and controlling occupational diseases, and continuously improves the physical and mental health of the staff. Firstly, we continuously carry out the activities of creating a healthy enterprise and striving to be a healthy person, improve the working environment and working conditions, satisfy the health needs of employees, cultivate an enterprise health culture, enhance the level of health management and service, and realize the coordinated development of the health of the enterprise and the employees; secondly, we continue to improve the management system of occupational safety and health, improve the organizational structure of occupational health and various occupational health management systems, implement the responsibility system for the prevention and control of occupational diseases at all levels, enhance the prevention and control of occupational hazards in the enterprise, and promote the transformation from disease-centered to health-centered. Thirdly, the Company has increased the legal propaganda on the prevention and control of occupational diseases, raised the legal awareness of enterprises and employees, created an environment of knowing, respecting and abiding by the law, implemented the main responsibility for the prevention and control

of occupational diseases, and effectively safeguarded the interests of all employees in occupational health. Fourthly, the Company has increased financial investment, implemented occupational disease prevention and control programs, strengthened the management of occupational hazards at source and the management of on-site monitoring equipment and facilities, and continuously improved the level of physical and technological defense and high-tech content of enterprises, so as to improve the effectiveness of occupational hazards prevention and control.

Optimising Remuneration and Welfare System

The Company is committed to continuously improving the competitive salary and welfare system, and perfecting the aggregate salary determination mechanism with value creation and efficiency enhancement as orientation. The ongoing piloting of aggregate salary management has been carried out, which has effectively stimulated enterprise innovation and efficiency enhancement. The Company strengthened positive incentives, and facilitated the implementation of corporate strategies by building a positive reward mechanism for transformation and development with high-quality development, coal supply guarantee and "Enlisting and Leading". The Company promoted the reform of corporate income distribution, established a remuneration system for core key talents with competitive advantages in market based on the different characteristics of talents, which clarified the income distribution requirements for management, scientific and technical staff and skilled personnel. Its policy also leaned on key core positions, high-calibre talents urgently needed and positions in front-line production, thereby improving the market competitiveness of remuneration for key positions, improving employees' income, and lifting their sense of happiness constantly.

The Company pays social insurance premiums that shall be borne by the Company in accordance with laws and regulations to protect employees' social welfare benefits such as pension and medical care. The Company has established an enterprise annuity system and supplementary medical insurance security system in accordance with national policies, which is used as a supplement to the basic pension and medical insurance of employees to relieve their worries.

Promoting Career Development of Employees

The Company has always upheld the people-oriented management concept, firmly implemented the strategy of "strengthening the enterprise with talents", and regarded education and training as an important measure to improve the quality of employees and promote the development of enterprises. The Company optimized the construction of systems, and promulgated the *Provisional Management Regulations on Employee Education and Training*, issued its annual education and training work plan at the beginning of each year, and established an education and training system with unified management of the Company's human resources department, division of responsibilities among departments, and hierarchical management of subsidiaries. We also strengthened the construction of bases, and introduced more abundant training resources to constantly improve the soft and hard power of the

Fulfilment of Social Responsibilities

training centers of our affiliated enterprises. China Coal Energy strives to intensify team building, and an educational trainer pool has been jointly set up by outstanding teachers of various units to coordinate the training resources, and strengthen training efforts and improve training effects. We have strived to fully lift the comprehensive quality and business ability of employees, and achieved synchronization of talent team construction and enterprise development.

In 2023, the Company focused on the strategic layout of the “14th Five-Year Plan”, and took the opportunity of the reform deepening and upgrading action requirements to vigorously reinforce the construction of talent teams. The Company arranged the construction of talent team in the talent work conference. The Company organized more than 60 online and offline training sessions with about 6,000 participants from the Company and various units. In the meantime, the training institutions of secondary enterprises and below had accumulated more than 81,000 participants of training. Among them, there were approximately 67,000 male employees, with a training ratio of approximately 78% and an average of 22.8 training hours, approximately 15,000 female employees, with a training ratio of approximately 71% and an average of 22.6 training hours; 87% of operation and management personnel were trained, with an average of 27 training hours per person; 77% of professional and technical personnel were trained, with an average of 22 training hours per person; 80% of the skilled personnel were trained, with an average of 25 training hours per person.

By the end of 2023, the Company boasted over 300 senior professional managers in the coal industry, 138 “master technicians in the coal industry”, 29 studios for master technicians in the coal industry and 20 personnel entitled to special government allowances. One employee was selected as one of the “Hundred Outstanding Craftsmen” of state-owned enterprises, one was included in the “Great Country Craftsmen” cultivation and support program of state-owned enterprises, and 15 employees were awarded the honorary title of “National Technical Expert” by the State Ministry of Human Resources and Social Security.

The Company conscientiously implements the requirements of the Central Committee of the Communist Party of China on deepening the reform of the talent development system, optimises its talent assessment system, and explores growth space for its talents. It facilitates the building of career development path, provides a smooth career development channel for operation and management, professional and technical as well as skill operational talents, opens up the connection channel between high-skilled talents and engineering technology talents, and improves the career development system of employees.

The Company actively promotes talent evaluation, continuously carries out title evaluation work, and improves the technical skill level of talents. In 2023, a total of 713 people passed the evaluation of five series of senior titles, including engineering, economics, accounting, technical school teachers and political workers, and obtained the corresponding titles. The Company strengthened the management of vocational skills evaluation, so that 83 people passed the evaluation of senior technicians in the coal industry and 231 people passed the evaluation of technicians in 2023.

Sharing the Results of Corporate Development

The Company insists on sharing development results with employees while developing the Company. The Company persists in serving all employees, continuously improves the working and living environment for employees, creates an atmosphere where the Company cares for employees and employees love the Company, enhances the sense of happiness and achievement of employees, and promotes the comprehensive development and progress of the Company and employees.

The Company always pays attention to employees in need, establishes the assistance standards and dynamic adjustment mechanisms for employees in difficulties, enhances the operability, pertinence and effectiveness of assistance work, continuously improves the quality of assistance work, and delivers the warmth from the enterprise as a family to employees.

With the goal of building a harmonious enterprise and guided by meeting the needs of employees for a better life, the Company actively creates opportunities, makes full use of the employees activity rooms, clubs, stadiums and other places, organizes and carries out various healthy and enjoyable cultural and sports activities according to local conditions, with a view to cultivating a distinctive corporate culture, improving the coverage and sharing of employees’ cultural and sports activities, meeting the spiritual and cultural needs of employees, and continuously enhancing the cohesion of the enterprise.



The fifth “Joy Cup” fun game for female staff of Shanghai Energy Company

Social Welfare

A company’s development depends on the long-term support and assistance from the communities at its operation locations. China Coal Energy attaches great importance to economic and social development at its operation locations, actively takes social responsibility and supports the construction of local economy while ensuring its own operations and development. Activities were carried out, including helping and supporting those in need, making financial donations for education, disaster relief and rescue, to develop together with communities at its operation locations and achieve mutual benefits and mutual success.



Facilitating Rural Revitalization

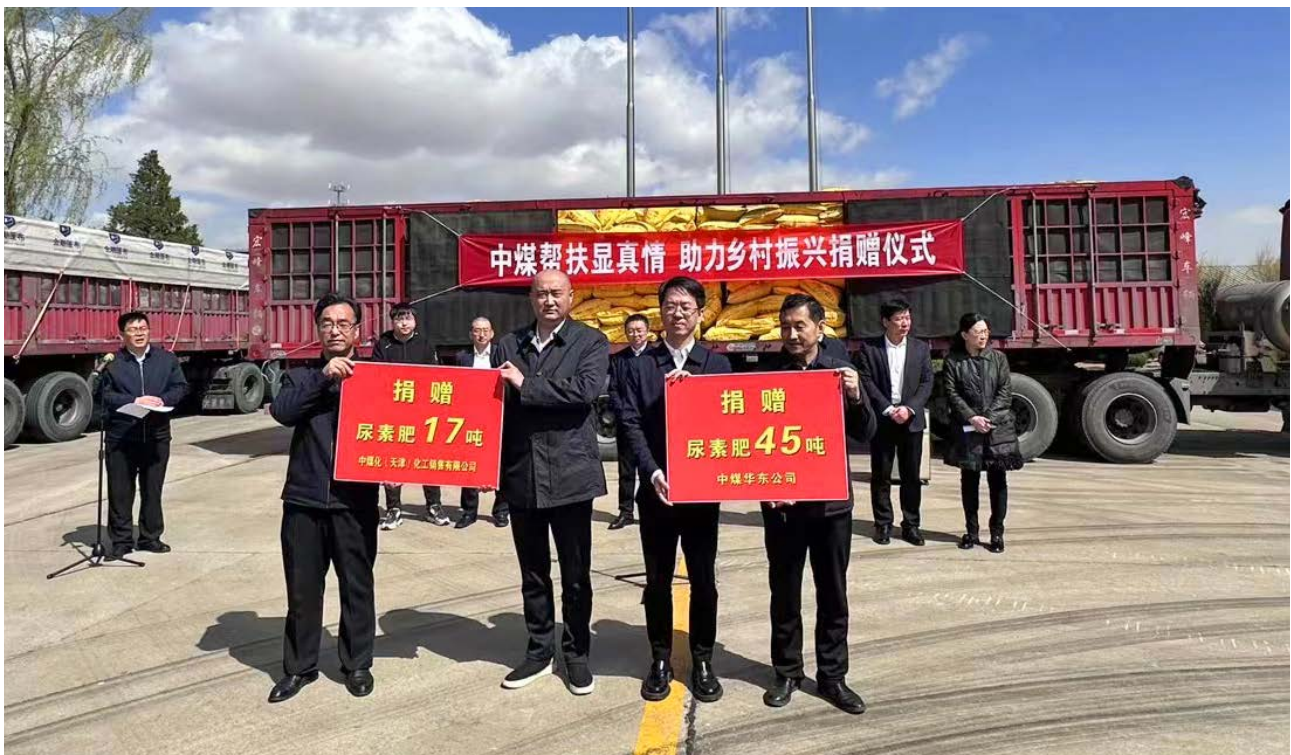
In 2023, the Company adhered to the guidance of Xi Jinping's Thoughts on Socialism with Chinese Characteristics for a New Era, thoroughly studied and understood the principle of General Secretary Xi Jinping's important instructions on the work of "Agriculture, Rural Areas and Rural Residents", fully implemented the guiding opinions of the CPC Central Committee and the State Council on the work of rural revitalization, and spared no efforts to provide assistance in all aspects, so as to contribute China Coal's strength to the cause of rural revitalization.

The Company's affiliated enterprises helped 26 villages/towns, and invested RMB32.67 million in assistance funds (including material fees), carried out 46 assistance projects of various types, benefited more than 30,000 people out of poverty, and designated 19 temporary assistance cadres, first secretaries to the village and members of the working team to the village in co-building the Party branch by partnership and helping 18 villages out of poverty. During the reporting period, the Company carried out various forms of assistance work focusing on industrial revitalization, talent revitalization, ecological revitalization, organizational revitalization and cultural revitalization, and made sustained efforts in expanding industrial assistance, carrying out innovative cultural and tourism assistance and deepening educational assistance, etc., which helped to consolidate and expand the results of poverty alleviation in the assisted areas, and comprehensively promoted to achieve new results in rural revitalization.

Our affiliated enterprises seek new measures and adopt practical measures for the cultural and tourism assistance. Huajin Group and Northwest Company organized the Party members and cadres to visit, in 10 batches, the assisted county and carry out red education activities and on-site consumption assistance activities, helping the assisted county to convert its ecological advantages into ecological and economic advantages; China Coal Zhangjiakou Coal Mining Machinery Co., Ltd. organized the shooting of cultural and tourism assistance promotional video, which shows to the public the rural relics, traditional villages, intangible cultural heritage handicraft and other cultures of the assisted county and becomes a new card for attracting local investment promotion.

Benefiting Local People's Livelihood

Promoting local employment. The Company has always insisted on the employment models which include open recruitment and labour dispatching to actively create and offer job opportunities in the places where its business operations are performed. Ordos Energy and Chemical Company adheres to the employment principle of "localization", gives priority to hiring local talents, and has been awarded honorary titles, such as the "Advanced Enterprise for Promoting Local Employment in 2018", "Advanced Enterprise for Supporting Social Security and Employment" in 2020, "Advanced Enterprise for Supporting Employment and Social Security in 2021" and "Advanced Enterprise for Stabilizing Employment in the Whole Banner in 2022", by the People's Government of Wushenqi and the Human Resources and Social Security Bureau of Wushenqi. At



Sales Company donated Spring farming materials to promote the prosperity of villages

Fulfilment of Social Responsibilities

present, 48% of the Company's registered employees are of Inner Mongolian nationality, and the proportion of labours recruited from Inner Mongolia is over 57%.

Supporting construction of local economy. In accordance with the requirements of the national economic development policy, industrial policy and regional planning, the Company actively supports economic and social development of the places where it operates by making use of its own business advantages and focusing on the needs of the local people's livelihood. Shaanxi Company comprehensively promotes the construction of a first-class energy and chemical company, continues to promote the construction progress of key projects, and has built the China Coal Yulin Coal Deep Processing Base Project and the Dahaize Coal Mine 4.2MW Distributed Photovoltaic Project; declares and obtains approval for the establishment of Shaanxi Provincial Coal Chemical Industry Control Network Security Engineering Technology Research Center jointly with Zhejiang University and Yulin University. As at the end of 2023, the Company had invested RMB44.380 billion on a cumulative basis.

Building harmonious communities. The Company has always been focusing on the impact of its enterprise development on the surrounding community and insists on achieving mutually beneficial results for the enterprise and the locality and building a harmonious community. Pingshuo Community is a residential area in the ancillary construction of Pingshuo Group. The Company followed the requirements of "high starting point, high standards and high quality" since the early stages of planning for the Pingshuo Community, which was built separately from the mining area in order to satisfy employees' and their families' living and residential needs. In recent years, the Company has followed the requirements of the *Guidance on the Construction of Harmonious Communities in the National Coal Industry* by regularly conducting specific studies on community planning and cultural development and formulating working plans. Special funds for community development were raised and investment in infrastructure was increased to ensure rapid community development. Especially since the separation and handover of "Water/Power/Gas Supply and Property Management (三供一业)", the Company has always adhered to the mission of "small community and great service", actively cooperated with the local government to provide logistical services in public areas within the scope of the living area, opened the Pingshuo Morning Market in 2023 to benefit and serve the people, solved the messy appearance of the city where wandering merchants and hawkers set up stalls, and repaved the pedestrian passageway in the Guanghua Road section, which has greatly improved the traffic conditions for the public and received high recognition from all employees. Pingshuo Community has ranked among the first batch of 100 Civilized Community Demonstration Sites in China, Safe Communities in China, Civilized and Harmonious Communities in Shanxi Province, and the first batch of Model Areas of Harmonious Community Development in the National Coal Industry.

Partaking in Social Welfare Activities

Participating in social aid. The Company gives full play to the professional advantages of mine, hazardous chemicals and firefighting emergency rescue teams, always practices the spirit of General Secretary Xi Jinping's motto of "Being loyal to the Party, being highly disciplined, going through water and fire, and being

dedicated to the people", makes efforts to improve its emergency rescue capacity and actively participates in local mine rescue work, emergency rescue and disaster relief. Thus, the Company plays an important role in guaranteeing life and property safety of the general public. Three national professional emergency rescue teams, including Hazardous Chemicals Rescue China Coal Pingshuo Team, Mine Rescue Datun Team and Hazardous Chemicals Rescue China Coal Yulin Team, are ready to respond at any time, and resolutely act immediately whenever hearing an alarm. In 2023, it received a total of 178 alarms, including 49 fire rescues, 32 rescue operations, 48 ground monitoring operations, 18 medical emergencies, and a total of 1,804 commanders were dispatched. During the period from June to October 2023, the Yulin area of Shaanxi Province was hit by a number of rare heavy rainstorms, and the urban area around the city was seriously flooded. China Coal Yulin Team actively undertook the rescue mission, immediately carried out the repair of the dams and the flood control and drainage tasks, and conducted 24-hour monitoring of the water level. It carried out on-site emergency rescue and monitoring for a total of 165 days, invested in 11 rescue vehicles, and drained about 105,000 cubic meters, demonstrating the duty and mission of national professional team and the social responsibility of the central enterprises. Thus, China Coal Yulin Team was awarded the "Advanced Unit for Yuxi River Grand Bridge Emergency Rescue Work" by Yulin Municipal Government and the "Advanced Collective of Militia Emergency Battalion" by Yulin Military Sub-district.

Supporting social welfare. The Company actively participates in social benefit undertakings. With a donation management system in place, it selects public welfare projects following the principle



China Coal Yulin team conducted flood control and emergency rescue

of "willingness, clear responsibilities, actions based on ability, and credibility" and in accordance with the Company's annual business performance. China Coal Energy donates money and goods, and advocates cultural, recreational and hygiene undertakings, serving the society wholeheartedly. It donated a total of RMB8.94 million (including cash equivalents for material aid) to the society throughout the year.

In the past three years, China Coal Energy's affiliated enterprises in Inner Mongolia have made 300,000 tonnes of "warm coal" affordable to the local residents, with a discount of over RMB90 million, to ensure that people can stay warm during the winter. To support rural revitalization, the Company spent nearly RMB100



China Coal Energy won the "China Red Cross Universal Fraternity Medal"

million in purchasing agricultural and livestock products such as rice, noodles, oil, meat, eggs and milk from resident farmers and collective economic organizations. The Company also donated nearly RMB10 million to support the improvement of school conditions and made outstanding contributions to social welfare undertakings in the autonomous regions, and thus was awarded the "China Red Cross Universal Fraternity Medal"

Providing volunteer service. The Company is concerned about public welfare. The Company supports and encourages employees to participate in various kinds of volunteer service activities. The Company often carries out caring activities such as "Conveying True Love, Giving Warmth, Showing Love, One Helping One and Partner Assistance" to send care and warmth to local households in difficulties, senior citizens and other people in need, transferring positive energy to the society.

Pingshuo Group actively participates in social welfare activities, and its employees have done good deeds for others. For

example, Zhang Haolei selflessly donated hematopoietic stem cells to those in need, Cao Xuejun bravely saved drowning children despite safety, and An Peng bravely saved a girl who fell out of a window. One of them was listed on the "List of Chinese Good Fellows", and one was named as the "Charity Model" in Shanxi Province. In addition, 597 employees of the Company voluntarily donated 229,800ml of blood, and 68 employees were registered as voluntary hematopoietic stem cell donors. "Qingshuo" Volunteer Association of the Company currently has 2,270 registered volunteers, with credit hours of 49,137.7 hours. The Company carries out volunteer service activities themed "carrying forward the spirit of Lei Feng and striving to be the vanguard of strong enterprises" on 5 March every year, and regularly carries out convenience service activities themed "I am Lei Feng" on the 10th of every month, providing volunteer services, such as repair of small household appliances, haircuts, sharpening of knives, and free health clinics for the masses of employees. At the beginning of every school year, the Company will organize volunteers to carry out volunteer service activities themed "Volunteer to Deliver Warmth and Help Children to Build Dream" at Weidong Boarding Primary School in Weiyuan Town, Youyu County, guiding volunteers to be friendly and helpful, and to practice public welfare with practical actions. The Company implements the "Two mountains" concept in the Anjialing open-pit mine reclamation area, with a focus on providing voluntary tree planting services to "add greenery to the mine and plant Qingshuo Forest together". It also carries out rural revitalization volunteer service activities themed "Volunteer to Help and Convey True Feelings", and visits retired veterans at the Les Invalides in Shuocheng District with the volunteer service team of the Red Cross Veterans Base in Shuozhou City, with the aim of vigorously promoting the spirit of "dedication, friendship, mutual assistance, progress and harmony" in youth volunteer service, guiding young people to be positive and kind. Thus, the Company was awarded the "Best Volunteer Service Organization" by China National Culture and Art Federation for Coal Industry.



Pingshuo Group commenced caring schooling assistance and voluntary service campaign

Outlook 2024

2024 marks the 75th anniversary of the founding of the People's Republic of China and is a critical year for achieving the goals and tasks of the "14th Five-Year" Plan. Under the guidance of Xi Jinping's Thoughts on Socialism with Chinese Characteristics for a New Era, the Company will adhere to the principles of making progress amid stability, promoting stability with progress and construction before destruction, focusing on enhancing core functions and improving core competitiveness. We will deepen the reform and upgrading of state-owned enterprises, continuously promote the "efficiency enhancement and incremental transformation", and put efforts into improving scientific and technological innovation capabilities and value creation capabilities. We strive to achieve efficient improvement of quality and reasonable growth of quantity in terms of enterprise operation and development, step up the building of a world-class player in the energy field and contribute greater efforts to economic and social development.

The Company will secure power supply and advance transformation and development. Coal enterprises will strive to stabilise production and supply under the premise of ensuring safety. By accelerating the upgrade of coal mining technology and equipment and intelligent construction, the levels of unit output and unit input are effectively improved, thereby going all out to complete the task of ensuring coal supply. Fertiliser production and sales enterprises will actively undertake the task of light storage and strictly implement the policy requirements for ensuring fertiliser supply. Power generation enterprises will coordinate the work of ensuring power supply, heating, and other aspects. In accordance with the development direction of "efficiency enhancement and incremental transformation", we will accelerate the implementation of "two combinations", continuously optimize the industrial structure, and form a coordinated development pattern.

We will reinforce risk prevention and control to build a strong security defense line. Upholding the principle of "People First, Life First", we stick to the strategy of "Safety First, Focus on Prevention", adhere to the goal of "zero mortality" without wavering, and start from scratch and strive to achieve the goal of zero mortality. In the meantime, we improve the mechanism for controlling major safety risks and identifying and evaluating major hazards, implement measures for "individual protection, physical protection, and technical protection", comprehensively consolidate the safety foundation, and enhance the level of essential safety.

The Company will insist on green development and protect the ecological environment. We will thoroughly implement the overall deployment of the national ecological civilization construction, practice the concept of green development, and actively promote the green development and clean and efficient use of coal. We will further promote energy conservation and consumption reduction, continue to

promote pollution control and emission reduction, extensively carry out special ecological and environmental protection actions as well as risk and hidden danger investigation and treatment, strengthen ecological restoration and management of mines, and strive to build a "resource conservation and environment-friendly" enterprise.

The Company will pursue growth through innovation and stimulate development vitality. We will firmly implement the innovation-driven development strategy, continuously improve the "small internal brain + big external brain" scientific and technological innovation system, deepen the integration of industry, academia, research and application, and continue to display the supporting and leading roles of scientific and technological innovation. Focusing on the strategic needs of national energy security, layout of national strategic scientific and technological forces, achievement of self-reliance in energy science and technology, green and low-carbon transformation of the coal industry, we will spare no effort to create the "source" of original technology in the energy sector and the "chain leader" of the modern industrial chain.

The Company will embrace people-oriented principles and safeguard employees' legitimate rights and interests. Sticking to its culture construction, China Coal Energy has built harmonious labour relations and safeguarded the rights and interests of its employees. We will continue to care about the health and life of employees, improve the quality of life and working environment of employees, and enhance their sense of achievement, happiness and security. We will also be highly concerned with the cultivation of employees' ability and make full efforts to create a development platform for our employees to achieve the common growth of employees and the Company.

The Company will vigorously contribute to the society and strive for win-win situation. We will adhere to the notion that one who prospers should give back to society. While seeking our own growth, we will continue to support the economic and social development in locality so that a harmonious and win-win situation can be attained. The Company will continue to support public welfare undertakings, consolidate the effective connection between the achievements of poverty alleviation and rural revitalization, and actively fulfil its corporate social responsibility in order to become a good corporate citizen.

China Coal Energy will be steadfast in fulfilling its corporate mission of "providing quality energy and leading the industrial development for a prosperous life" and constantly integrate the concept of ESG and sustainable development into its development strategy and daily operations, thereby enhancing its ability to create overall economic, social and environmental value. While achieving harmonious development with its stakeholders, we will go all out to achieve the goal of building a world-class player in the energy field.



Appendix I: ESG Key Performance Indicators (KPIs) for 2023



Environmental Performance Indicators

First Tier Indicators	Second Tier Indicators	Unit	2021	2022	2023
Consumption of Energy Resources	Total raw coal consumption	10 thousand tonnes	1,916	1,976	2,047
	Total oil consumption	10 thousand tonnes	21.78	15.43	15.3
	Total electricity consumption	100 million kWh	52.02	52.34	56.49
	Overall energy consumption	10 thousand tonnes standard coal	1,061	1,151	1,192
	Integrated energy consumption per RMB10,000 worth of production output	Tonnes standard coal/RMB10,000	1.156	1.200	1.209
	Total water consumption/fresh water consumption	10 thousand tonnes	7,025	6,596	6,844
	Fresh water consumption per RMB10,000 worth of production output	Tonnes/RMB10,000	7.66	6.88	6.94
Resource Utilisation	Water reuse rate	%	97.83	98.10	98.11
	Comprehensive utilization rate of mine water	%	90.5	96.2	97.9
	Comprehensive utilization rate of coal gangue	%	93.1	96.9	97.2
Emission	Emission volume of sulphur dioxide	Tonne	2,299	1,934	1,701
	Emission volume of NOx	Tonne	3,978	3,324	3,299
	Emission volume of soot	Tonne	*	669	713
	Ammonia nitrogen emission	Tonne	9	7	7
	Emission volume of chemical oxygen demand	Tonne	141	120	131
	Total emission volume of volatile organic compounds (VOCs)	Tonne	*	*	3,650
Majority Solid Waste	Coal gangue production	10 thousand tonnes	2,447	1,908	2,019
	Amount of hazardous solid waste produced	10 thousand tonnes	11.6	14.2	17.4
	Amount of hazardous waste produced per RMB10,000 worth of production output	kg/RMB10,000	10.6	14.8	17.6
Carbon emission	Total greenhouse gas emissions	10 thousand tonnes of carbon dioxide equivalent	4,883 (restated)	4,633 (restated)	4,690
	Among which: direct scope 1	10 thousand tonnes of carbon dioxide equivalent	3,900 (restated)	3,647 (restated)	3,712
	Among which: indirect scope 2	10 thousand tonnes of carbon dioxide equivalent	983 (restated)	986 (restated)	978
	Emission intensity	Tonnes of carbon dioxide equivalent /RMB10,000	5.32 (restated)	4.83 (restated)	4.76

Social Performance Indicators

First Tier Indicators	Second Tier Indicators	Unit	2021	2022	2023	
Employees	Total number of employees	Person	45,474	46,450	47,122	
	Labour contracts signing rate	%	100	100	100	
	Social insurance coverage rate	%	100	100	100	
	Trade union participation rate	%	100	100	100	
	Employee turnover rate	%	1.2	1.5	1.1	
	Total workforce by gender	Male	Person	37,712	38,877	39,453
		Female	Person	7,762	7,573	7,669
	Total workforce by age group	Aged 30 and below	Person	6,624	6,576	6,521
		Aged 31-40	Person	17,678	19,033	19,745
		Aged 41-50	Person	12,471	12,342	12,467
		Aged 51 and over	Person	8,701	8,499	8,389
	Total workforce by employment type	Full-time	Person	45,474	46,450	47,122
		Part-time	Person	0	0	0
	Total workforce by geographical region	Northern China	Person	11,847	13,915	14,588
		Eastern China	Person	13,435	12,294	12,416
		Northeastern China	Person	488	476	1,133
		Northwestern China	Person	19,704	19,765	18,985
	Employee turnover rate by gender	Turnover ratio of male employees	%	1.14	1.53	1.14
		Turnover ratio of female employees	%	1.47	1.58	1.02
	Employee turnover rate by age group	Aged 30 and below	%	2.70	3.04	0.92
		Aged 31-40	%	1.65	1.88	1.71
		Aged 41-50	%	0.45	0.70	0.66
		Aged 51 and over	%	0.18	0.84	0.58



First Tier Indicators	Second Tier Indicators	Unit	2021	2022	2023	
Employees	Employee turnover rate by geographical region	Northern China	%	2.69	2.33	2.17
		Eastern China	%	0.72	1.31	0.93
		Northeastern China	%	3.69	1.05	0.88
		Northwestern China	%	0.74	1.13	0.46
	The percentage of employees trained by gender	Male	%	76	77	78
		Female	%	72	74	71
	The percentage of employees trained by employee category	Operation and management personnel	%	90	91	87
		Professional and technical personnel	%	70	72	77
	The average training hours completed per employee by gender	Male	Hour	22.1	22	22.8
		Female	Hour	22.2	21	22.6
	The average training hours completed per employee by employee category	Operation and management personnel	Hour	27	27	27
		Professional and technical personnel	Hour	20	23	25
	Work-related casualties		Person	5	7	5
	Safety accident-related casualties		Person	4	5	3
Rate of work-related casualties		%	0.011	0.015	0.011	
Loss of workdays due to work-related injuries		Day	23,302	16,827	12,007	
Contribution to Community	Rural revitalization, donations and social welfare	RMB10 thousand	2,599	8,652	4,161	
	Tax paid	RMB100 million	179.88 (restated)	282.39	269.69	
	Total social contribution	RMB100 million	526.35 (restated)	708.39 (restated)	718.77	
	Social contribution per share	RMB	3.97 (restated)	5.34	5.42	

Governance Performance Indicators

First Tier Indicators	Second Tier Indicators	Unit	2021	2022	2023	
Financial performance	Total assets	RMB100 million	3,226.10 (restated)	3,402.23 (restated)	3,493.60	
	Net assets attributable to the equity holders of the Company	RMB100 million	1,143.46 (restated)	1,308.65 (restated)	1,441.21	
	Operating revenue	RMB100 million	2,398.28 (restated)	2,205.77	1,929.69	
	Total profit	RMB100 million	260.71 (restated)	328.97	330.49	
Product output	Production volume of commercial coal	10 thousand tonnes	11,420	11,917	13,422	
	Sales volume of commercial coal	10 thousand tonnes	30,680	26,295	28,494	
	Production volume of polyethylene	10 thousand tonnes	146.4	148.0	148.7	
	Production volume of urea	10 thousand tonnes	204.9	183.4	206.6	
	Production volume of methanol	10 thousand tonnes	154.5	187.9	190.1	
	Production volume of ammonium nitrate	10 thousand tonnes	42.5	47.4	58.2	
	Production value of coal mining equipment	RMB100 million	94.6	99.6	114.3	
Products and services	Valid complaints	case	0	0	0	
	Percentage of products subject to recalls for safety and health reasons in sold or shipped products	%	0	0	0	
Technological innovation	Investment in science and technology	RMB100 million	45.33	44.78	42.79	
	Number of technological advancement awards above industry level	Award	25	29	29	
	Number of patents received	Patent	279	257	273	
Production safety	Safety production expenses	RMB100 million	18.76	19.21	28.68	
Supply chain management	Total number of suppliers	Supplier	73,823	105,739	133,975	
	Number of overseas suppliers	Asia (excluding China)	Supplier	6	35	36
		North America	Supplier	28	20	22
		Europe	Supplier	25	37	47
	Number of domestic suppliers	Northeastern China	Supplier	2,719	3,595	4,439
		Northern China	Supplier	28,690	42,938	55,107
		Eastern China	Supplier	23,394	31,786	39,373
		Southern China	Supplier	1,459	2,267	3,447
		Central China	Supplier	5,871	7,996	9,987
		Northwestern China	Supplier	10,289	15,040	18,655
Southwestern China		Supplier	1,342	2,025	2,862	

Appendix II: ESG Indicator Index



Content	ESG Guidelines of HKEX	Guidelines of SSE ⁱ	
Description of the Preparation of the Report	B5、B8.1	8.5、8.6	
Company Overview	A3、B2、B2.3	8.1	
Pursuit of Excellence in Governance	Strategies of the Company	A3、A4、A4.1、B6	8.2、8.3
	Regulated Operation	B1、B2	1.2、1.3、2.1.1、2.1.2、3.1.1
	Internal Control	B7、B7.3	5.1、5.2、5.7
	Anti-corruption and Advocacy of Integrity	B7、B7.1、B7.2、B7.3	5.9、8.2
	Management of ESG	B2、B3	8.5、8.15
	Stakeholder Communication	B5、B6、B7	7.1.1、7.1.4、7.2.1
Green and Low-carbon Development	In Response to Climate Change	A4、A4.1	8.6、8.8
	Strengthening Environmental Protection	A1、A1.1、A1.2、A1.3、A1.4、A1.5、A1.6	8.1、8.3、8.8、8.9、8.15
	Conserving Energy Resources	A2、A2.1、A2.2、A2.3、A2.4、A2.5、A3、A3.1	8.3、8.6、8.9
Fulfillment of Social Responsibilities	Products and Services	B5、B5.1、B5.2、B5.3、B5.4、B6、B6.1、B6.2、B6.4、B6.5	8.2、8.6、8.13
	Production Safety	A1、B2、B2.3	8.3、8.7、8.13
	Technological Innovation	A4、B3、B6、B6.3	8.3、8.6
	Employee Care	B1、B1.1、B1.2、B2.2、B3、B3.1、B3.2、B4、B4.1、B4.2	8.3、8.6、8.7、8.14
	Social Welfare	B8、B8.1、B8.2	8.6、8.13
Appendix	ESG Key Performance Index	B2.1	8.4

ⁱ the Guidelines No. 1 of the Shanghai Stock Exchange for the Self-regulation of Listed Companies—Standard Operation, “Guidelines” in short.

Appendix III: Definitions of Terms

Short Form

China Coal Group

The Group/ Company/ the Company/
China Coal Energy

Board of the Company/Board

Director(s)

Supervisor(s)

Shareholder(s)

Pingshuo Group

Pingshuo Energy and Chemical Company

Shanghai Energy Company

China Coal Huajin Company

Northwest Energy Company

Ordos Energy Chemical Company

Sales Company

Shaanxi Company

Equipment Company

Zhangjiakou Coal Mining Machinery Company

Beijing Coal Mining Machinery Company

Development Company

Dahaize Coal Mine

two combinations

SASAC

SSE

HKSE

RMB

Long Form

China National Coal Group Corporation, the controlling shareholder of the Company

China Coal Energy Company Limited

the board of directors of China Coal Energy Company Limited

the director(s) of the Company, including all the executive directors, non-executive directors and independent non-executive directors

the supervisor(s) of the Company

the shareholder(s) of the Company, including holder(s) of A Shares and holder(s) of H Shares

China Coal Pingshuo Group Company Limited

China Coal Pingshuo Energy and Chemical Company Limited

Shanghai Datun Energy Resources Company Limited

China Coal Huajin Energy Group Limited

China Coal Northwest Energy Chemical Company Limited

China Coal Ordos Energy Chemical Company Limited

China National Coal Group Corporation Sales Company Limited

China Coal Shaanxi Energy & Chemical Group Company Limited

China National Coal Mining Equipment Company Limited

China Coal Zhangjiakou Coal Mining Machinery Company Limited

China Coal Beijing Coal Mining Machinery Company Limited

China Coal Development Company Limited

Dahaize Coal Mine Project of China Coal Shaanxi Yulin Energy & Chemical Company Limited

combination of coal and coal power, combination of coal power and renewable energy

State-owned Assets Supervision and Administration Commission of the State Council

the Shanghai Stock Exchange

The Stock Exchange of Hong Kong Limited

RMB yuan, unless otherwise specified



中国中煤能源股份有限公司
CHINA COAL ENERGY COMPANY LIMITED

中煤能源欢迎您对报告提出建议和意见

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