



秦皇岛港股份有限公司

QINHUANGDAO PORT CO., LTD.

(a joint stock limited liability company incorporated in the People's Republic of China)

Stock Code : 3369



2024

CORPORATE SOCIAL
RESPONSIBILITY
REPORT

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ABOUT THIS REPORT

This is the report published by Qinhuangdao Port Co., Ltd. for the ninth consecutive year to communicate with stakeholders about the Company's ESG concepts, work initiatives and performance, and to respond to their needs.

REPORTING PERIOD

From 1 January 2024 to 31 December 2024, the coverage of certain statements and data may go beyond the aforesaid period.

SCOPE OF REPORTING

The report covers the headquarters, internal departments and all branches and subsidiaries of Qinhuangdao Port Co., Ltd.

SOURCES OF DATA

The financial data in the report were extracted from the 2024 financial report of Qinhuangdao Port Co., Ltd. which was independently audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP; other data were derived from relevant systematic statistics of the Company.

REFERENCES OF PREPARATION

The United Nations' 2030 Sustainable Development Goals (SDGs)

Guidelines to the State-owned Enterprises on Better Fulfilling Corporate Social Responsibilities by the State-owned Assets Supervision and Administration Commission of the State Council (the "SASAC")

Guidelines on Sustainability Reporting for Chinese Enterprises (CASS-ESG 6.0) released by the China Enterprise Reform and Development Society and CSR Cloud Institute

Guidelines on Sustainability Reporting Standards by Global Reporting Initiative (GRI Standards)

Appendix C2 "Environmental, Social and Governance Reporting Guide" of the Main Board Listing Rules on the Hong Kong Stock Exchange

Shanghai Stock Exchange Self-discipline Regulatory Guidelines for Listed Companies No. 14 – Sustainability Reporting (Trial) of the Shanghai Stock Exchange

RESPONSE TO THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Materiality: In order to prepare this report, the Company conducted a materiality assessment procedure on the subjects covered in the report to determine the contents disclosed in this report as well as the full and accurate contents of each subject area. Materiality analysis results for 2024 is presented in the "Material Issue Management".

Quantitative: Quantitative data were disclosed in the report for economic, social and environmental categories to demonstrate indicators and performance.

Balance: This report objectively discloses positive and negative information to ensure the balance of the contents.

Consistency: The indicators disclosed in this report disclose as much as possible the comparative data for three consecutive years based on actual management, helping readers to better understand the trend of indicators. Unless otherwise stated, the data disclosed in this report are based on the unified information collection process and working mechanism established by the Company to ensure that the data are comparable year on year.

DESCRIPTION OF KEY TERMS

For the convenience of expression, "Qinhuangdao Port Co., Ltd." is referred to as "QHD Port" and "the Company".

ACCESS TO THE REPORT

You may browse or download the Chinese version of this report from the website of the Shanghai Stock Exchange, or the Chinese and English versions from the website of the Hong Kong Stock Exchange.

CHAIRMAN'S STATEMENT

In 2024, the People's Republic of China celebrated its 75th anniversary of founding. In the remarkable year, facing a complex and severe situation marked by intensifying external pressures and increasing internal challenges, QHD Port fully accelerated the construction of "smart, green, efficient and safe" ports, and continued to refine the value creation systems and improve the value creation capabilities. We deeply integrated social responsibilities into our corporate development strategies and firmly forged ahead by focusing on the mission and task of ensuring the safe and smooth operation of national energy and raw materials transportation channels. In 2024, QHD Port successfully built the first "five-star" green port zone in the country and the first national 4A tourism scenic spot for port transformation in Hebei Province. We were awarded the honorary title of "Advanced Collective in Hebei Province". We paved a new way for the high-quality development of a major century-old coal port transformation and upgrading while practising political, economic, and social responsibilities.

During the year, we ensured the sound supply and stable price and bravely shouldered responsibilities to achieve a leapfrogging development of the ports. Along with implementation of the requirements of central government about "improving the safety guaranteeing capabilities of the energy resources" and "enhancing the resilience and safety level of the industry and supply chains", we further developed the "eight excellence" express line and the "6+N" all-weather coordination mechanism for the thermal coal transportation in Guangdong and Hebei, guaranteeing national energy safety and supply chain stability. We actively cultivated the development potentials of the ports. The construction of main structure of the grain corridor project and the bulk grain silo project were completed, and the installation and construction of main structure of the steel plate silo was completed for only 48 days, hitting a new industry record. Whilst deepening the efforts to administer the Party with strict discipline in every aspect, we implemented the upgrading planning of "value Party building" and carried out the special campaign on "improving the integration of Party work with industries", fully underpinning Hebei Port Group to build a world-class multi-functional, integrated, and modernized port group.

During the year, we attached importance to innovation as well as quality and efficiency improvement and established a model for the industry development. With construction of "smart, green, efficient and safe" ports as drivers, we propelled technological innovation and management innovation. The Coal Terminal Phase I and Phase II of Qinhuangdao Port passed on-site review on "Four-star" green port, and the industrial tourism area at Qinhuangdao Port was officially rated as the national 4A tourism scenic spot, whereby achieving the joint creation of ports and cities. We perfected the intelligent management function of "one center and three platforms" and advanced the application of new technologies empowering port production and operation, to achieve intelligent empowerment. By grasping "Three-year Action Plan for Solve Radical Problems of Safe Production" and strengthening the "33345" safety system, we effectively solidified our safe production defense lines to march toward a new journey of high-quality development with steady pace.

During the year, we forged ahead and deepened the reform to consolidate the foundation of high-quality development. With system construction as the starting point, we reinforced the corporate modernized governance, creating new momentums and edges for high-quality development. We deepened the reform of the talent development mechanism, strengthened the cultivation and training of talents in each field and seized the development of "high ground" with the "intellectual high point" of talents. In order to share the experience of the reform and development, we published a total of more than 1,200 articles in the central, provincial, and industry mainstream media such as People's Daily, Workers' Daily and Hebei Television Station by focusing on material issues related to the Company's reform and development. Through implementing the requirements of rural revitalization work, we improved the happiness index of residents in villages, striving to accumulate sufficient momentum for the vigorous development of the enterprise.

In 2025, we will continue to hold high the Great Banner of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era. Under the guidance of the spirit of the Third Plenary Session of the 20th Central Committee of the Communist Party of China, we will emancipate the mind and strengthen the responsibility with real and practical action. We will forge ahead in the journey of building "smart, green, efficient and safe" ports with higher level, and make our contribution in writing a chapter of Chinese-style modernized construction in Hebei Province.

Zhang Xiaoqiang

Party Committee Secretary and Chairman of Qinhuangdao Port Co., Ltd.

STATEMENT OF THE BOARD

QHD Port has established an effective ESG management mechanism and governance mechanism. The board (the “Board”) of the Company as the highest decision-making body on the Company’s ESG issues, assumes responsibilities for ESG strategic planning, risk management, decision-making and arrangement on major issues, reviewing and approving the Company’s key ESG system, medium and long-term strategic planning, annual ESG report, etc. The ESG Working Group is composed of key responsible persons from all departments of the Company and periodically reports annual ESG related matters to the Board. Led by the Party Committee Work Department, it has established the ESG implementation group with headquarters and all departments of branches and subsidiaries to specifically implement the work in the ESG area.

The Company pays attention to the material impact that ESG risks may have on the Company. It periodically conducts the materiality assessment of ESG-related issues and submits the same to the Board for review. The Board discusses and determines the Company’s ESG risks and opportunities, regards the management and promotion of material issues as the key focus of ESG work, incorporates them into the overall strategy of the Company, and supervises the management of such issues and related performance. In 2024, the Company has actively responded to the latest ESG disclosure requirements of the SSE and the HKEx, conducted a double materiality assessment, and adopted the four-element model of “governance – strategy – risk management – indicators and targets” for disclosure of financial materiality issues.

Upon the approval of the Board, the ESG implementation group is authorized to work on data collection and disclosure for ESG report of 2024. This report discloses in detail the progress and achievements of ESG work of QHD Port in 2024, which was considered and approved by the Board in March 2025. The Board and all directors of the Company guarantee that there are no false statements, misleading representations or material omissions in the content of this report, and assume individual and joint responsibility for the truthfulness, accuracy and completeness of the content.

A CLOSE LOOK AT THE QHD PORT

(I) ENTERPRISE OVERVIEW

Founded in 2008, Qinhuangdao Port Co., Ltd.* (秦皇島港股份有限公司) (Stock Code: 601326.SH, 03369.HK) is a subsidiary of Hebei Port Group, which was listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange respectively in 2013 and 2017, and became the first state-owned enterprise in Hebei Province to lay out the A+H share dual capital platforms. The origin place Qinhuangdao Port was opened in 1898 with a history of 127 years up to today.

As a global leading public port operator for large-scaled dry and bulk cargoes, QHD Port mainly operates Qinhuangdao Port Zone, Tangshan Caofeidian Port Zone and Cangzhou Huanghua Port Zone, with 73 productive berths at present, principally handles cargoes including coal, metal ores, oil and liquefied chemicals, containers and general cargoes, and possesses a designed throughput capacity of 410 million tonnes per year. In 2024, the annual cargo throughput of QHD Port was 414 million tonnes, representing a year-on-year increase of 5.6%.

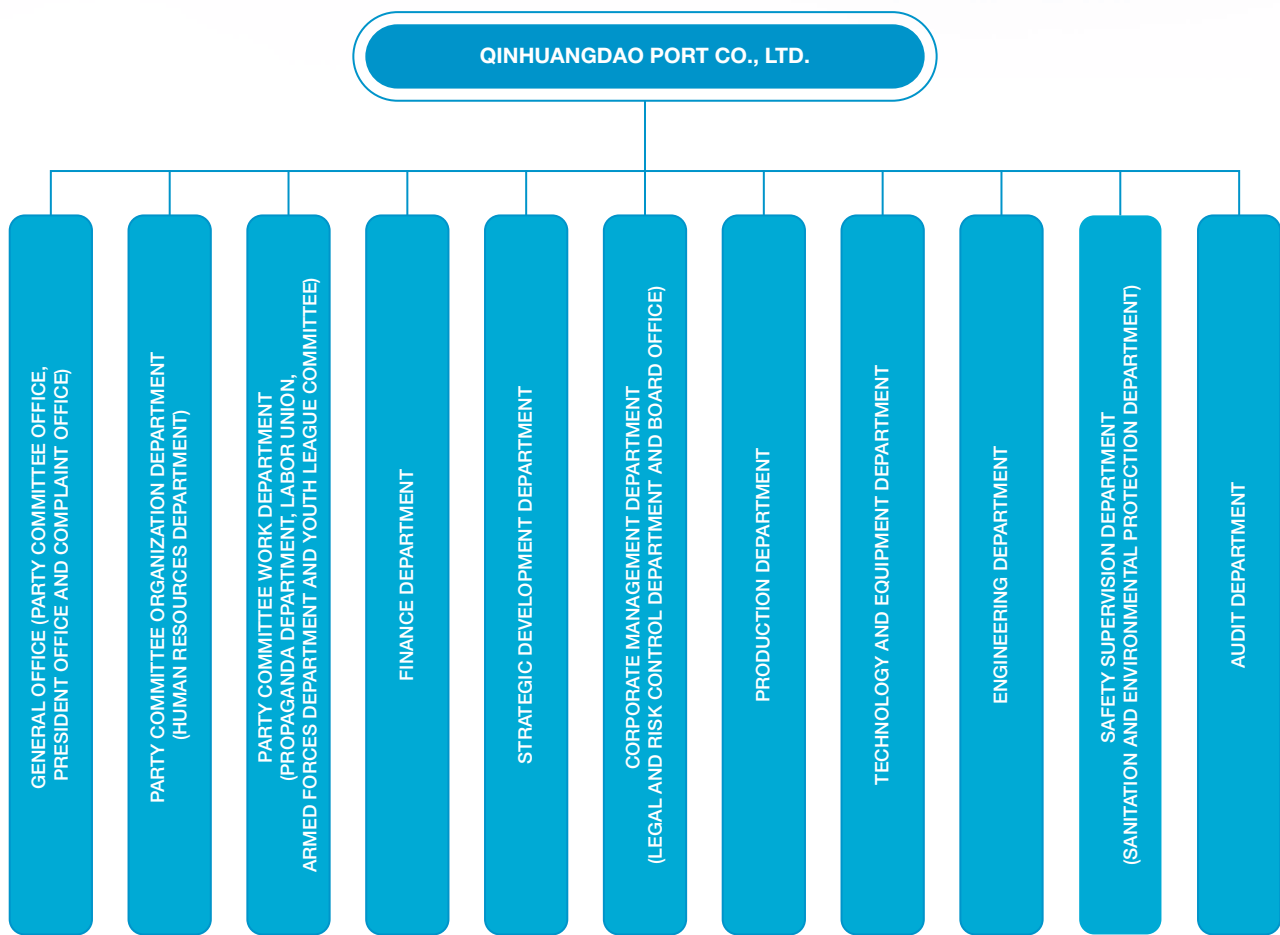
Qinhuangdao Port	As the first self-opening port in north China, it has developed into the major hub port for “transporting coal from the north to the south” in China, and played an important role as “coal price stabilizer” and “water pool for transporting coal from the north to the south” in national energy transportation. It has 50 productive berths at present, with annual designed throughput capacity of 226 million tonnes.
Tangshan Caofeidian Port	It is an import transit port for ore and the pivot port of energy resources and raw materials in northern China. It has 11 productive berths at present, with annual designed throughput capacity of 116 million tonnes, and principally handles cargoes including ores, coal, bulk and general cargoes, which has become an important economic growth driver of the Company.
Cangzhou Huanghua Port	It is the most cost-effective and convenient exit port in Shanxi, Hebei, Shandong, Henan and Northwest China. It has 12 productive berths at present, with annual designed throughput capacity of 68 million tonnes. It has opened 11 container routes, with annual designed throughput capacity of 900,000 TEUs.

(II) CORPORATE CULTURE

Corporate Vision	Building a world-class multi-functional, integrated, and modernized port Building a world-class excellent service and outstanding brand demonstration enterprise
Corporate Mission	Serving the party and country, shouldering responsibilities, serving local communities, customer-oriented
Corporate Style	Emancipating the mind, striving with diligence, taking immediate action, working with pragmatism
Corporate Spirit	Hard-working, constant self-improvement, unity and cooperation, bravely pioneering
Corporate Value	Contributing to the country, seeking development for enterprises, creating value for customers, performing responsibilities for employees

A CLOSE LOOK AT THE QHD PORT

(III) ORGANIZATIONAL STRUCTURE



2024 RESPONSIBILITY PERFORMANCE

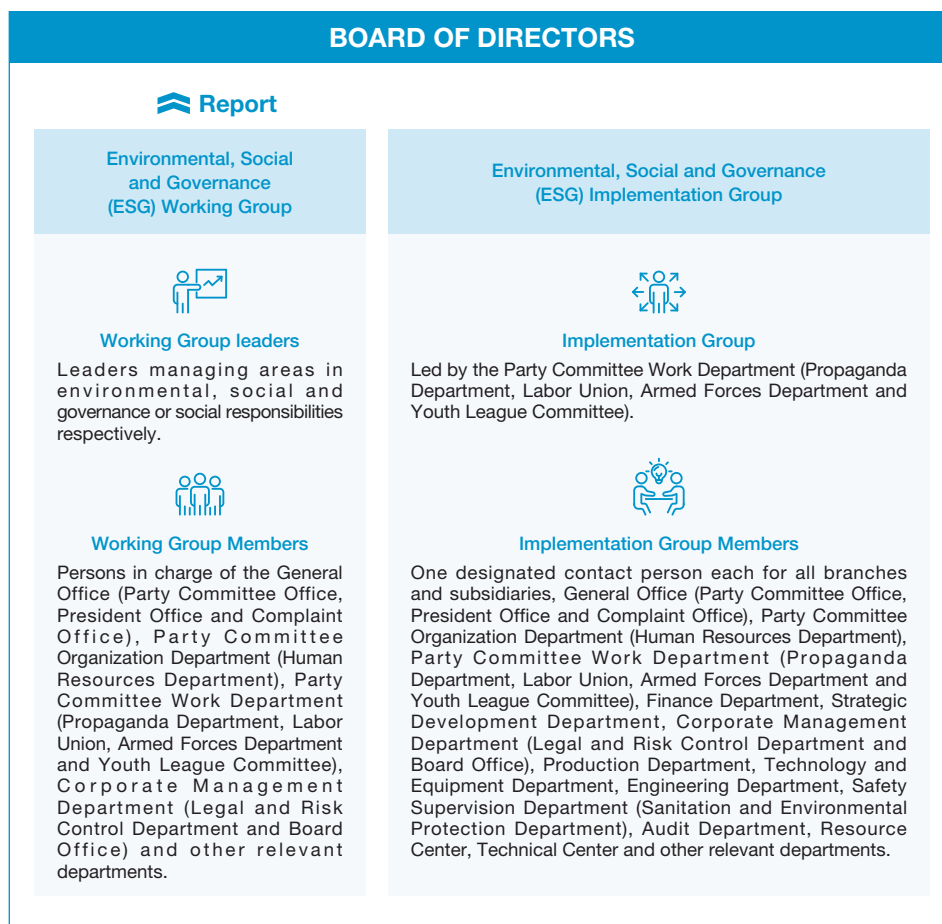
Economic dimension	<ul style="list-style-type: none">➤ Operating revenue was RMB6.865 billion;➤ Total assets amounted to RMB27.88 billion;➤ Total profits amounted to RMB1.9 billion;➤ The throughput of cargos was 414 million tones, representing a year-on-year increase of 5.6%;➤ The number of valid patents was 84, including 19 invention patents, 63 utility model patents, and 2 design patents.
Environmental dimension	<ul style="list-style-type: none">➤ The investment in environment protection was RMB249 million;➤ The comprehensive energy consumption was 94,900 tonnes standard coal;➤ Total GHG emissions were 387,325.08 tonnes of CO₂ equivalents, of which Scope 1 GHG emissions were 19,630.91 tonnes of CO₂ equivalents, and Scope 2 GHG emissions were 367,694.17 tonnes of CO₂ equivalents;➤ The qualified rate of pollutants detection was 100%;➤ The amount of recycled water was 4.5753 million tonnes.
Social dimension	<ul style="list-style-type: none">➤ The signing rate of labor contracts was 100%;➤ The social insurance coverage rate was 100%;➤ The employee training coverage rate was 100%;➤ The investment in production safety was RMB148.3379 million;➤ The investment in rural revitalization was RMB598,300;➤ The number of beneficiaries of volunteer service activities was 1,137 persons.

ESG GOVERNANCE

QHD Port adheres to the development goal of building “smart, green, efficient and safe” ports, gradually deepens the understanding of ESG governance, integrates ESG concept into the Company’s development strategy, continuously improves the ESG governance structure and operation mechanism, actively responds to the requirements and expectations of stakeholders, and demonstrates its feelings to the nation as a family for serving the country and the people.

1. ESG GOVERNANCE STRUCTURE

Adhering to the corporate value of “contributing to the country, seeking development for enterprises, creating value for customers, performing responsibilities for employees”, QHD Port keeps improving ESG governance structure and operation mechanism, and continuously enhances its management capability in the sustainable development by strengthening internal management, and has become an industry model for fulfilling social responsibilities.



2. ESG PRACTICE

In 2024, QHD Port actively implemented the ESG concept, and integrated the ESG concept into the overall process of enterprise management through measures such as issuing ESG reports and carrying out trainings on ESG and ESG kickoff meetings, so as to gradually realize the sustainable development of QHD Port. Up to 2024, QHD Port has prepared the ESG reports for nine consecutive years.

Case: QHD Port started 2024 ESG work with high standards

On 17 December 2024, QHD Port held the 2024 ESG work kickoff meeting and business training meeting, which required that each department should explore the highlights of ESG work of the Company with higher standards and do a good job in the submission of materials, laying a foundation for the preparation of the report. Through the preparation of the ESG report, QHD Port gradually improved and focused on its ESG management work with meticulous execution, empowering the construction of “smart, green, efficient and safe” ports with pooled intelligence.

3. COMMUNICATION WITH STAKEHOLDERS

QHD Port attaches great importance to communicating with stakeholders, fully listens to the opinions of all stakeholders, and actively communicates with relevant institutions, so as to continuously improve the quality of information disclosure, make targeted improvements in ESG performance of the Company and respond effectively to the expectations and needs of all stakeholders.

Stakeholders	Requirements and Expectations	Communication and Responses
Government	<ul style="list-style-type: none"> ➤ Compliance with laws and regulations ➤ Payment of taxes according to the law ➤ Supporting economic development 	<ul style="list-style-type: none"> ➤ Conducting business in compliance with relevant laws and regulations ➤ Paying taxes according to the law ➤ Integrated development of ports, industries and cities
Investors	<ul style="list-style-type: none"> ➤ Investment returns ➤ Growth of business and earnings ➤ Risk management ➤ Information disclosure 	<ul style="list-style-type: none"> ➤ Periodic disclosure of operational information ➤ General meetings ➤ Conference on operating results, roadshows ➤ Investor summits
Customers	<ul style="list-style-type: none"> ➤ Provision of quality products and services ➤ Meeting customers' diversified needs ➤ Creation of value for customers 	<ul style="list-style-type: none"> ➤ Assurance of service quality ➤ Protection of customer information ➤ Survey of customer satisfaction
Employees	<ul style="list-style-type: none"> ➤ Protection of employee's interests ➤ Sound development paths ➤ Protection of occupational health ➤ Work and life balance 	<ul style="list-style-type: none"> ➤ Provision of good remuneration and welfare ➤ Improvement of career development paths ➤ Implementation of employee training ➤ Implementation of diversified cultural and sports activities

Stakeholders	Requirements and Expectations	Communication and Responses
Business Partners	➤ Open, fair and equitable purchases	➤ Open tendering
	➤ Compliance with contracts	➤ Performance of contracts according to the law
Environment	➤ Energy savings and emission reduction	➤ Managing emissions
	➤ Protection of ecological environment	➤ Increasing utilization efficiency of resources and energy
	➤ Response to climate change	➤ Participation in charitable activities for environmental protection
Society and the Public	➤ Engagement in community development	➤ Participating in charitable activities for public welfare charity
	➤ Supporting public welfare	➤ Volunteer services
		➤ Rural revitalization

4. MATERIAL ISSUE MANAGEMENT

The implementation of normalized material issue management serves as the foundation and core for QHD Port in advancing the ESG strategic planning, risk and opportunity management, and information disclosure. In 2024, according to the latest international disclosure standards including European Sustainability Reporting Standards (ESRS) and the International Financial Reporting Sustainability Disclosure Standard No. 1 – General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1), the Company has strictly complied with the requirements of the HKEx's Environmental, Social and Governance Reporting Code and the SSE's Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies – Sustainability Report (Trial). QHD Port updated its evaluation methods and conducted a double materiality assessment for the first time. Based on previous impact materiality assessments, it integrated a financial perspective and incorporated the views of various departments and stakeholders. Also, it comprehensively analyzed the impact of the ESG issues on the Company's finance, economy, environment and society, and focused on the responses to 11 material issues in this report.

(1) Double materiality assessment process

Step 1: background analysis and issue identification

Identify 27 potential material issues based on six factors and establish an issue database

Step 2:

2-1 Impact Materiality Assessment: impact degree: stakeholders' questionnaire survey; possibility: evaluation by internal and external ESG experts

2-2 Financial Materiality Assessment: assess the financial materiality of each issue from two dimensions by internal finance department experts, and review and confirm by various departments

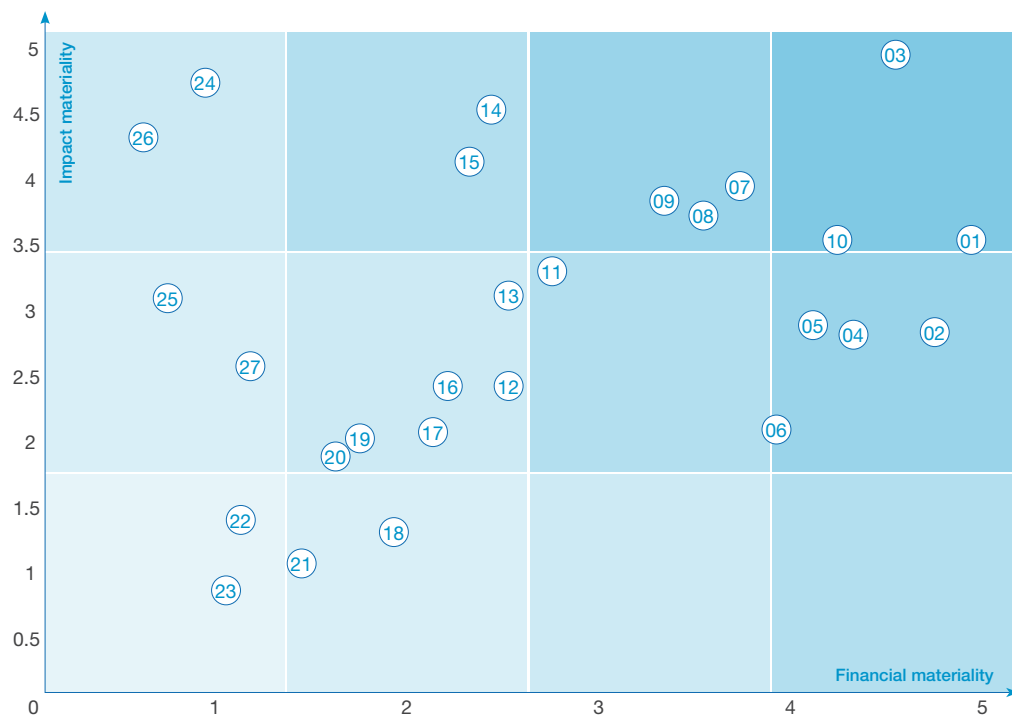
Step 3: Double Materiality Assessment Analysis

Based on the assessment data from step 2, form a 2024 material issue matrix and determine the material issues and their priority order for this year

Step 4: Analysis Results Guide ESG Disclosure and Practice

The Environmental, Social and Governance (ESG) Implementation Group reviews and confirms the analysis results, and the Company carries out targeted disclosure and practice improvement based on analysis results

QHD Port's 2024 Issue Database		
Energy utilization	Innovation drive	Safe production
Employees' rights and interests protection	Growth of employees	Shipping efficiency and quality
Responding to Climate Change	Strengthening the management of three types of wastes	Environmental compliance management
Water resource utilization	Anti-commercial bribery and anti-corruption	Ecosystem and biodiversity conservation
Rural revitalization	Supply chain safety	Customer service quality
Social contribution	Recycling economy	Industry cooperation
Due diligence investigation	Communication with stakeholders	Equal treatment of small and medium-sized enterprises
Echoing with national strategies	Corporate governance	Compliance operation
Anti-unfair competition	Customer privacy and data security	Leadership of the Party work



Double Materiality Issue Matrix

5. ESG HONOR

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- QHD Port was listed among the “ESG Pioneer 100 of State-owned Listed Companies” Index List for two consecutive years;
 - QHD Port was listed among the “Beijing-Tianjin-Hebei Pioneer 50 (2024) of ESG listed companies in China” Index List and ranked 47th;
 - QHD Port won “2024 ESG Jingniu Award • ESG Emerging Enterprise (2024ESG 鯨牛獎 • ESG 新秀企業)”;
 - Being rated four and a half stars, the “2023 ESG Report of Qinhuangdao Port Co., Ltd.” was a leading corporate ESG report;
 - QHD Port was awarded Outstanding Reports and Outstanding Cases of 2023 and 2024 Communication Enterprise Social Responsibility (ESG) by China Association of Communication Enterprise Management.
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RESPONSIBILITY FOCUS I: OPTIMIZING TRANSPORTATION MODELS AND COMPREHENSIVELY REDUCING LOGISTICS COSTS

QHD Port actively responded to the relevant work requirements of Hebei Port Group. Through such methods like innovation of business models, improvement of loading and unloading efficiency, and full-process supply chain collaboration, QHD Port developed a logistics service solution featuring supply-demand adaptation, internal and external connectivity, safe, efficient, intelligent and green, providing customers with all-round high-standard port services.

(I) INNOVATING MODELS

The Company innovatively carried out the business of iron ore" water-to-water transshipment", increased the proportion of belt transportation, and expanded the methods of transportation full loading pendulum logistics, so as to reduce logistics costs for customers.

Innovating Transshipment Business Models	The Company carried out the iron ore" water-to-water transshipment" business synergy between Caofeidian and Huanghua Port. The Company leveraged on the resource advantages of Caofeidian Shiye Port's large berth, multiple trading ore customers, and mature mixed ore business, to achieve smooth transportation and promote the growth of its ore business.
Enhancing the Proportion of Port Belt Transportation and Green Transportation	<p>The Company implemented a one-off reduction in the port lump sum fee for railway transportation of cargos at huanghua port, and introduced the volume and price guarantee preferential policy for customers such as steel mills, traders, and alumina to reduce logistics costs for bulk cargo customers.</p> <p>For the transportation of iron ores near Huanghua Port, the Company cooperated with belt transportation to directly transport the ore to the site, further increasing the proportion of belt transportation.</p> <p>For the port-access highways at huanghua port, the Company implemented zero-carbon vehicle transportation preferential policies to achieve full green transportation in cargo evacuation.</p>
Strengthening Construction of Road Channel	By deploying and promoting the channel construction, the Company cooperated with Green Dynamics Future Energy Co., Ltd. (綠動未來能源有限公司) to build the Huanghua Port-Yuanping (Shanxi) electric heavy truck green channel, including the construction of 11 battery swap stations along the route, to establish the first cross-province long-distance green transport channel for electric heavy trucks in China.

(II) EFFICIENT COLLABORATION

The Company comprehensively established an efficient collaboration mechanism by utilizing the intelligent production scheduling system, multi-waterway transportation advantages, "6+N" linkage and other ways, to improve the loading and unloading efficiency and reduce the duration of vessel stay in ports.

Efficient Collaboration Mechanism	
Refining Berth Scheduling for Expedited Opening	Utilize the intelligent production scheduling system and conduct sand table simulation based on the specific conditions of vessels and equipment to maximize process utilization.
Grasping Scheduling to Avoid Delay in Ports	By utilizing the advantages of multi-waterway and creating a unique vessel operation model, reduce the waiting time for vessels effectively, and ensure that vessels can moor and leave immediately upon completion.
Scientific Warning and Strong Intervention	With launch of a weather warning system, have real-time understanding of weather changes and obtain warning information from relevant departments, so as to minimize the adverse effects of severe weather on vessel operations.
Updating Equipment to Improve Efficiency	Complete the project for iteration of loaders and reclaimers to effectively improve the efficiency of system operation and the stability of single unit operation.
Strengthening Linkage to Ensure Smoothness	Strengthen the linkage with relevant units, and achieve real-time interactive processing through the "6+N linkage" and" collaboration through shared offices" mechanism, whereby improving the overall operational efficiency of the upstream and downstream freight chain.

RESPONSIBILITY FOCUS I: OPTIMIZING TRANSPORTATION MODELS AND COMPREHENSIVELY REDUCING LOGISTICS COSTS

Case: the “eight excellence” express line was officially kicked off at Qinhuangdao Port of Hebei Port Group

On 19 April 2024, the Guangdong and Hebei thermal coal transportation vessel “eight excellence” express line, jointly established by Hebei Port Group, together with the Hebei and Guangdong maritime departments and other units, was officially kicked off at Qinhuangdao Port. This is an innovative measure to ensure the safe, green and efficient sea transportation of national key energy materials, improve the quality and precise guarantee ability of smooth thermal coal sea transportation, and build a sea “expressway” for Hebei and Guangdong thermal coal transportation by “transporting coal from the north to the south”.



The “Eight Excellence” Express Line First Vessel Launch Ceremony

(III) RESTRUCTURING FRAMEWORK

The Company focused on deepening joint marketing and expanding information sharing. By establishing a port business platform, the Company achieved real-time information sharing, all-process intelligent scheduling, and precise service matching. By introducing preferential policies such as free relocation, free shunting, and free coal blending within the port area, the Company effectively reduced customer logistics costs. By reinforcing deep cooperation with upstream and downstream coal enterprises, the Company optimized and strengthened the coal price index to accurately reflect the comprehensive price level and changing trend of the coastal thermal coal markets, and provide data support for industry monitoring, trade decision-making, and scientific regulation. It fostered a win-win energy supply chain ecosystem, contributing to the healthy development of the industry.

RESPONSIBILITY FOCUS II: BUILDING A GREEN PORT AND CULTIVATING A HIGH- QUALITY DEVELOPMENT ECOLOGICAL BACKGROUND

Along with the surging wave of green transformation in global ports, the sustainable development has become an inevitable trend in the port industry. Hebei Port Group clarified the direction of green port construction and formulated the “Green Port (2024-2030) Construction Plan”. QHD Port actively responded to the Group’s green port construction plan, driving the creation of a green port towards the fast lane by focusing on deepening dust control, establishing an environmental protection centralized control system, and building a garden style port area.

In May 2024, Qinhuangdao Port was officially rated as the first “five-star” green port in China, including the Coal Terminal Phase III, Coal Phase IV and expansion terminals, and Coal Phase V in the eastern Port Zone. In November, Qinhuangdao Port passed the on-site review on the “four-star” green port, including the Coal Phase I, Coal Phase II, as well as the Coal Phase I Expansion Terminal. So far, Qinhuangdao Port has achieved full green port coverage across professional dry and bulk cargo terminals.

“Green Port (2024-2030) Construction Plan”: with the general requirements of “anchoring first-class, strategizing blueprint, and building brand”, it focuses on six aspects such as coordinating port resource integration, accelerating low-carbon energy transformation, strengthening pollution prevention and control measures, cultivating green emerging business models, promoting transportation structure optimization, and upgrading management models.

(I) BUILDING AN INTELLIGENT PORT THROUGH TECHNOLOGY EMPOWERMENT

In August 2024, the centralized control center of QHD Port Second Branch was officially put into operation. The system can remotely control the reclaiming and loading system and the stacking system of Qinhuangdao Port Coal Phase I and Coal Phase II, and remotely switch on the environment-friendly dust suppression facilities, forming an integrated control from coal unloading, loading and other operation process to safety and environmental protection work. It changes the traditional rough management model of “no dust through visual inspection” and realizes real-time, precise monitoring and intelligent management of the port environment.



The Scheduling and Command Center of QHD Port Second Branch

(II) CARRYING OUT LANDSCAPE RENOVATION TO BUILD A GARDEN STYLE PORT

In November 2024, the landscape project of Xianghai Square was completed at Qinhuangdao Port, further advancing the efforts for Qinhuangdao Port Coal Phase I and Coal Phase II to create a “four-star” green port. In particular, the “Impression of Time” art installation is repurposed from an old civil defense project and waste chute hoppers of the B2Z ship loader. The iconic landscape “Tianxing gnomon(天行晷)” is repurposed from the waste bucket wheel assembly of A5Q reclaimer. These initiatives did not only reflect the Company’s green and environment-friendly image, but also further beautified the environment of the port area.



Full View of Xianghai Square



The Iconic Landscape of Xianghai Square
“Tianxing Gnomon”

I. CONSOLIDATING THE PORT'S FOUNDATION BY DEEPENING RESPONSIBILITIES

I. CONSOLIDATING THE PORT'S FOUNDATION BY DEEPENING RESPONSIBILITIES

Whilst continuously optimizing its corporate governance mechanism, QHD Port continued to enhance the targeted and effective governance of enterprises in accordance with laws and regulations, strengthen safety production responsibilities, improve management efficiency and operational quality, paving a way for the Company's sustainable and healthy development, safe and efficient operation. In the journey of building a world-class dry bulk cargo port enterprise, it has taken solid and powerful steps.

Materiality Issues under This Section:

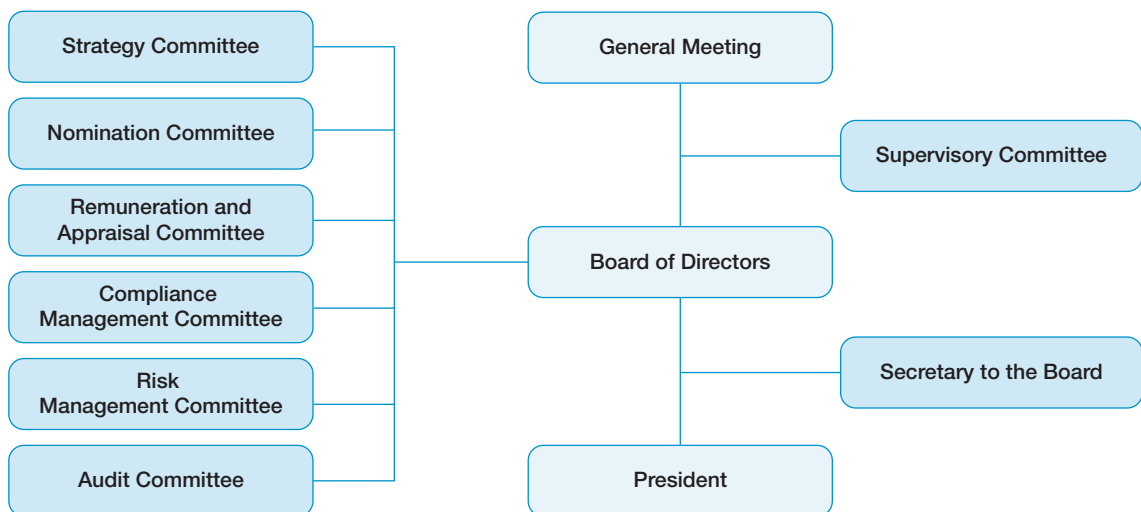
- **Corporate governance:** effectively establish and gradually perfect the governance structure composed of general meeting, board of directors, supervisory committee and senior management, with significant governance results.
- **Leadership of the Party work:** strengthen the Party's comprehensive leadership core position, and provide strong political assurance and organizational guarantees for the Company's operation.
- **Compliance management:** by adhering to compliance operation, promote the deep integration of compliance management with production business, and conduct high-quality and efficient compliance management to promote operation, prevent risks, and create value.
- **Safety production:** strengthen safety responsibilities, do a good job in all aspects of safety production, and persistently solidify the defense line for safety production.

United Nations Sustainable Development Goals to be Responded under This Section:



(I) Clear direction of corporate governance

QHD Port has strictly complied with the Company Law of the People's Republic of China and other laws and regulations and regulatory requirements of the places where it is listed, and has continuously improved the governance structure of the Company. QHD Port regards general meeting as the Company's supreme authority, and regards the Board of directors as the permanent decision-making body of the Company and is responsible to the general meeting. The general meeting, the Board of directors and its special committee, the supervisory committee, and the management of president responsibility have clear division of rights and responsibilities and are efficient in ensuring the stable operation of the Company. The Company has been successively awarded as Model Enterprise of Corporate Governance recognized by SASAC of the State Council, the National Port Enterprise with "5A Level Standardized Good Behavior" as well as other honorary titles.



Governance Structure of the Company

I. CONSOLIDATING THE PORT'S FOUNDATION BY DEEPENING RESPONSIBILITIES

1. General Meeting

The articles of association and the rules of procedure for the general meeting of QHD Port clarify the general meeting being the Company's supreme authority and its functions, provide legal guarantee for its operation in accordance with the law, and fully ensure that all shareholders are entitled equal status and can effectively exercise their rights to know, participate, inquire and vote. In 2024, the Company convened a total of 4 general meetings, with all 15 proposed resolutions being passed.

2. Construction of Board of Directors

The Board of directors of QHD Port is comprised of 9 directors, including 3 executive directors and 4 independent non-executive directors. The directors abide by the principles of diligence, integrity and pragmatism in favor of all shareholders, and fulfill duties conscientiously. In 2024, the Company convened a total of 11 Board meetings to consider 54 resolutions including the annual report, thereby ensuring that the Company's various work was carried out in an orderly manner.



QHD Port convened the 18th meeting of the fifth session of the Board

3. Investor Relationship and Shareholder's Interests

QHD Port insists on safeguarding the legitimate rights and interests of shareholders and investors, and pays close attention to the expectations and requirements of investors and shareholders for the Company. QHD Port timely disseminates the Company's information to the market and investors, forming an efficient and smooth interaction and communication mechanism and ensuring the legality and effectiveness of the Company's decision-making.

(1) Strengthening information disclosure

The Company attaches great importance to information disclosure. The Company fulfills its information disclosure obligations in strict compliance with the listing rules of the SSE and HKEx and the articles of association and other internal and external regulations to disclose the Company's information to the market in true, accurate, complete, timely and fair manner and continuously improve the quality of information disclosure. As at the end of 2024, the Company has not been punished for any violation of information disclosure requirements both domestically and internationally.

I. CONSOLIDATING THE PORT'S FOUNDATION BY DEEPENING RESPONSIBILITIES

(2) Protecting the rights and interests of small and medium-sized investors

The Company actively practices the concept of “respecting, rewarding and protecting investors”, and continues to carry out investor exchanges, market communication, investor protection and education. In 2024, the Company routinely held the annual results presentations, interim results presentations and third quarterly results presentations, and answered investors’ questions and responded to more than 100 investors’ suggestions through the investor hotline and SSE e-interaction. Six investor protection and education activities were carried out throughout the year, including the “3.15 Investor Protection Themed Education Activity”, to enhance the ability of small and medium-sized investors to protect their rights and interests.



QHD Port convened the first extraordinary general meeting for 2024 and the first A shares and H shares class general meeting for 2024

(II) Party work leading and upholding original aspirations

QHD Port has fully implemented the decision-making and deployment of “developing and strengthening towards the sea” of the Hebei Provincial Party Committee, the Provincial Government, and the Hebei Port Group Party Committee, and given full play to the leading role of the Party Committee in “setting the direction, managing the overall situation and ensuring implementation”. QHD Port has integrated strengthening the Party’s overall leadership and improving corporate governance, and advanced the in-depth development of Party work, thus providing political guarantees for the high-quality development of the Company.

1. Armed with political awareness

QHD Port has always upheld the absolute leadership of the Party across all aspects of its business operation, deeply comprehended the decisive significance of the “two establishes”, firmly adhered to the “two upholds”, integrated the leadership of Party work with ideological education, and solidified the Party’s governing foundation, striving to improve the political judgment, political comprehension, and political execution.

(1) Strengthening the leadership of the Party

With strict implementation of the “three importance and one large” decision-making system, the Company has carried out the preliminary discussion procedures and held a total of 36 Party Committee meetings throughout the year. The Company adheres to coordinating the Party work with business work in terms of planning, deployment, advancement, and assessment, and integrates the leadership, requirements, tasks of the Party into all decision-making and deployment processes, ensuring that the Company’s work always moves towards the right direction.

I. CONSOLIDATING THE PORT'S FOUNDATION BY DEEPENING RESPONSIBILITIES

(2) Deepening theoretical building

The Company insists on implementing the Party Committee's "first issue" and theoretical learning central group system and has carried out a total of 38 trainings to timely follow up and study 61 items of content including important speech spirit of Xi Jinping (the general secretary of the CPC). To implement the deployment requirements of the Group's discussion activities about "emancipating the mind, focusing on implementation, forging ahead and building new achievements", the Company has conducted more than 50 centralized learning sessions. The Company has convened the special democratic life meeting to facilitate the resolution of more than 280 problems that constrain the reform and development of enterprises, whilst arming the mind with the Party's innovative theoretical achievements to guide practice and promote work.



QHD Port carried out the discussion activity about "emancipating the mind, focusing on implementation, forging ahead for new achievements"



QHD Port convened the study session for the Party Committee's theoretical learning central group

(3) Carrying out study on Party discipline

The Company has formulated and published the "Work Plan for Carrying out Party Discipline Learning and Education" and 7th issue of "Work Tips for Party Discipline Learning and Education". The Company has organized the Party committee at this level and all directly affiliated party organizations to conduct 161 special study sessions on the "first issue" of the central group and Party committee, conducted 450 study seminars, collect 124 copies of feedback on study, and carried out 235 themed Party day activities. The Company sets out a dedicated column on "Party Discipline Learning and Education" on the public accounts of the Company and its affiliated units, and has published 242 pictures and texts about the results of Party discipline learning and education, converting the achievements of the Party discipline learning and education into vivid practices that drive the Company's high-quality development.



QHD Port participated in the collective learning of the Party discipline learning and education classes of Hebei Port Group

I. CONSOLIDATING THE PORT'S FOUNDATION BY DEEPENING RESPONSIBILITIES

2. Strengthening Party work with combined efforts

Through integrating organizational construction with enterprise development, the Company gives full play to the role of Party organization in enterprise transformation and upgrading, efficiency improvement and other aspects, and promotes the implementation of key tasks, which demonstrates the leadership of Party work in improving productive force and competitiveness.

(1) Promoting the integration of Party work with industries

The Company has robustly established and effectively utilized the “three in one” innovation studio, to provide strong support for technology and staff innovation led by Party work innovation. The Company has organized and held an exchange meeting on achievements in Party work innovation and themed education to comprehensively showcase the results of creating the Party work brand of “integration of Party work with industries”. The Company has formulated the “Implementation Plan for Further Deepening Construction of the Party work Brand of ‘Integration of Party Work with Industries’”, converting the abstract connotation of “integration of Party work with industries” into concrete practice to further promote the integration of Party work with industries.



QHD Port convened the exchange meeting on achievements in Party work innovation and themed education

(2) Construction of grassroots organizations

The Company makes timely adjustment to its Party organization structure based on changes in organizations by establishing 1 new Party committee and relocating 3 Party general branches and 1 Party branch from the entire organization. The Company has organized and held a performance evaluation meeting for Party secretaries focusing on grassroots Party work to assess the quality and effectiveness of Party work of various grassroots Party organizations. The Company has carried out the themed activity of “pioneering, co-building and promoting communication, working together for co-development”, developed the Party work co-built “matrix” that connects the upper and lower levels and promotes internal and external development, which empower and strengthen the Company’s Party work in terms of improving quality, operational efficiency, and development speed.



Relevant staff of QHD Port participated in the Party organization secretary training course held by the Group in Jinggangshan

I. CONSOLIDATING THE PORT'S FOUNDATION BY DEEPENING RESPONSIBILITIES

3. Vigorously carrying out publicity of the main theme

QHD Port firmly grasps the main theme of Party work publicity, upholds the main theme, and adheres to the main battlefield of Party work publicity, so as to effectively enhance the appeal, cohesion, and combat effectiveness of the Company's Party organization and provide strong ideological guarantee, spiritual motivation, and intellectual support for promoting the Company's high-quality development.

(1) Strengthening ideology

The Company conducted 3 special Party Committee meetings to study and deploy ideological work, and carried out special inspections on the implementation of the ideological work accountability system across 15 directly affiliated Party organizations in 2024. By adhering to the implementation of the public opinion weekly report mechanism, the Company has published 4 issues of public opinion work tips, and handled more than 20 online public opinions. The Company has developed the management measures and corresponding contingency plans for online public opinion work, and improved the emergency response procedures for online public opinion. The Company has conducted in-depth investigations and research, producing 75 articles of excellent political research achievements and promotional cases.

(2) Optimizing publicity

The Company has revised and published regulations such as the "Assessment Rules for News Publicity Work" and the "Management Measures for External Publicity Work", and completed annual design updates for the corporate profile, promotional videos, and marketing brochures. Focusing on building "mass entrepreneurship and innovation" and "smart, green, efficient and safe" ports and taking ensuring coal supply, intelligence and green, reform and development as theme, the Company has meticulously organized special promotion, achievement promotion and typical promotion. In 2024, the Company published more than 1,200 promotional materials in various mainstream media such as People's Daily, Workers' Daily and Hebei Television Station, intensively displaying the Company's latest progress and achievements in high-quality development through transformation and upgrading.

(III) Promoting stability through compliance operation

QHD Port is steadily advancing its compliance management system, actively practicing the compliance culture, and improving its compliance management level. QHD Port further improves its risk management system and reinforce its risk prevention and control awareness. QHD Port adheres to fair competition and opposes any form of unfair competition behavior. QHD Port continuously carries out the construction of the integrity culture and the anti-corruption activities to prevent the occurrence of corruption, embezzlement, bribery, fraud, money laundering, and other incidents.

1. Strengthening compliance management

QHD Port has revised and published the "Compliance Management Measures" and "Compliance Audit Management Measures for Major Issues" to standardize the compliance review process, consolidate the foundation of compliance management, and achieve a compliance review rate of 100% for important decision-making matters, economic contracts, and rules and regulations, ensuring that the Company's major operation and management decisions are in compliance with relevant laws and regulations. In 2024, the Company and its branches organized a total of 24 trainings on law-abiding and compliance, and successfully passed the audit on the compliance management system by the China Quality Certification Center, becoming the first provincial enterprise in Hebei Province to obtain the compliance management system certification.



QHD Port carried out the training on criminal legal risk prevention and control knowledge for port enterprises

I. CONSOLIDATING THE PORT'S FOUNDATION BY DEEPENING RESPONSIBILITIES

2. Strengthening risk prevention and control

By focusing on the strategic development needs of the Company, QHD Port improves the comprehensive risk management system, strengthens and standardizes the comprehensive risk management work. QHD Port adheres to the principle of the comprehensive whole-process risk prevention and control for all employees and integrates risk management into the daily operation and management of the Company. Also, the Company strengthens the popularization and promotion of basic knowledge of risk management and actively cultivates a risk management culture, to improve the Company's ability to prevent and defuse risks.

Improving the comprehensive risk management system	<ul style="list-style-type: none"> Revise the "Measures for Comprehensive Risk Management" to strengthen the foundation of the comprehensive risk management system. Emphasize risk management training, cultivate a risk management culture, create a good risk management atmosphere, and promote the establishment of a systematic, standardized, and efficient risk management mechanism.
Establishing the "Three Defense Lines"	<ul style="list-style-type: none"> The first defense line: each grassroots unit is responsible for its own risk management work, conducting risk information collection and risk assessment. The second defense line: each department of the Company is the functional management department for comprehensive risk management in various fields, responsible for controlling various risks at the company level and supervising and inspecting the situation of grassroots units. The third defense line: the audit department is the comprehensive risk supervision department, responsible for conducting supervision and evaluation, proposing risk management opinions and suggestions, and urging responsible parties to rectify and improve.
Effectively preventing and defusing risks	<ul style="list-style-type: none"> By focusing on the main business, conduct in-depth inspection to prevent key risks, optimize the operation mechanism of the comprehensive risk management system. Implement strict and dynamic monitoring of the Company's key risk areas, formulate countermeasures to effectively prevent and control major risks.



QHD Port organized the special training on internal audit of management system

3. Abiding by business ethics

QHD Port is in strict compliance with relevant regulations such as the Anti-monopoly Law of the People's Republic of China, the Anti-unfair Competition Law of the People's Republic of China, and the Anti-money Laundering Law of the People's Republic of China. Through consolidating the achievements of its campaigns to rectify the "four undesirable work styles" and the special action for rectifying work style and discipline, QHD Port integrates the integrity culture promotion and case warning education with business work through coordinated planning, inspection, and evaluation, to jointly build the long-term mechanism of "corruption discourage, corruption inability and corruption unwillingness".

(1) Governance

The Party Committee Work Department and General Office of the Company are responsible for rectifying the "four undesirable work styles" and carrying out the "striving for excellence" work style construction action. The Party Committee Work Department and Audit Department are responsible for continuously carrying out anti-corruption work for overseas enterprises. The Party Committee Work Department and Party Committee Organization Department are responsible for sturdily carrying out the promotion and education on the integrity culture, and intensifying the efforts in disciplinary training and anti-corruption reminders. They jointly develop a well-organized and coordinated anti-commercial bribery and anti-corruption governance structure.

I. CONSOLIDATING THE PORT'S FOUNDATION BY DEEPENING RESPONSIBILITIES

(2) Strategies

The Company sorts out and identifies the risks related to commercial bribery and corruption by integrating with practical work. The Company analyzes the causes of these risks, formulates targeted countermeasures, and implements corrective actions to effectively prevent non-compliant and disciplinary violations.

Risks	Risk Description	Timeframe ¹	Countermeasures
Concealment of commercial bribery incidents	In case of the occurrence of the internal employee or partner bribery incident, it may be concealed due to concerns about stock price fluctuations or reputation damage, causing regulatory penalties and investor litigation risks.	Short-term	<p>Improve the reporting mechanism for major compliance incidents, clarify the internal reporting and external disclosure standards for bribery incidents;</p> <p>The direct responsible person and management shall be held jointly liable for the concealment behavior.</p>
Risk of corruption and non-compliance	Key areas and critical links of operation involve integrity risks, and personnel of grassroots units occasionally violate regulations and disciplines.	Short-term	<p>According to the assessment and evaluation standards of the Company's integrity construction implementation plan, assess and evaluate the affiliated units;</p> <p>Comprehensively promote the construction of the "three non-corruption" system, ensure smooth channels for reporting and whistleblowing, and seriously investigate and punish any violations of regulations and disciplines.</p>

(3) Impact, risk, and opportunity management

By adhering to the tone of "strictness" and the concept of "governance", the Company strictly implements the spirit of the eight provisions of the Central Commission and their implementation details. The Company has launched special rectification of conduct and discipline within the Company, organized employees to participate in warning education activities of the Group and the Company, and guided the Party members and cadres to build a strong line of defense on integrity and self-discipline.

Cooperating with inspection and rectification	<ul style="list-style-type: none"> Supervise the Second Branch and Zhongli Company in completing the first round of inspection and rectification; Supervise the Seventh Branch and Power Company in completing the second round of inspection and rectification; Supervise six units including the Sixth Branch, Railway Transportation Company, Mobile Machinery Company, Comprehensive Service Center · Tangshan-Caofeidian Railway and Xiaoji Logistics in completing the third round of inspection and rectification.
Strengthening warning education	<ul style="list-style-type: none"> Carry out special training and coaching, deliver Party lectures by the Secretary of the Party Committee, conduct on-site integrity warning education, and carry out the "Four Ones" education activities; Launch the themed warning education activity of "keeping discipline and law in mind, pressing ahead for a new journey" instruct the Party organizations at all levels to strengthen the education, management, and supervision of Party members and cadres; Organize Party members and cadres to carefully study themed warning education materials, watch warning education videos, visit warning education bases, etc.; Set up a dedicated column about "Party Discipline Learning and Education" on the public account of the Company and publish 83 pictures and texts about learning and education.

¹ Short-term (within 1 year after the end of the sustainable information reporting period, including 1 year), medium-term (1 to 5 years after the end of the sustainable information reporting period, including 5 years), long-term (more than 5 years after the end of the sustainable information reporting period).

I. CONSOLIDATING THE PORT'S FOUNDATION BY DEEPENING RESPONSIBILITIES

Promoting the construction of work style

- Produce integrity-themed micro-films and public service advertisements, with 9 works winning the "First Prize" in the Group's "Strengthening Discipline, Upholding Integrity, Promoting Integrity" Calligraphy, Painting, Photography, and Video Works Competition, including one micro-film winning the first prize;
- Standardize the management of official vehicles, office buildings, and official hospitality to eliminate unnecessary hospitality arrangements, prohibit the use of public funds for dining and entertainment, and be not allowed to take, hold, or ask for favors, receive gifts or money, etc..



Anti-corruption Micro-film "Integrity in Heart: Untainted by a Single Spot"

(4) Indicators and targets

① Indicators

In 2024, the Company organized 28 anti-corruption trainings with a total of 4,079 employees participating in the anti-commercial bribery and anti-corruption trainings, accounting for 47.03%. The Company recorded no major litigations in terms of corruption, bribery, extortion, fraud and money laundering during the year.

② Targets

In 2025, the Company will continue to consolidate the achievements of its special action to correct the "four undesirable work styles" and rectify work style discipline, and formulate the "2025 Rectification Ledger for Deepening the Correction of the 'Four Undesirable Work Styles' and Work Style Disciplinary Rectification". The Company will supervise all departments and units in prioritizing key tasks such as safety and environmental protection, production and operation, further clarify responsibilities, and vigorously implement problem rectification. With the special action for rectifying work style as drivers, the Company will motivate Party members and cadres to take responsibilities, tackle challenges with determination, pursue innovation and progress, adhere to realistic and pragmatic approaches, whereby promoting the effective implementation of its major corporate decisions and plans.

(IV) Strengthening the defense line through safety production

By adhering to the concept of "safety is the greatest welfare of employees", QHD Port strictly implements various safety laws and regulations, intensifies its efforts in inspecting and handling latent dangers, and actively carries out safety publicity and training. QHD Port always pays attention to employee occupational health management, effectively improves and standardizes the employee safety production quality to enhance their safety awareness, devoting full efforts to creating a safe and comfortable working environment. In 2024, QHD Port was awarded the honorary titles including Advanced Unit in Safety Production of the Group and the "Emergency Pioneer" Enterprise in Qinhuangdao City.

1. Governance

QHD Port has established a four-level organizational structure for safety production and implemented the vertical penetration management. The safety production committee is the supreme authority of the Company in terms of safety production, chaired by the chairman and president of the Company. Under the committee, the Company has established the safety production committee office, which is led by the officer responsible for controlling safety (chief safety controller). Each unit shall establish a safety production committee and a safety supervision department as dedicated safety institutions, while the work teams are staffed with full-time safety management personnel. The work teams have part-time safety officers responsible for safety production work. The Company has established a "three-level safety grid" across its subsidiaries, factory teams, and work teams. Safety management responsibilities are delegated down to the smallest units through comprehensive supervision by QHD Port, management within the jurisdiction of each subsidiary, and implementation by factory teams and work teams.

I. CONSOLIDATING THE PORT'S FOUNDATION BY DEEPENING RESPONSIBILITIES

2. Strategies

QHD Port has organized various units to carry out re-identification of safety risks and re-sorting of control measures. During the year, a total of 1,127 safety risk points were identified, with 87 major or above risk points being classified for research and judgment and assigned targeted control plans. It has strengthened the management of crowded areas and the safety supervision of work units with three or more personnel, and established a control ledger. It has drawn an electronic map of the spatial distribution of safety risk levels on the "safety supervision platform", and implemented the physical isolation and closure of medium and high-risk areas in each major production unit. In 2024, the Company successfully passed the re-certification as the Level-1 safety standardization enterprise by the Ministry of Transport.

Risks	Risk description	Countermeasures
Safety production risks	<ul style="list-style-type: none"> The production and operation units in the port may face risks such as unsafe behavior of production personnel, unsafe status of equipment and facilities, and defects in safety management and control processes, causing casualties or property losses. 	<ul style="list-style-type: none"> Establish a safety behavior supervision and inspection mechanism, and develop regular inspection and maintenance plans for equipment and facilities; Improve the safety management and control process, clarify the responsibilities of each link, and develop a systematic safety training plan.
Employee health risks	<ul style="list-style-type: none"> Work-related injury accidents, occupational diseases and other incidents that occur during production may lead to damage to employees' health and even loss of ability to work; Long-term high-pressure work environment may lead to psychological problems such as anxiety and depression among employees. 	<ul style="list-style-type: none"> Establish occupational disease protection mechanisms and regularly conduct occupational health examinations; Make reasonable arrangement of employees' work intensity and working hours, implement shift system and overtime restrictions.
Legal and compliance risks	<ul style="list-style-type: none"> Employees filing litigations due to occupational health issues may result in fines and suspension of business for rectification. 	<ul style="list-style-type: none"> Establish a legal compliance review mechanism and conduct regular compliance inspections on the production and operation activities of the enterprise; If an employee files a litigation due to his/her occupational health issues, a special response team will be immediately established to actively respond to and promptly rectify the situation.

Opportunities	Opportunity Description
Enhancing employees' productive forces	The robust occupational health and safety production management can create a good working environment, thereby improving work efficiency, reducing employees' diseases, and enhancing overall health standards.
Reducing operational costs and risks	Take daily occupational health prevention measures, such as purchasing protection equipment, conducting occupational health training and physical examinations, with operational costs being much lower than the post-accident handling costs.

3. Impact, risk, and opportunity management

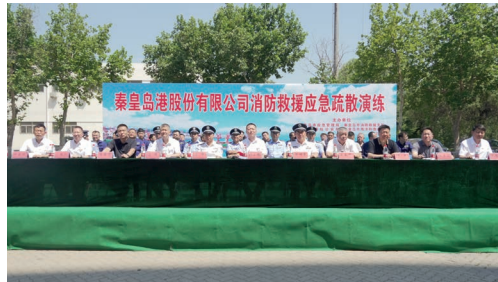
(1) Safety management system

The Company firmly promotes the construction of a "three-dimensional" safety management system and incorporates the specific safety responsibilities into the safety system. The Company relies on the "Dual Control of QHD Port" APP to quantitatively assess the problems and latent dangers discovered during safety inspections and evaluations. By relying on the related parties' management module of the "Safety Supervision Platform", the Company promotes the safety management of related parties, forming a closed-loop management of "regulation-system-governance-technology-emergency".

I. CONSOLIDATING THE PORT'S FOUNDATION BY DEEPENING RESPONSIBILITIES

(2) Strengthening emergency rescue

The Company has formulated the comprehensive emergency plans for natural disasters and special emergency plans for road traffic, and regularly conducted the comprehensive emergency drills for production safety accidents, to effectively enhance emergency response capabilities. The Company has continuously improved the construction of its full-time fire rescue team, and each grassroots unit has a micro fire station. The Company has communicated with Hebei Meteorological Information Management Center and Qinhuangdao Meteorological Service to deliver severe and extreme weather forecast and warning information, wind speed information, etc. through multiple channels, so as to respond promptly and take emergency countermeasures.



QHD Port carried out the fire rescue emergency evacuation drills

(3) Safety hazard inspection

The Company adopts an inspection mechanism combining routine inspections and special inspections to carry out the required actions including quarterly inspections and monthly inspections of grassroots units and frontline factory team patrol, whilst integrating personalized inspections including themed and special content. The Company requires all units and departments to implement the full-process uploading of hazard inspection and governance to the safety supervision platform. The Company improves the reward standards for reporting latent dangers, and the employees can discover, report, and handle accident hazards at any time through mobile APP. The Company has established a hazard rectification evaluation expert database to assess the rectified hazards.



QHD Port Ninth Branch vigorously implemented the hazard inspection and built a solid "safety dam" for flood prevention of the Coal Phase V

I. CONSOLIDATING THE PORT'S FOUNDATION BY DEEPENING RESPONSIBILITIES

(4) Safety education and training

The Company organizes annual pre-job safety training for employees, safety qualification training for specialized operation personnel and safety management officers, special safety education and training and daily safety re-training for staff in key positions. The certification rate of safety production qualification certificates for relevant positions reaches 100%. By utilizing the "Hebei Port Group Craftsman Academy" App, we aim to develop a new model of daily safety education, training, and examination for the employees, and improve the efficiency and quality of daily safety education and training.

(5) Safeguarding occupational health

The Company has formulated the "Workplace Occupational Health Supervision and Management Measures", "Occupational Health Monitoring and Management Measures", and "Occupational Health Archive Management Measures" in accordance with the principle of "prevention-oriented, integration of prevention and control, classification management, and comprehensive treatment". The Company has appointed professional institutions to conduct daily monitoring on occupational disease hazards in the workplaces where the Company operates, and promptly discover and eliminate occupational disease hazards. We will carry out occupational health education and training by focusing on relevant laws and regulations on occupational health, emergency rescue for occupational disease hazards, and other related topics. We are committed to building a solid guarantee for the health of our employees.

4. Indicators and targets

(1) Safety production indicators

Indicators	Unit	2024
Investment in production safety	RMB'0,000	14,833.79
Persons attending the production safety training	person-time	96,006
Number of newly added occupational patients	person	0
Coverage rate of work-related injury insurance and safety production liability insurance	%	100

(2) Safety production targets

The Company has set a production safety "zero" accident target, with "002311" as the safety production assessment indicator, and strives to build a stringent and efficient safety production management system.

0	The number of deaths in production safety liability accidents is 0
0	No accident in direct economic losses of over RMB3 million
2	The serious injury safety production liability accidents not exceeding 2 person-time
3	Direct economic losses of between RMB1 million and RMB3 million, with no more than 3 accidents
1	The staff minor injury rate not exceeding 1 accident
1	Direct economic losses of between RMB200,000 and RMB1 million per 10 million tons of throughput, with no more than one accident

II. GATHERING EFFORTS AND INTEGRATING PORT RESOURCES

II. GATHERING EFFORTS AND INTEGRATING PORT RESOURCES

By focusing on principal business operation and consolidating quality port resources of various parties, QHD Port continuously expands diversified services to achieve customer satisfaction on the basis of fully safeguarding freight efficiency and quality, with an objective to enhance service value. QHD Port reinforces the supplier management and construction and deepens the industry cooperation and communication by working hand in hand with various stakeholders, greatly demonstrating the responsibilities and undertaking as a state-owned enterprise in promoting high-quality development of the port industry.

Materiality Issues under This Section:

- **Principal business operation of ports:** the bulk cargo throughput in our principal business has exceeded 400 million tons for the first time, and the non-coal throughput has hit a historical new high record, achieving a three-year new high in the market share of the coal market.
- **Industry cooperation:** explore the multilateral cooperation methods to drive the coordinated development of the upstream and downstream industrial chains.
- **Supply chain safety:** standardize the processes of supplier admission, assessment and exit, and continuously improve the supply chain safety and green supply chain system construction.

United Nations Sustainable Development Goals to be Responded under This Section:



(I) Focusing on principal business and exploring new opportunities

With emphasis on the development of its principal business, QHD Port scientifically responds to the market changes, enriches the port's cargo structure and optimizes the freight models to improve the freight efficiency while ensuring the freight quality. QHD Port reinforces the product and service quality control to achieve the corporate goal of "building a world-class port enterprise for dry and bulk cargoes".

1. Strengthening principal business operation

QHD Port continues to increase its investment and achieve a steady development in the transportation fields of coal, metal ores, general and other cargoes, containers, oil and liquefied chemicals. With excellent professional capabilities and efficient operational standards, QHD Port enhances its competitiveness and influence in the industry.

(1) Coal transportation business

Under the influence of the market factors such as reduced production in main production areas, impact of imported coal and competition from new energy, the Company's coal cargoes have improved their static stacking capacity in ports by optimizing its long-term leasing business model and port source structure. The Company has implemented the targeted and precise marketing strategies and built the largest business cooperation platform in the Northern Port. The Company seeks the policy support and prioritized shipping capacity and further strengthens its position as a major hub port and other ways, gradually improving the market share and enhancing customer stickiness. In 2024, the Company resolutely withstood the combined impact of numerous unfavorable factors. The Company's share in Daqin Railway reached 56.3%, increasing by 4.3 percentage points. The Company accounted for 47.7% of coals shipped from the Eighth Port of the Bohai Rim region, up 2.7 percentage points, achieving a three-year new high in the coal market share.

(2) Metal ore transportation business

The Company regards the construction of new energy transportation channels as its top priority and has established a dedicated work team to fully promote the channel construction, achieving night navigation for ships. The Company carries out the "water-to-water transshipment" business, and introduces the normalized and supplementary plans for iron ore water-to-water transshipment. The Company focuses on increasing its efforts in developing the markets such as central and southern Hebei, Shanxi, Inner Mongolia and other regions, and keeps the cargo consolidation, evacuation and transportation channels unimpeded. In 2024, the Company approved the iron ore normalized water transshipment of 3.9 million tons, representing a year-on-year increase of 3.88 million tons.

Caofeidian Shiye Company

By adhering to the principle of "maintaining inventory level, and striving for growth", it adopts a strategy of cargo sources which are secured mainly through long-term contracts, supported by mining sources, and supplemented by trade sources, and deeply taps the potentials of the port value-added services.

Cangzhou Mineral

With tailored policies of "volume and price guarantee" and "incremental discounts" for major clients, it strengthens the linkage with the hinterland enterprises, enriches the supply of cargoes along the Huanghua Port – central and southern corridor of Hebei, and promotes Shanxi to carry out the business of green evacuation of cargoes from ports, forming the pendulum transportation.

II. GATHERING EFFORTS AND INTEGRATING PORT RESOURCES

(3) Transportation business for general cargoes and other goods

The Company actively seeks new cargo sources, and introduces the cargo sources such as Anfeng high calcium stone, water slag, and transshipped steel. The Company intensifies its efforts in developing the grain source market, and utilizes the advantages of the port loading system, attracting Tangshan Grain Reserves Company to use the Company as a transit point for imported soybeans and deliver them to its connected warehousing points. The Company opens up the channels for sourcing cargoes and deepens cooperation with major shipping companies by jointly planning the basic port construction, and signing route agreements. In 2024, the Company achieved a throughput of 205 million tons of non-coal cargoes, representing a year-on-year increase of 17.1%.

(4) Container transportation business

The Company strictly follows the approval process for the service fee standard of “the change in transportation from bulk cargoes to containers”, and builds a business platform of “the change in transportation from bulk cargoes to containers”. It strengthens the cooperation of various links in the logistics chain, and continues to devote its efforts in such aspects as optimizing processes, developing cargo sources, and achieving multi-party collaborated development, so as to promote the quality and efficiency improvement of multimodal transportation and better serve the economic development of the hinterland. In 2024, the Company completed the container throughput of 416,000 TEUs through the “the change in transportation from bulk cargoes to containers”, increasing by 50,000 TEUs year-on-year.



On 30 June 2024, it conducted the first heavy load trial operation of 6 units of ship-to-shore cranes in the automation renovation project of Huanghua Port Multi-functional Terminal. The project is the important initiative for Hebei Port Group to implement the instruction spirit of Xi Jinping (the general secretary of the CPC) for his inspection on Huanghua Port.

(5) Transportation business for oil and liquefied chemicals

The Company has successfully completed the renewal of the “Certificate of Port for Dangerous Goods” to ensure the smooth development of the port’s oil products and dangerous goods business. In 2024, with the planned throughput of 1.6 million tonnes in terms of the transportation business for oil and liquefied chemicals, the Company actually achieved a throughput of 1.73 million tonnes.

II. GATHERING EFFORTS AND INTEGRATING PORT RESOURCES

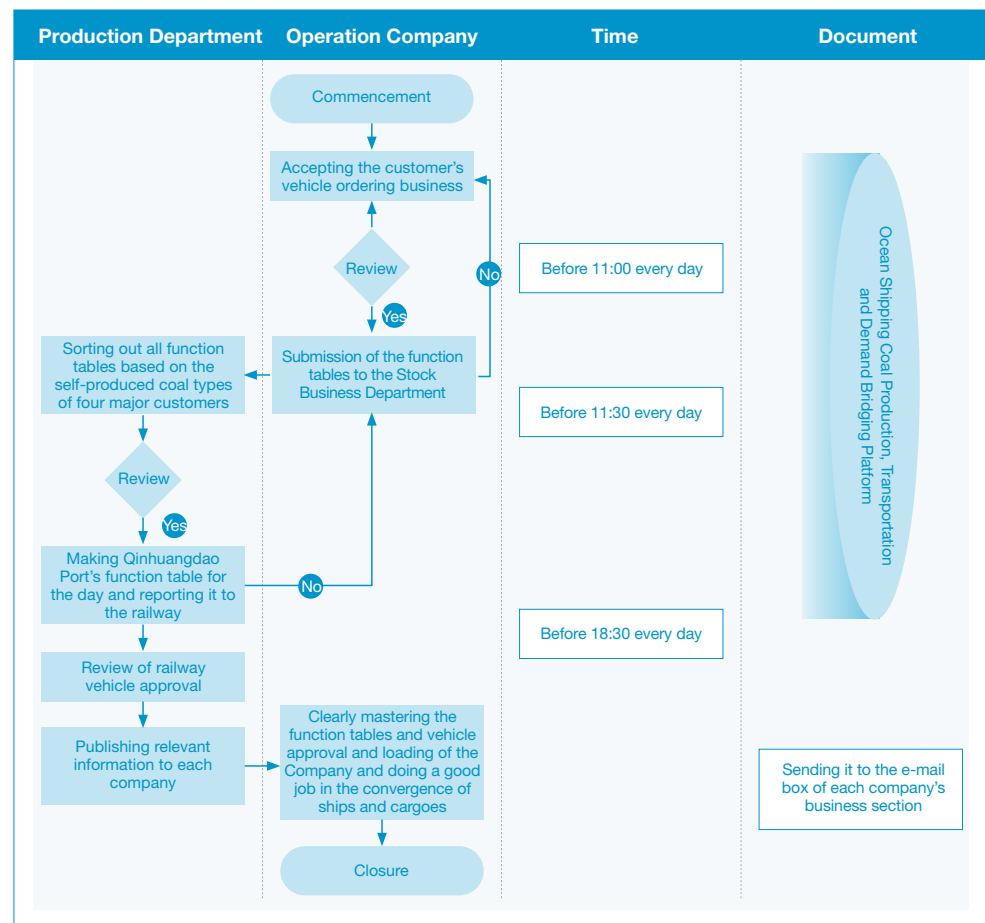
2. Freight efficiency and quality

QHD Port continuously strengthens the quality control of the coal freight services at Qinhuangdao Port, and deepens the coordination and cooperation of supply guarantee measures such as dedicated lines and specialized vessels for thermal coal transportation, thereby improving the satisfaction of customers towards the coal freight services at Qinhuangdao Port, and enhancing the port's image to external parties and core competitiveness.

(1) Governance

In the governance framework of freight efficiency and quality control, the Production Department is responsible for overall management of the function tables, formulation and modification of the function table system, review of the compliance for the process and behavior of submitting the function tables by each branch, and centralized submission of the function tables to the relevant railway departments.

Flow Chart of Coal Railway Vehicle Ording Plan Management of Qinhuangdao Port



II. GATHERING EFFORTS AND INTEGRATING PORT RESOURCES

(2) Strategy

Risk	Risk description	Timeframe	Countermeasures
Extreme weather risk	Freezing conditions in winter and typhoons in summer in Hebei Province may disrupt port operations, affecting the timeliness of cargo delivery.	Short-term	Deploy a meteorological warning system to activate contingency plans 48 hours in advance; Establish an intelligent icebreaker scheduling system at the terminal to ensure uninterrupted coal transportation during winter.
Risk of facility and equipment aging	Certain bulk cargo terminals may face issues with high failure rates of some aging facilities and equipment, coupled with low levels of automation, impacting cargo turnover efficiency.	Long-term	Complete the automation upgrade of terminal berths and update the AGV intelligent guided vehicle system; Develop an equipment health monitoring platform, applying digital twin technology to predict failures.

(3) Impact, Risk, and Opportunity Management

The Company has formulated the Rules on the Quality Management of Coal Freight Services of Qinhuangdao Port Co., Ltd., and revised the Implementation Rules for the Management of Coal Railway Vehicle Request Plans of Qinhuangdao Port, clearly delineating the responsibilities of each department in the process of submitting coal railway vehicle spotting plans to ensure efficient and orderly coordination between coal, vehicles, ships, and cargo. It has strengthened information exchange and sharing, continuously improving loading and unloading efficiency, with multiple operations achieving historic breakthroughs.

Freight efficiency management	
Strengthen production organization	<ul style="list-style-type: none"> Strengthen communication with the Maritime Safety Administration to achieve information exchange and sharing on energy transportation and market trend analysis and judgment. Deepen collaborative efforts in dedicated power coal transportation lines, vessels, and other supply assurance measures, establishing a comprehensive 6+N synergy assurance mechanism covering the entire supply chain.
Establish a collaborative mechanism	<ul style="list-style-type: none"> Enhance external coordination, improve communication and cooperation with port management authorities and partner entities to rationally allocate port area resources. Seek support from maritime and pilotage units to fully utilize waiting anchorage areas and circular navigation routes.
Develop a smart port	<ul style="list-style-type: none"> Leverage the construction of “one center with three platforms”, introducing advanced information technology and management systems to enhance the port's digitalization and intelligence levels.
Freight quality management	
Provide customized services	<ul style="list-style-type: none"> When site unloading faces difficulties, coordinate vessel handling and prioritize berthing plans to maximize relief of unloading pressure.
Refine production organization	<ul style="list-style-type: none"> Focus rigorously on improving loading efficiency, berthing and departure efficiency, berth utilization rate, stockpile turnover rate, and equipment integrity rate; Conduct advance analysis and research on each stage, including scheduling, vehicle requests, approvals, loading, and in-transit vehicles, to fully leverage the advantages of integrated synergy.

II. GATHERING EFFORTS AND INTEGRATING PORT RESOURCES

(4) Indicators and Targets

Caofeidian Industrial Port Co., Ltd. (曹妃甸實業港務公司) has achieved nighttime navigation operations for large-scale ore vessels, with 52 nighttime arrivals and departures recorded in 2024. Cangzhou Mineral has established a waiting area for the departure of 200,000-tonne vessels and implemented nighttime navigation for fully loaded ships, recording 164 nighttime vessel operations. These efforts have significantly enhanced the efficiency of vessel entry and exit at the port.

3. Ensuring Product Quality

QHD Port has implemented the operational requirements of the quality management system and formulated the Implementation Plan for Advancing the Construction of the Quality Management System. Annual internal audits and management reviews are conducted to identify gaps and deficiencies, thereby enhancing management efficiency and service quality. It actively organises activities such as “Quality Month” themed activities and knowledge competitions, continuously improving quality management capabilities while strengthening quality awareness and competence among all employees.

In 2024, QHD Port successfully passed the annual surveillance audit of the ISO9001 quality management system certification. It was honored as an Outstanding Enterprise in Quality Management Group Activities for 2023, with 10 QC group achievements being recognized as Outstanding Achievements in Municipal Quality Management Group Activities.



QHD Port Organized Employees to Participate in the Total Quality Management Knowledge Competition of Enterprise Employees in Hebei Province

4. Providing High-quality Services

QHD Port formulated the Ten Commitments on Service Quality of Qinhuangdao Port Co., Ltd. It conducts customer satisfaction evaluations based on five aspects: quality and efficiency, business processes, environmental hygiene, service standards, and integrity and self-discipline. Through these efforts, it collects and responds to various customer needs and complaints, ensuring that issues raised by customers are managed in a closed-loop manner. In 2024, QHD Port achieved a comprehensive customer service satisfaction score of 98.05.

(1) Customer service

The Company is committed to providing high-quality services to its customers, establishing a 24-hour duty central dispatch office and implementing a leadership reporting mechanism to address customer issues level by level and step by step. It properly handles quality complaints and cargo quality incidents, urging relevant departments to effectively manage external compensation claims. The Company monitors the production status of eight ports in the Bohai Rim, conducting daily analyses and coordinating with customers on subsequent vessel plans to rationally allocate production resources.

II. GATHERING EFFORTS AND INTEGRATING PORT RESOURCES

Case: The Ninth Company of QHD Port Earned Customer Praise for “Tailor-Made” Services

After visiting and learning of the demand of Zhejiang Zheneng Fuxing Fuel Co., Ltd. (浙江浙能富興燃料公司) for “in-stack blended coal allocation”, the Ninth Company of QHD Port promptly assigned dedicated personnel to coordinate, utilizing the unloading process to alternately blend coal in sequence, completing a “secondary coal allocation” and forming a standard retrieval stack, while collaborating with Zhejiang Power to deploy an equivalent-capacity vessel for “blended retrieval” operations, ensuring precise synchronization between vessels and train schedules. This “tailor-made” service not only fulfilled the customer’s personalized requirements but also highlighted the port’s professionalism and dedication, earning the customer’s appreciation.



Cooperation between the Ninth Company and Zhejiang Zheneng Fuxing Fuel Co., Ltd.

(2) Customer Privacy and Data Security

The Company strengthens information and data security management by formulating relevant management measures and systems, including the Management Measures for Computer Information System and Network Security Confidentiality and the Management Regulations on System Personal Information. It implements multi-layered, multi-level, and role-specific controls over the production scheduling system to ensure information security and prevent leaks. The Company strictly complies with the Freight Management Regulations, prohibiting external disclosure or access to various ledgers and retained freight documents upon completion of processing, effectively protecting customer privacy information.

Key Efforts in Safeguarding Data Security

- The Company completed the on-site inspection for the information network security risk assessment of enterprises under the State-owned Assets Supervision and Administration Commission of Hebei Province, with no major issues identified, ensuring a stable and secure network operating environment for data storage.
- It successfully conducted the network attack and defense exercise organized by the Hebei Provincial Public Security Department, along with internal network and information security attack and defense drills, mitigating potential data security risks.
- The Company continuously performed risk scans on information systems and user terminals, identifying a total of 2,810 medium-to-high-risk vulnerabilities throughout the year, while the firewalls at the eastern and western port exits monitored and defended against over 1 million external malicious attacks, with timely notifications issued to relevant units for remediation.

II. GATHERING EFFORTS AND INTEGRATING PORT RESOURCES

(II) Partnering for collective growth

QHD Port consistently upholds the philosophy of openness and cooperation, actively enhancing multilateral communication and collaboration, exploring diverse cooperative approaches, and establishing strategic partnerships and shared platforms to promote resource sharing and complementary strengths, thereby fostering enterprise vitality through fair competition and advancing sustainable development in the industry.

1. Industry Collaboration

QHD Port actively organizes and participates in various industry summits, seminars and other activities, establishing communication bridges between enterprises and between enterprises and experts. By sharing cutting-edge information and analyzing industry trends, the Company continually broadens its own horizons and provides valuable opportunities for thought exchange and experience sharing among all parties in the industry.

Case: QHD Port Held a Technical Exchange Meeting on Q-TOS System Construction

On 5 July 2024, ZHANG Xiaoqiang, the secretary to the Party committee and the chairman of QHD Port, attended the Technical Exchange Meeting on Q-TOS System Construction, where he engaged in technical discussions with the deputy general manager of Nezha Port & Shipping Smart Technology (Shanghai) Co., Ltd. (哪吒港航智慧科技(上海)公司). Both parties committed to accelerating the deep integration of next-generation information technology with port operations, utilizing informatization and intelligent solutions to develop new quality productive forces unique to QHD Port, and to establish a leading smart model for professional bulk cargo terminal loading operations in China and even the world.



Scene of the Technical Exchange Meeting



The 22nd Presidents' Meeting of the Northeast Asia Port Association,
Organised by Hebei Port Group,
Was Successfully Held at Qinhuangdao Port

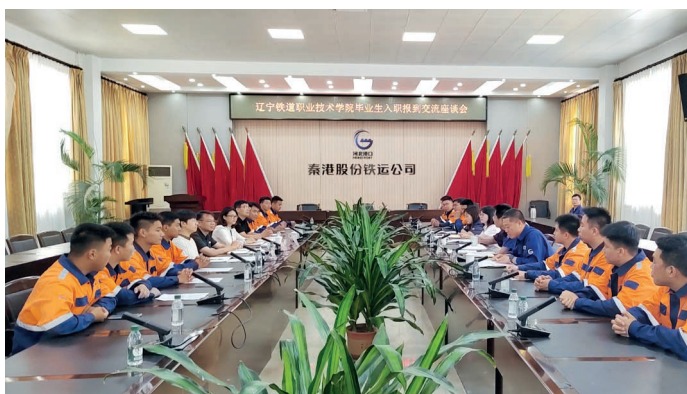
II. GATHERING EFFORTS AND INTEGRATING PORT RESOURCES

2. Industry Exchange

QHD Port leverages its business strengths and industry trends to successively establish robust cooperative relationships with government bodies, enterprises, and universities, effectively facilitating efficient resource sharing among various entities and collectively enhancing the overall competitiveness of the industry.

Case: General Cargo Port Branch's Innovation Studio Becomes a Labor Education Practice Base for the Qinhuangdao Branch of Northeastern University

In November 2024, General Cargo Port Branch of QHD Port and the Qinhuangdao Branch of Northeastern University held a corporate-university cooperation signing ceremony, designating the Zhang Haibo National Skill Master Studio as a Labor Education Practice Base for the Qinhuangdao Branch of Northeastern University, with regular expert-led lectures and courses on campus, as well as providing students with practical venues and facilities.



Railway Transportation Company of QHD Port and Liaoning Railway Vocational and Technical College Jointly Held a Graduate Onboarding and Exchange Symposium

全国煤炭交易中心有限公司

感谢信

秦皇岛港股份有限公司：
时光飞逝，金秋硕果累累，值此新禧佳节来临之际，谨向贵单位对全国煤炭交易中心长期以来大力支持和帮助表示衷心感谢！
2024年，全国煤炭交易中心认真贯彻落实党的二十大和二十届三中全会精神，按照国家发展改革委工作部署，全力协助政府做好中长期合同签订履约的平台支撑服务，加强行业运行监测，成功举办全国煤炭产运需衔接大会，搭建产运需衔接合作新平台，在积极服务国家能源安全战略的同时，持续深化业务模式创新，加快构建交易中心核心竞争力，努力促进煤炭上下游行业高质量发展。
2025年，是“十四五”规划实施收官之年，我们将坚持以习近平新时代中国特色社会主义思想为指导，进一步服务好国家能源安全战略，扎实做好煤炭中长期合同平台服务保障，持续推进全国煤炭统一大市场建设，更好为政府宏观调控和煤炭单位做好服务！
衷心祝愿贵单位新的一年事业蓬勃发展，干部职工工作顺利，阖家幸福！



Letter of Appreciation from China National Coal Exchange Co., Ltd. (全国煤炭交易中心有限公司)

华电煤业集团有限公司

感谢信

秦皇岛港股份有限公司：
蛇年呈祥，在这辞旧迎新之际，华电煤业向贵公司致以新春美好的祝福！衷心感谢贵公司对我华电煤业的大力支持！
2024年，贵我双方作为河北华电曹妃甸储运有限公司的合作伙伴，秉承共谋发展、共赢未来的合作理念，以真诚互信、相互尊重为基础，携手同行、并肩奋进，共同推动河北华电曹妃甸储运有限公司高质量发展迈出新步伐，河北华电曹妃甸储运有限公司继续保持交通运输部安全标准化一级达标企业，荣获河北省“安全文化建设实践单位”、中国华电文明单位标兵等荣誉称号，顺利通过中国港口协会四星绿色港口现场验收，中国华电三星智慧港口验收，风调雨顺，成绩取得，得益于贵我双方的精诚合作、携手奋进，得益于广大干部职工的辛勤耕耘、马不停蹄。在此，向贵公司致以最高的敬意和最衷心的感谢。
携手并进共前行，同心同德赢未来。2025年，华电煤业愿与贵公司深化合作关系，共谋发展宏图，同创美好明天，携手推动河北华电曹妃甸储运有限公司高质量发展实现新跨越，共铸共

Letter of Appreciation from Huadian Coal Industry Group Company Limited (华电煤业集团有限公司)

II. GATHERING EFFORTS AND INTEGRATING PORT RESOURCES

(III) Collaborative management ensuring smooth and stable supply

QHD Port continuously enhances the construction of supply chain safety and green supply chain system, strengthening supplier management while proactively developing and refining multiple initiatives to fulfill its social responsibilities, ensuring supply chain security, and achieving a virtuous cycle of mutual benefit and win-win outcomes.

1. Supply Chain Management

QHD Port strictly adheres to the requirements of the Implementation Rules for Supplier Management of the Materials Supply Centre of Qinhuangdao Port Co., Ltd., optimizing the supplier assessment and evaluation mechanism, implementing a star-rating system for suppliers, and establishing an effective reward and penalty framework. The Company has advanced the operational mechanism of the “Procurement Research Institute”, refined the post-procurement evaluation mechanism, and conducted in-depth analysis to formulate four measures, namely center self-inspection, manufacturer review, conducting interviews, and result feedback, further enhancing the quality and efficiency of centralized procurement. As of the end of 2024, QHD Port had 750 suppliers, reviewed 70 suppliers, rejected 26 potential suppliers due to non-compliance, and terminated cooperation with 20 suppliers for compliance violations.

Supplier management	
Supplier admission	<ul style="list-style-type: none">Suppliers are required to provide financial reports, contracts, agency authorization letters, and other documents, with risk assessments conducted from multiple perspectives, including qualifications, operational capacity, and business competence;Dynamic monitoring of supplier risk information is achieved through Qichahcha(企查查), enabling risk avoidance.
Supplier assessment	<ul style="list-style-type: none">An assessment mechanism is implemented, with real-time monitoring of supplier risk information and timely risk alerts issued during supplier management working group meetings.
Supplier exit	<ul style="list-style-type: none">A supplier exit mechanism is established, comprehensively evaluating factors such as social integrity and lawful operations;Oversight of suppliers' integrity and lawful operations is enforced through measures such as sending notification letters and inclusion on a "blacklist".

2. Green Supply Chain

QHD Port vigorously promotes the development of a green supply chain system, incorporating environmental grade requirements for electrical products during the material procurement process. An environmental system certification scoring item has been added to the supplier admission assessment criteria, guiding suppliers to strengthen environmental awareness and gradually facilitating a transition to a green supply chain, thereby establishing a sustainable, clean, and green supply system.

III. ADVANCING DIGITAL AND INTELLIGENT TRANSFORMATION TO SHAPE PORT BRAND IMAGE

III. ADVANCING DIGITAL AND INTELLIGENT TRANSFORMATION TO SHAPE PORT BRAND IMAGE

QHD Port aligns with the Group's "3431" technological innovation framework, integrating practical needs and focusing on core operations to set clear directions and priorities, ensuring the orderly execution of R&D management, intellectual property protection, and digital-intelligent innovation activities, with the aim of building a multifunctional, comprehensive, and modern world-class port, serving as the implementation entity for the national "Higher-Level Smart and Green Bulk Cargo Terminal Demonstration Application" pilot task under the transport powerhouse initiative.

Material topics addressed in this section:

- **Innovation Mechanisms:** Establishing and optimising technology innovation management systems, refining technology innovation incentive policies, and motivating employees to create value through innovation.
- **Technical Breakthroughs:** Accelerating the implementation of core technological research projects, ensuring rapid practical application of scientific achievements, and stimulating the innovative vitality of enterprises.
- **Digital Transformation:** Proactively seizing development opportunities in digital transformation and introducing more automated, networked, integrated, remote, and intelligent technological outcomes

United Nations Sustainable Development Goals addressed in this section:



(I) Robust support through scientific and innovative management

1. Governance

The Technology and Equipment Department of QHD Port, serving as the core hub for the Company's technological innovation, is responsible for planning the establishment of the technological innovation system and driving the development of innovation platforms. The Human Resources Department manages the scientific research talent pool, continuously stimulating innovation vitality to ensure the steady progression of technological innovation initiatives.

2. Strategy

Risk description	Time frame	Countermeasures
The proportion of R&D investment and the rate of achievement conversion are imbalanced, with some projects becoming "technological islands" due to shifts in market demand.	Medium-term and long-term	Implement a "demand-oriented" R&D mechanism and establish a rapid response channel for customer needs; Establish a technology achievement conversion award to reward project teams that generate economic benefits.
The development of a smart port urgently requires high-end talent in fields such as artificial intelligence and the Internet of Things, but the traditional port industry's limited appeal results in a shortage of technological innovation talent.	Short-term and medium-term	Enhance industry-academia-research collaboration to cultivate targeted digital talent; Offer competitive remuneration packages, provide housing subsidies, research start-up funds, and other incentive policies to retain core technical talent.
During the technological innovation process, the Company may face risks of intellectual property infringement or inadequate protection of proprietary intellectual property, potentially impacting the conversion of technological innovation achievements and the realization of commercial value.	Short-term, medium-term, and long-term	Strengthen intellectual property management by designating dedicated roles for patent applications, trademark registrations, and related tasks; conduct regular intellectual property training to enhance employees' awareness of intellectual property protection; establish an intellectual property risk early-warning mechanism to promptly address infringement disputes.

III. ADVANCING DIGITAL AND INTELLIGENT TRANSFORMATION TO SHAPE PORT BRAND IMAGE

3. Impact, Risk, and Opportunity Management

(1) Innovation Platform Development

The Company actively establishes innovation platforms, constructing a high-standard “three-in-one” innovation studio, strengthening the Innovation Studio Alliance of the east port zone, and creating a normalized working platform and mechanism for interconnecting innovation resources, facilitating talent interaction, coordinating activities, and sharing outcomes. As of the end of 2024, the Company boasts two provincial-level technological innovation platforms, with the Hebei Modern Port Coal Logistics Engineering Technology Research Centre achieving an outstanding rating in the annual performance evaluation organized by Hebei Province.

(2) Cultivation of Scientific Research Talent

In accordance with the Administrative Measures for the Career Progression Channel of Leading Scientific Research Talent (Trial) issued by the Group, the Company further strengthens the tiered development of its scientific research talent pool, establishes clear career advancement pathways, and stimulates the independent innovation vitality of research personnel. By enhancing industry-academia-research collaboration and integrating “internal innovation” with “external introduction”, the Company leverages its technological innovation platforms to collaborate with multiple universities and research institutes on scientific research projects, comprehensively elevating the research capabilities and technology achievement conversion abilities of its technical staff.

(3) Industry-Academia-Research Collaboration

The Company has collaborated with Tsinghua University, Yanshan University, and Northeast University to complete multiple research projects, and jointly applied with Tianjin University for the key special project “Collaborative Pollution Reduction and Carbon Emission Control and Technological Demonstration at Large Hub Ports” under the National Key R&D Program, which has passed the preliminary review by the competent national authority. The Company’s flagship R&D project, the “Bulk Cargo Ship Cabin Cleaning Robot Project”, conducted surveys on the main tasks of manual cabin cleaning, engaged with leading industry equipment manufacturers to understand the technological status of automated cabin cleaning equipment, and defined key technical indicators, with a small-scale prototype expected to be completed by 2025.

4. Indicators and Targets

(1) Indicators

Indicator	Unit	2024
R&D investment	RMB10 thousand	17,367.16
Proportion of R&D investment to revenue from principal business	%	2.53
Number of R&D personnel	person	887
Proportion of R&D personnel to total workforce	%	10.23

(2) Targets

In 2025, the Company aims to build a world-class smart port, continuously deepening innovation in research management across areas such as smart port, technological R&D, and informatization construction, with a key focus on implementing the “Three-Year Action Plan for Smart Port Construction”.

III. ADVANCING DIGITAL AND INTELLIGENT TRANSFORMATION TO SHAPE PORT BRAND IMAGE

(II) Achieving breakthroughs through technological advancements

QHD Port regards technological innovation as a critical focus, intensifying efforts to tackle key core technologies, accelerating the integration of innovation resources, driving a “transformative upgrade” of traditional industries, spearheading new trends in industry technology development, and providing robust technical support for the high-quality and sustainable development of enterprises.

1. Implementation of Research Projects

In line with the unified deployment of Hebei Port Group, QHD Port launched the creation of a “five-star” smart port in June 2024, focusing technical efforts on “one center with three platforms”, organizing 151 innovation activities with a total of 1,036 participants, and applying for 10 Science and Technology Awards from the China Ports and Harbours Association, accelerating the development of the “smart, green, efficient and safe” ports. In the 2023 comprehensive performance evaluation organized by the Hebei Provincial Science and Technology Department, the Hebei Coal Logistics Technology Innovation Center, established under QHD Port, received an outstanding rating.

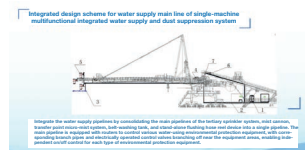
Rating	Project Name
Internationally advanced	Research and Application of Comprehensive Dust Control Technology for Coal Export Terminals
	R&D and Application of Unmanned Coil Steel Loading and Unloading Technology Using Gantry Cranes
	Research and Application of Dust Control Technology Based on Multi-source Sensing (Electrical)
	Research and Application of Key Technologies for Comprehensive Dust Suppression in Large-scale Coal Port Operation Areas
	Comprehensive Upgrade of Material Transfer Sections in Port Belt Conveyors
Domestically leading	Research and Application of Iterative Network Architecture Optimization Technology for High-Reliability Transmission Needs in Production Ports
	Research on Belt Conveyor Operation Safety Monitoring and Early Warning System Based on Laser and Distributed Fiber Optic Sensing Technology (Electrical)
	Research and Application of Key Technologies for Pure Electric Retrofit of High-Power Aging Diesel Locomotives in Ports
	R&D and Application of High-Precision Mixing and Proportioning System for Multiple Reclaimers (Electrical)
	R&D of Centralized Control and Patrol Technology for Port Trucking Operations
Domestically advanced	R&D of Unmanned Technology for Key Control Processes at Train Loading Stations
	Smart Railway Transport Integrated Precision Management Platform

III. ADVANCING DIGITAL AND INTELLIGENT TRANSFORMATION TO SHAPE PORT BRAND IMAGE



Research on Belt Conveyor Operation Safety Monitoring and Early Warning System Based on Laser and Fiber Optic Sensing Technology

The operational status monitoring and early warning system conducts real-time temperature and vibration monitoring of electromechanical equipment, including the belt conveyor gearbox and all rollers. CO and HCL hazardous gas monitoring equipment, based on laser spectroscopy absorption technology, is employed to detect harmful gases generated from belt friction or combustion, thereby enabling smoke protection.



Research and Application of Comprehensive Dust Control Technology for Coal Export Terminals

Based on the challenges in comprehensive dust control at coal export terminals and through the adoption of a holistic and coordinated governance model covering dust suppression, isolation, and cleanup, we have developed an integrated three-dimensional coal dust flushing, wastewater collection, discharge system, multifunctional integrated water supply and dust suppression device for car dumpers, effectively resolving the complex issue of dust pollution control.

2. Intellectual Property Protection

QHD Port completed the formulation and implementation of systems such as the Patent Management Measures, standardising patent management procedures and reward mechanisms. The Company enhanced advisory services and established a multi-level intellectual property services to facilitate the identification of core technologies. Activities including Intellectual Property Publicity Week, Science Popularisation Day, and patent application seminars were organised to foster employees' innovative spirit and practical capabilities, promoting a corporate culture of respecting innovation and protecting intellectual property. In 2024, QHD Port held 84 valid patents, comprising 19 invention patents, 63 utility model patents, and 2 design patents.

Indicator	Unit	2024
Number of new patent grant	item	17
Number of invention patent applications	item	6
Number of new software copyrights	item	13

III. ADVANCING DIGITAL AND INTELLIGENT TRANSFORMATION TO SHAPE PORT BRAND IMAGE

(III) Revitalising operations through digital and intelligent transformation

QHD Port prioritizes corporate digital transformation as a key driver, issuing the Action Plan of Qinhuangdao Port Co., Ltd. for Smart Port Development (2023–2025), which specifies the timeline and roadmap for smart port development by 2025, striving to establish a new ecological port featuring intelligent loading and unloading, smart management, and digitalized services, with distinctive attributes including smart commerce, smart production, smart internal controls, and smart energy management.

1. Improvement of System Construction

QHD Port undertakes standardized data construction to provide solutions for data sharing at the application level. The Company has developed a dedicated main video network and upgraded systems such as the production scheduling system and online portal, achieving a “100% integration rate for the smart production platform”. It has also initiated preparations for the national rating of the first batch of smart dry bulk ports, formulating and issuing 64 corporate informatization technical standards, gradually establishing a smart port evaluation index system.

2. Implementation of Digital and Intelligent Achievements

QHD Port has vigorously advanced the intelligent upgrading of port loading and unloading equipment, completing the upgrade of 82 units by the end of 2024. The Company has undertaken the development of the Q-TOS intelligent production scheduling and command system tailored for coal operations. It has also conducted research on full-process intelligent control technology for loading and unloading equipment, aiming to achieve one-click issuance of production instructions and one-click activation of a smart management model. In 2024, the Company’s project titled “Research on Vessel 3D Modeling and Intelligent Measurement Technology Based on Image-Point Cloud Fusion” was successfully selected as a typical case of innovative practice in smart construction by the China Communications Enterprise Management Association.

All Units of QHD Port Comprehensively Promote the Construction of Smart Ports

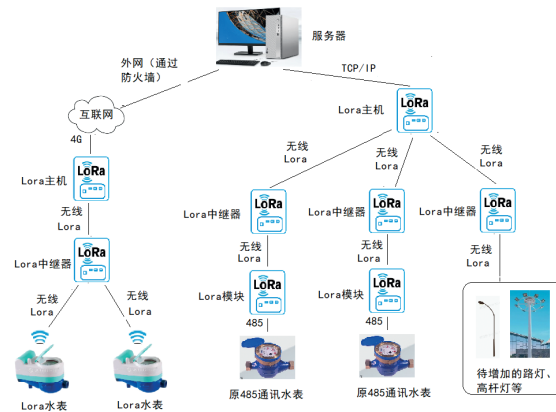
Second Company: A wheeled inspection robot was deployed at the Coal Phase I Front Substation, facilitating intelligent equipment inspections



Wheeled Inspection Robot

III. ADVANCING DIGITAL AND INTELLIGENT TRANSFORMATION TO SHAPE PORT BRAND IMAGE

General Cargo Port Branch: Established an intelligent water management platform, visualising the port area's water supply system through a "network diagram" to track and monitor the system's operational status in real-time



Seventh Company: The intelligent upgrade project for ship loaders SL7 and SL8 under the Coal Phase IV Expansion Project is planned to enable intelligent loading operations for two ship loaders



Ship Loaders under the Coal Phase IV Expansion

IV. EMBARKING ON A GREEN JOURNEY: PURSUING A LOW-CARBON AND ECOLOGICAL PORT AREA

IV. EMBARKING ON A GREEN JOURNEY: PURSUING A LOW-CARBON AND ECOLOGICAL PORT AREA

QHD Port steadfastly integrates the “dual carbon” strategy and objectives into the core of its corporate development, actively addressing climate change challenges, vigorously promoting energy conservation and emission reduction, continuously improving environmental management, practicing green operations, and advocating environmental protection concepts, thereby playing a leading role in green and low-carbon port development while accelerating the construction of a green port with higher standards, stricter requirements, and more concrete measures.

Material Topics Addressed in This Section:

- **Climate Change Response:** Integrating climate change issues into the Company’s long-term development plan, identifying related risks through scenario analysis, and taking a series of actions to mitigate and adapt to the potential impacts of climate change.
- **Environmental Compliance Management:** Controlling environmental impact at the source of operations, actively participating in green port certification, and formulating a project list under the Green Port (2024–2030) Development Plan.
- **Energy Utilisation:** Promoting large-scale procurement of green electricity, building a comprehensive green and low-carbon energy system, and driving transformation in the industry’s energy structure.
- **Water Resource Utilisation:** Precisely managing water usage across all operational stages, completing the construction of water storage and sedimentation ponds at ore yards to minimise water wastage.
- **Pollutant Emissions:** Properly managing emissions of exhaust gas, wastewater, and solid waste generated during operations, and advancing the greening of terminal.
- **Ecosystem and Biodiversity Protection:** Implementing ecological restoration and landscaping projects to foster harmonious coexistence between humans and nature.

United Nations Sustainable Development Goals Addressed in This Section:



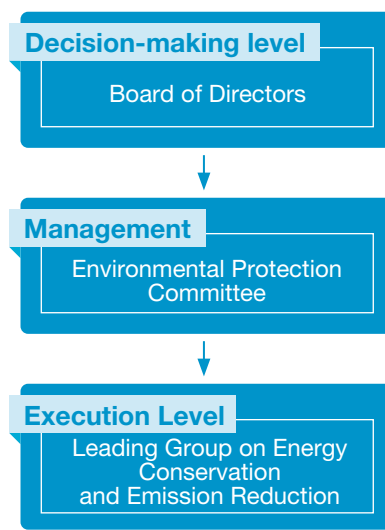
(I) Pioneering a new chapter in support of the dual carbon strategy

In response to global warming trends and the ongoing occurrence of extreme weather events, QHD Port fully recognizes the critical role of addressing climate change in ensuring sustainable development of the Company, and, aligned with national policies and industry trends, conducts identification of climate change risks and opportunities, integrates climate change issues into the Company’s long-term development plan, and implements action measures to address climate change in order to mitigate and adapt to the potential impacts of climate change.

IV. EMBARKING ON A GREEN JOURNEY: PURSUING A LOW-CARBON AND ECOLOGICAL PORT AREA

1. Governance

QHD Port incorporates climate change-related matters, such as scenario analysis, risk identification, and opportunity management, into the oversight of the Board, regularly monitoring climate-related risks and opportunities during Board meetings, continuously enhancing its climate change governance framework, and identifying the potential impacts of climate change on operations, investments, and other key activities. The Company conducts climate change-related training as needed, organizes awareness campaigns and learning sessions on the latest environmental policies and regulations, and consults external experts when necessary to ensure the professionalism and reliability of its climate strategies, risk and opportunity management initiatives.



Governance Structure on Climate Change

Responsibilities of Governance Structure on Climate Change	
Climate change management department	Responsibilities
Board of Directors	<ul style="list-style-type: none"> Responsible for the Company's response to climate change-related issues and managing the disclosure and release in respect of climate change work.
Environmental Protection Committee	<ul style="list-style-type: none"> Implementing guidelines, policies, laws, regulations and standards on ecological and environmental protection as well as requirements of superior authorities on ecological and environmental protection; Organizing the formulation of the Company's development strategy and working policies on ecological and environmental protection; Reviewing and approving the Company's management systems and working plans on ecological and environmental protection; Determining the management functions of relevant departments on ecological and environmental protection; Researching and solving major issues on ecological and environmental protection and making decisions; Reviewing and approving emergency plans on environmental emergencies and organizing the establishment of emergency response systems; Reviewing and approving the results of the Company's annual merit appraisal on ecological and environmental protection; Reviewing and approving the handling decisions and punishment on environmental pollution accidents (incidents).
Leading Group on Energy Conservation and Emission Reduction	<ul style="list-style-type: none"> Cooperating with all departments to carry out energy conservation and emission reduction and striving to achieve indicators and targets gradually.

IV. EMBARKING ON A GREEN JOURNEY: PURSUING A LOW-CARBON AND ECOLOGICAL PORT AREA

2. Strategies

Addressing climate-related risks and opportunities requires consideration across different dimensions such as time, space, and type. Under short-, medium-, and long-term time scales, risks and opportunities may undergo transformations or variations in intensity. Based on the geographical location and business characteristics of the ports, QHD Port identifies the potential risks on the Company as a result of climate change from two dimensions, including physical risks and transition risks, and proposes a series of responding strategies to alleviate the impact of climate change on the Company.

Type of risks	Impacts of risks	Countermeasures
Physical risks	Typhoon (Short-term) <ul style="list-style-type: none"> Damaging unreinforced or high port structures, reducing port capacity and increasing equipment maintenance costs. 	<ul style="list-style-type: none"> Based on meteorological warning information, notify all operating companies to adjust their production schedules, thereby minimizing the impact of severe weather on port operations to the greatest extent; Stacker operators must adhere to the rainy season stacking standards when handling materials to prevent large-scale stockpile collapses during heavy rainfall; Set up sufficient anchoring devices and mooring cables near large equipment and take effective renovation and upgrading measures without typhoon prevention capabilities.
	Extreme precipitation (Short-term) <ul style="list-style-type: none"> Slowing down the loading and unloading of goods vulnerable to humidity such as grains and reducing the overall work efficiency; Due to transportation safety issues, the goods cannot leave the port on time, resulting in the stacking of goods at the port, affecting the delivery date and increasing the cost of payment of (liquidated) damages; Some of the goods packaged in cartons or wooden boxes are damaged due to moisture, resulting in increases in the cost of claims; Heavy rainfall causes siltation in the waterway and delays cargo transportation, increasing additional dredging and transportation costs. 	<ul style="list-style-type: none"> Set up emergency plans for extreme precipitation weather; Pay attention to the weather forecasts and actively, communicate with the consignees and suppliers to coordinate the time, increase manpower input before the extreme weather occurs, and complete the loading and unloading of goods in advance; Ensure that containers are tightly sealed, and inspect doors, walls and floors for obvious cracks or damage when exporting goods to ensure that containers are clean and dry; Arrange standby personnel and mobile machinery in advance for preparatory work against stockpile collapses during heavy rainfall.
	Flood (Short-term) <ul style="list-style-type: none"> Causing damages to infrastructure, buildings and equipment, suspension of substations due to short circuits and increasing maintenance costs; Flushing containers and other goods in open storage areas and affecting the basic needs of customers; Interrupting ground traffic and affecting steady operation. 	<ul style="list-style-type: none"> Alarm or monitor the arrival of floods in a timely manner, adopt appropriate emergency strategies according to the Special Emergency Plan on the Prevention of Floods (《防汛專項應急預案》); Carry out flood control drills to enhance responding capabilities in case of disasters; Promote the construction of flood prevention infrastructure, clean drainage pipes on a daily basis; prepare sandbags, shovels and other materials to combat floods.

IV. EMBARKING ON A GREEN JOURNEY: PURSUING A LOW-CARBON AND ECOLOGICAL PORT AREA

Type of risks	Impacts of risks	Countermeasures
Extreme heat (Short-term)	<ul style="list-style-type: none"> Coal and other dangerous goods are affected by high temperature, resulting in spontaneous combustion, fires and other accidents, affecting port safety; Affecting temperature-sensitive metal terminal equipment, reducing the service life of equipment. 	<ul style="list-style-type: none"> Equip with fire-fighting equipment and facilities, formulate emergency plans, immediately suspend operation and report to relevant departments in case of accidents and resolve issues; Add cooling devices for the equipment, working or warehousing environment and suspend the use immediately if any abnormality is identified.
Extreme cold weather (Short-term)	<ul style="list-style-type: none"> Low temperatures cause freezing, sedimentation or failure of liquid goods, increasing the cost of goods claims; Increasing load on the grid and equipment maintenance costs due to the failure or suspension of operation of some equipment caused by icing or insufficient power supply; The icy sea surface causes traffic control on ships and disrupts outbound shipments, affecting downstream users' replenishment needs and increasing the cost of compensation on delayed goods; Road icing affects road traffic safety and reduces transportation efficiency. 	<ul style="list-style-type: none"> Carry out strict thermal insulation treatment for liquid goods to make storage space airtight and isolate the external cold air from the internal air convection; Spray antifreeze on key parts of pipelines and equipment under operation in advance and keep them warm; Conduct research on the pattern of sea ice and improve emergency plans for sea ice disasters; Transport important goods out before the sea freezes and carry out research and development work to gradually improve the ice-breaking capacity of ships; Strengthen weather warning and preparation of emergency supplies, and pile up sandbags, snow-melting agent and other emergency supplies in advance in key ice-prone road sections to enhance the de-icing efficiency.
Rise of sea level (Long-term)	<ul style="list-style-type: none"> Long-term impact of seawater corroding shore-side metal devices and reduces the service life of devices; Passive relocation of business locations based on rising sea levels and increasing operating costs. 	<ul style="list-style-type: none"> Build floodgates to keep the tide out; Use anti-corrosive materials or coatings on the buildings or during equipment manufacturing; Carry out construction of ecological sponge port, such as creating pocket parks and water storage sedimentation tanks.
Climate change (Long-term)	<ul style="list-style-type: none"> Increasing probabilities of heat waves and fires, resulting in increased loss of goods and money; Mechanical equipment and control systems cannot work normally due to high temperatures, affecting operational efficiency and increasing operating costs; Possible changes in operating procedures and modes to ensure the safety of workers, increasing business uncertainties and resulting in unstable operating costs. 	<ul style="list-style-type: none"> Set targets of greenhouse gas emission, promote the transformation of energy structure, carry out energy-saving measures and accelerate the use of clean energy; Call on upstream and downstream suppliers to adopt energy conservation and emission reduction measures, and incorporate environment-related issues into the whole process management of suppliers, driving carbon reduction in the whole industrial chain.

IV. EMBARKING ON A GREEN JOURNEY: PURSUING A LOW-CARBON AND ECOLOGICAL PORT AREA

Type of risks	Impacts of risks	Countermeasures
Transition risks	<ul style="list-style-type: none"> Governments and relevant regulatory agencies have released environmental policies, such as canceling preferential policies for high energy-consuming industries and increasing the use of clean energy, to promote green and low-carbon transformation of all industries; 	<ul style="list-style-type: none"> Pay attention to the introduction and revision of environmental policies, laws and regulations, adjust its businesses accordingly, and give priority and finance to green projects such as energy-saving transformation and replacement of energy-consuming equipment;
	<ul style="list-style-type: none"> We need to pay additional costs to meet the impacts of the transformation of energy policies, such as the costs caused by write-off and scrapping of high energy-consuming equipment, energy-saving transformation of equipment and energy price fluctuations; 	<ul style="list-style-type: none"> Actively adjust the energy structure of the ports, promote the application and trading of green power, and participate in and adapt to the operation of the trading market;
	<ul style="list-style-type: none"> Under the background of increasingly improved carbon trading market, if some operations with high energy consumption and high emissions fail to achieve transformation, substantial emission costs may be incurred; 	<ul style="list-style-type: none"> Follow updates of the guidance and requirements of the stock exchanges to meet compliance requirements.
	<ul style="list-style-type: none"> In response to the requirements on the disclosure of environmental data in the capital markets, the cost of data monitoring and information disclosure increases, and there are compliance risks such as "greenwashing". 	
Transition risks	<ul style="list-style-type: none"> The process of energy structure transformation is affected by clean energy, energy storage equipment development, carbon capture and other new technologies. It requires investment in human and material resources and the development costs are relatively high. 	<ul style="list-style-type: none"> Engage professionals to carry out technological upgrades to meet the growing demand for technology; Explore ways to balance technological development and costs, and minimize costs.
	<ul style="list-style-type: none"> Under the background of increasing awareness of customers on energy conservation and environmental protection, the Company's business volume in the supply of fossil energy such as oil and coal will gradually decline, resulting in a decrease in revenue sources; For products or projects that are not supported by the government during the period of the low-carbon transformation, it may increase the financing cost and affect the attractiveness to the capital markets. 	<ul style="list-style-type: none"> Expand business types, tap into its own location and technological advantages, and transform towards other businesses with focus on low-carbon and environmental protection.
	<ul style="list-style-type: none"> Under the background of the low-carbon economic transformation, if any of the Company's businesses has a great impact on the climate, it may lead to negative evaluation on the Company by stakeholders and affect the Company's market reputation. 	<ul style="list-style-type: none"> Establish the image of a responsible corporate, strengthen communication with stakeholders, respond to the requirements of the capital markets and implement measures responding to climate change; Prevent the occurrence of environmental hazards through its internal management.

IV. EMBARKING ON A GREEN JOURNEY: PURSUING A LOW-CARBON AND ECOLOGICAL PORT AREA

Type of opportunities	Impact of opportunities	Countermeasures
Investment opportunities	Under the background with increasing emphasis on responsible investment and climate change issues, investors tend to invest in green and low-carbon assets.	<ul style="list-style-type: none"> Relatively low financing costs due to the government's efforts in developing green projects; Promote the construction of green port zones and carry out research and deployment of clean energy such as distributed photovoltaic power generation and wind power generation.
Operational opportunities	Advance ecological development and improve energy efficiency.	<ul style="list-style-type: none"> Improve the energy consumption structure of ports, enhance the shore-based power supply capacity of ports and increase the utilization rate of shore power; Carry out the replacement of fuel-powered machinery and vehicles with new energy alternatives.

3. Indicators and Targets

(1) Indicators

Indicators	Unit	2024
Total GHG emissions	tonnes of CO2 equivalents	387,325.08
Scope 1 GHG emissions	tonnes of CO2 equivalents	19,630.91
Scope 2 GHG emissions	tonnes of CO2 equivalents	367,694.17

(2) Targets

The Company actively carries out carbon peak and carbon neutrality work and steps forward towards the carbon emission reduction targets of "preliminarily establishing an economic system with green, low-carbon and circular development and making breakthroughs in energy conservation and consumption reduction, green power application, environmental protection and other aspects by 2030".

(II) Offering smart strategies for environmental management

In strict compliance with the Environmental Protection Law of the People's Republic of China and the Management Measures for Environmental Protection of Qinhuangdao Port Co., Ltd. (《秦皇島港股份有限公司環境保護管理辦法》), QHD Port has adopted internationally accepted rules and standards or more stringent national standards as the guiding planning arrangements for pilot projects, actively carried out environmental hazard investigations, and controlled the impact to the environment of various operational activities from the source. It has also vigorously conducted environmental protection publicity and education, and balanced efforts between port operations and environmental protection, promoting the harmonious coexistence of enterprises and the environment.

1. Governance

QHD Port has established an ecological environmental protection committee, with the chairman serving as the head, corresponding leaders as deputy heads, and heads of related departments as members, to perfect the decision-making, coordination, and scheduling mechanisms for ecological environmental protection work, and jointly promote the Company's transformation and development and the construction of green and ecological ports. It has also established the office for promoting mass entrepreneurship and innovation to continuously advance the development of a "five-star" green port and AAAA industrial tourist attraction, laying a solid foundation for promoting the green transformation of the port and achieving high-quality development of the enterprise.

IV. EMBARKING ON A GREEN JOURNEY: PURSUING A LOW-CARBON AND ECOLOGICAL PORT AREA

2. Strategies

QHD Port's management risks of environmental compliance primarily lie in the construction of environmental systems and environmental emergency management. Environmental protection policies and regulations are in a state of dynamic updates. If the Company fails to update its systems in a timely manner and adopt corresponding governance measures, it is prone to compliance issues such as excessive emissions. Environmental emergencies require substantial emergency resources for materials and equipment, and it is difficult to promptly control the scope of pollution, leading to the expansion of environmental damage, with impacts generally being medium to long-term.

To address environmental compliance management risks, the Company has issued the "2024 Green Port Construction Work Scheme" and formulated a three-year plan for the construction of a green port and a project list for the "Green Port (2024-2030) Construction Plan". A total of 48 projects were assigned to responsible units with implementation timelines planned.

3. Impact, Risk and Opportunity Management

(i) Green Intelligent Management and Control

The Company vigorously advances the creation of an intelligent environmental monitoring platform, and designs and develops a smart management and control system platform for the ecological environment. It has also completed the optimization and upgrade of data collection and comprehensive environmental management and control functions, achieving visual comparison of the environmental data of the port area and urban monitoring results.

(ii) Environmental Risk Responses

The Company has promptly modified the Environmental Emergency Response Plan (《突發環境事件應急預案》) and other protocols in response to changes in environmental risks, organized special actions for the investigation and rectification of environmental hazards in 2024, and compiled a ledger for the investigation and rectification of environmental risks to supervise the rectification of environmental issues, ensuring the environmental safety of the port.

In 2024, in collaboration with the Qinhuangdao Maritime Safety Administration, the Company organized the "Blue Sea Shield" multi-scenario ship oil spill emergency drills in the Hebei Sea Area and effectively tested the port's ability to respond to environmental emergencies. The Company promptly reported the rectification and implementation status of the 14 risks identified by the Department of Ecology and Environment of Hebei Province (河北省生態環境廳) during the 2024 environmental protection inspection and strengthened dust control measures as required by the inspection to eliminate potential environmental hazards at the port.



"Blue Sea Shield" Multi-Scenario Ship Oil Spill
Emergency Drill Site in the Hebei Sea Area

IV. EMBARKING ON A GREEN JOURNEY: PURSUING A LOW-CARBON AND ECOLOGICAL PORT AREA

(iii) Conducting Environmental Protection Education

On the “World Earth Day” and “National Low Carbon Day”, the Company took these opportunities to organize all employees to participate in special promotional activities, seminars, and knowledge competitions on energy conservation and environmental protection. In 2024, over 420 employees of the Company participated in special training on health and environmental protection and 1,857 employees engaged in quizzes on environmental protection, further deepening environmental protection education at the foundation level.



QHD Port organized the “Environment Day on June 5th” themed promotional event in Qinhuangdao in 2024

4. Indicators and Targets

In 2024, QHD Port invested RMB249 million in environmental protection. In 2025, the Company will continue to build a hierarchical training system for health and environmental protection aligning with the new phase of green development, make the training more targeted and professional, and solidify the concept of environmental protection as the “lifeline” among employees, fortifying the ideological foundation for green development.

(III) Enhancing energy efficiency in green operations

QHD Port gives all out to advance green operations and actively introduces clean and renewable energies to reduce energy consumption; optimizes water usage processes to enhance recycling rates; deploys advanced treatment facilities to ensure pollutant emissions meet standards; and precisely classifies wastes to maximize recycling and utilization, thereby creating a new paradigm for the sustainable development of green ports.

1. Energy Resource Utilization

In strict compliance with laws and regulations such as the Energy Law of the People’s Republic of China (《中華人民共和國能源法》) and Water Law of the People’s Republic of China (《中華人民共和國水法》), QHD Port actively implements the concept of green development, optimizes energy management processes, and enhances energy utilization efficiency. The Company also builds a management system for energy and water conservation, continues to use water resources efficiently, and precisely controls water usage at each step, protecting our blue planet with practical actions.

(1) Governance

Under the principle of “unified leadership, centralized management and division of labour with individual responsibility”, the Company has established a leading group for energy conservation and emission reduction management as the decision-making organ for energy and water conservation. The group is responsible for coordinating and planning the energy and water conservation work. The Technology and Equipment Department is set up under the group responsible for the daily management of energy and water conservation. All departments of the Company are tasked with executing related energy and water conservation activities to implement the energy consumption, water usage, and energy cost indicators set by the Company.

IV. EMBARKING ON A GREEN JOURNEY: PURSUING A LOW-CARBON AND ECOLOGICAL PORT AREA

(2) Strategies

By identifying and analyzing all risks throughout the stages from production to consumption of energy and water resources, the Company reasonably determines risk response strategies and effectively carries out risk prevention measures.

Risks	Risk descriptions	Time horizons	Countermeasures
Water shortage	The water scarcity in the Bohai Rim and the substantial demand for freshwater in port operations may lead to operational disruptions due to insufficient water supply.	Short-term	Rainwater and certain sewage are sent to the sewage treatment plant through drainage ditches, and during heavy rainfall, they are discharged into the sedimentation tank of rainwater; adopt dust and mist reducing devices to reduce water consumption; apply the seawater desalination technology.
High operating costs of the high energy consuming equipment	The original loading and unloading machinery has low energy efficiency, leading to high energy costs in the face of pressure on carbon emissions.	Short-term	Advance the intelligent transformation of equipment; update the original loading and unloading machinery and equipment step by step.
Pressure of technological updates	The substantial initial investment in green technology and long payback period (e.g., shore powers and intelligent coal operation ports) may impact the Company's profitability.	Medium-term	Collaborate with scientific research institutions to develop low-cost technologies.

(3) Impact, Risk, and Opportunity Management

① Energy utilization

The Company formulated the Management Measures for Energy and Water Conservation of Qinhuangdao Port Co., Ltd. (《秦皇島港股份有限公司節能節水管理辦法》) and the Energy Statistics and Analysis Rules of Qinhuangdao Port Co., Ltd. (《秦皇島港股份有限公司能源統計及分析規定》) to sustain large-scale green electricity procurement and increase its usage share; It conducted the “Key Technology Application Research for Green and Low-Carbon Terminal Construction at Qinhuangdao Port”, prioritizing green energy-saving research on equipment, processes, and workflows, alongside establishing an integrated energy management system to achieve holistic energy conservation; The Company implemented clean energy solutions including photovoltaic and wind power within the port, and strengthened shore power infrastructure, in order to advance the development of a comprehensive green and low-carbon energy system.

IV. EMBARKING ON A GREEN JOURNEY: PURSUING A LOW-CARBON AND ECOLOGICAL PORT AREA

The Company has constructed a 3.68 MW distributed photovoltaic power generation system, with an annual electricity output of approximately 3 million kWh; It has officially commissioned the first tugboat charging station in the Bohai Rim port cluster and completed the high and low-voltage shore power infrastructure for coal terminal Phases I and II, achieving full coverage of high and low-voltage shore power across 20 specialized coal dry and bulk cargoes berths in the East Zone in Qinhuangdao Port.



The first electric-powered new energy industrial crane in the world, jointly developed by Qinhuangdao Port Co., Ltd. and Sany Heavy Industry Co., Ltd., has been officially deployed at Qinhuangdao Port.



New Energy Maintenance Vehicle of QHD Port's No.9 Company

② Water resource utilization

The Company established the Management Measures for Energy and Water Conservation of Qinhuangdao Port Co., Ltd. (《秦皇岛港股份有限公司节能节水管理办法》) and Water Utilization Statistics Rules of Qinhuangdao Port Co., Ltd. (《秦皇岛港股份有限公司用水统计规定》) to strictly control water consumption targets across units and strengthen the assessment of water usage performance; Proactive measures were adopted to explore unconventional water sources, including water-saving equipment, IC card-based timed and quantified shower systems, and the implementation of water usage management systems. In 2024, the Company's water-saving initiative was highly commended by the Water Conservation Authority in Qinhuangdao.

IV. EMBARKING ON A GREEN JOURNEY: PURSUING A LOW-CARBON AND ECOLOGICAL PORT AREA

Case: QHD Port established storage sedimentation tank, achieving water resource reuse

QHD Port has constructed 3 water storage and sedimentation tanks on idle land at Qinhuangdao Port, with a maximum water storage capacity of 90,000 m³. The “black water” generated from coal loading and unloading operations at the coal terminal is channeled into the western sedimentation tank, then, undergoes multi-stage sedimentation and overflow processes, and finally converges into the eastern “Lotus Pond” sedimentation basin to become clear water. The treated recycled water is utilized for daily road sprinkling. Based on calculations of collecting 40,000 tons of rainwater from a single heavy rainfall and a recycled water cost of RMB2.5 per ton, this system can save RMB100,000 in recycled water procurement expenses.



Storage sedimentation tank

(4) Indicators and Targets

① Indicators

Indicators	Unit	2024
Total energy consumption	10,000 tons of standard coal equivalent	9.49
Total green power consumption	100 million kWh	3.38
Recycled water volume	10,000 tons	457.53

② Targets

Energy utilization target	In 2025, the Company will expand clean energy adoption to achieve green power generation by advancing the construction of low-voltage shore power projects and shore power monitoring and management systems, and implementing photovoltaic projects and promote energy storage initiatives.
Water utilization target	To continuously refine internal water-saving management regulations in 2025, the Company will actively promote advanced water-saving technologies and innovative products and enhance water resource utilization efficiency.

IV. EMBARKING ON A GREEN JOURNEY: PURSUING A LOW-CARBON AND ECOLOGICAL PORT AREA

2. Strengthening the Management of Three Types of Wastes

Adhering to green development principles, QHD Port prioritizes optimizing the management of three-waste pollutant emissions. Through systematic measures, the Company makes effort in collecting, purifying, and recycling production wastewater and rainwater within the port; It enhances dust emission monitoring and implements precise control over exhaust pollutant emissions; A comprehensive and efficient waste management system has been established to ensure safe and proper waste disposal in strict compliance with environmental standards, safeguarding the port area from pollution.

(1) Governance

The Company has established a rigorous and efficient framework of governance and comprehensive systems. A dedicated Health and Environmental Protection Department was set to oversee pollution prevention and control across the one port and three regions, and to conduct inspections on air, water, soil, hazardous waste, mobile sources, and radiation to ensure health and environmental safeguards for our development.

(2) Strategy

The primary risks associated with the three types of wastes of the Company are compliance in discharge and disposal, with impacts typically spanning a medium to long term.

Risk description	Measures
Insufficient wastewater and waste gas treatment capacity, along with non-compliant discharges of coal-containing wastewater, dust, and sulfur oxide emissions during operations, would violate regulations such as the Management Measures for the Prevention and Control of Hazardous Waste Pollution (《危險廢物污染防治管理辦法》) and the Prevention and Control of Air Pollution (《大氣污染防治法》), resulting in environmental penalties.	<ul style="list-style-type: none"> Introduced membrane separation technology and biological treatment methods to increase wastewater reuse rates; Implemented intelligent equipment upgrades to reduce dust and waste gas dispersion, with real-time emission data monitoring.
Solid waste generated from port operations, if not classified and disposed of in accordance with the National Catalogue of Hazardous Wastes (《國家危險廢物名錄》), may lead to risks of secondary pollution and penalties.	<ul style="list-style-type: none"> Established hazardous waste temporary storage facilities with “triple- prevention measures” (leakage prevention, scatter prevention, and loss prevention); Partnered with third-party environmental companies to achieve solid waste resource utilization.

(3) Impact, Risk, and Opportunity Management

The Company strictly complies with the Law of the People’s Republic of China on Prevention and Control of Air Pollution (《中華人民共和國大氣污染防治法》), the Solid Waste Pollution Prevention and Control Law(《中華人民共和國固體廢物污染環境防治法》), and the Hazardous Waste Transfer Management Regulations(《危險廢物轉移管理辦法》) to actively promote its subsidiaries to carry out monitoring of environmental quality and pollutant emissions. It systematically tracks emissions of port dust, VOCs, and facility-boundary noise, and intensifies water environment management to reduce freshwater consumption and minimize wastewater discharge. During the Reporting Period, 4 end-of-life vehicles pending for transfer with no residual value and 3 decommissioned tugboats were decommissioned in compliance with regulations.

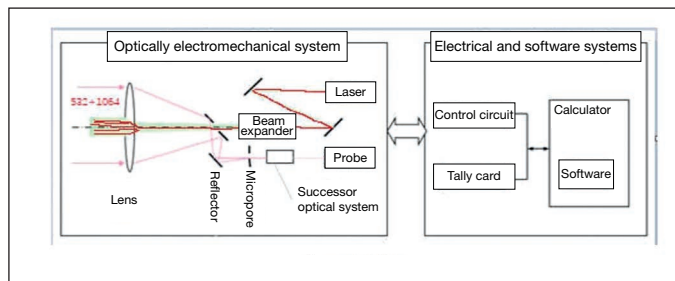
Exhaust gas pollutant management	Established operational standards for dust suppression via water spraying and crusting agents during coal handling, conducted mobile monitoring of road dust accumulation in QHD Port, became China’s first coal enterprise to inspect and assess road dust control using mobile monitoring data, and integrated monitoring results into monthly performance evaluations.
Wastewater pollutant management	Submitted the Port Area Rainwater Collection and Treatment System Improvement Plan to the Qinhuangdao Municipal Ecology and Environment Bureau(《港區雨水收集、處理系統整改提升工作方案》); completed the design for the Phase II construction of water storage and sedimentation tanks in East Zone. Cangzhou Mineral finalized projects to enhance freshwater storage capacity, green infrastructure upgrades, and rainwater and sewage regulation capabilities.

IV. EMBARKING ON A GREEN JOURNEY: PURSUING A LOW-CARBON AND ECOLOGICAL PORT AREA

Waste management

Hazardous Waste: Formulated a plan for hazardous waste management, signed pollution prevention commitment agreements, established dedicated storage facilities, and executed annual disposal contracts with qualified third-party entities to ensure full-process control.

Solid Waste: Implemented industrial waste inventory ledgers, partnered with certified recyclers specializing in renewable resources, scrap materials, and industrial metal recovery, and formalized waste delegation agreements to ensure full traceability of disposal pathways.



Remote laser sensing system for dust detection precisely identifies dust emission sources, ensuring timely and targeted water spraying for dust suppression in storage yards



The adjustment technology in water spray of the bottom layer of the dump machinery enables precise control of coal moisture replenishment rates and reduces dust emission rates during belt conveyor transportation

(4) Indicators and Targets

① Indicators

In 2024, the Company reported no port-attributed sudden environmental incidents or severe pollution weather violations. Dust-laden wastewater achieved “zero discharge” in the port area for three consecutive years. The annual average of PM2.5 and PM10 in Qinhuangdao Port reached the secondary standard of air quality with atmospheric environmental quality demonstrating steady improvement.

Indicators	Units	2024
The amount of waste gas	10,000 m ³	80,865.89
Hazardous free waste produced	Tonne	19,400
Hazardous waste produced	Tonne	158,294
Volatile organic compounds (VOCs) emissions	Tonne	1.291
Qualified rate of pollutant detection	%	100

IV. EMBARKING ON A GREEN JOURNEY: PURSUING A LOW-CARBON AND ECOLOGICAL PORT AREA

② Targets

In 2025, the Company will supervise relevant departments to maintain pollutant monitoring. And it will complete the project of digital management platform for pollutant discharge permit. In addition, it will continuously make efforts in improving the solid waste recycling rate and ensuring proper disposal of scrapped vehicles.

(IV) Vigorous promotion of green culture

QHD Port identifies green culture promotion as a key driver for sustainable development, carrying out green office practices to advocate paperless office and energy conservation. This cultivates an environmental protection culture among our employees. Prioritizing ecosystem and biodiversity conservation, the Company actively engages in public benefit activities and science popularization initiatives to public green principles.

1. Green Office

QHD Port continues to advance green office initiatives, requiring subsidiaries to establish regulatory frameworks such as Energy and Water Conservation Management Regulations(《節能節水管理規定》) and Comprehensive Management Assessment Guidelines(《綜合管理考核細則》). Paperless offices are implemented through editable shared documents for data collection. The Company prioritizes the procurement of new energy vehicles and phases out those of high-energy-consumption according to retirement schedules. Office and domestic waste generated within the port area is disposed daily, eliminating improper storage or littering. In 2024, the Company launched an integrated financial shared system of “Business-Finance-Tax”, achieving fully paperless reimbursement approvals and end-to-end online processing.

2. Environmental Public Welfare Initiatives

QHD Port actively engages in environmental philanthropy by organizing employees to conduct diversified activities including clean-ups, litter collection, and awareness campaigns in public beaches, park plazas, port industrial tourism zones, and along port coastlines. These efforts support the development of 5A-rated industrial tourism scenic areas and contribute to the port’s green transformation.



Our employees clean dead branches and weeds in Pocket Park



Our employees launch the “Volunteer Action in Cleanup the Beach: Guarding the Ocean” initiative

3. Ecosystem and Biodiversity Conservation

QHD Port actively engages in ecosystem and biodiversity protection by advancing smart and green port development. The Company has implemented ecological restoration projects, including greening upgrades in areas such as the former waste storage facility of Second Company, the union courtyard, and soccer fields. During the “June 5th” World Environment Day campaign, it showcased its achievements in green transition. In 2024, the Company completed floral displays and replanted greenery in areas including Duidong Road, Ore yard storage sedimentation tank, and unloading stations, deploying over 60,000 pots of flowers.

V. TOWARD EXCELLENCE IN FOSTERING TALENTS, FORGING ELITE PROFESSIONALS IN THE INDUSTRY

V. TOWARD EXCELLENCE IN FOSTERING TALENTS, FORGING ELITE PROFESSIONALS IN THE INDUSTRY

QHD Port has consistently regarded talent as the core driving force of its development, committing to building a workforce that meets the demands of the new era. By fully safeguarding the rights and interests of employees, establishing diversified career advancement pathways, and prioritizing employee physical and mental well-being, the Company infuses sustained talent dynamism into port operations, fostering a mutually reinforcing and co-developing dynamic between employees and the Company.

Key Material Issues in This Topic:

- **Protection of Employee Rights and Interests:** Safeguard lawful rights and interests of workers in accordance with the law, ensure unimpeded channels for democratic appeals, and fundamentally achieve organic integration of employee interests with corporate interests.
- **Career Development and Training:** Implement targeted education and training through multi-channel, multi-tiered, and multi-format approaches, establish a position management-centered job hierarchy system, and transparently establish career advancement pathways.

This Topic Responds to the United Nations Sustainable Development Goals (SDGs):

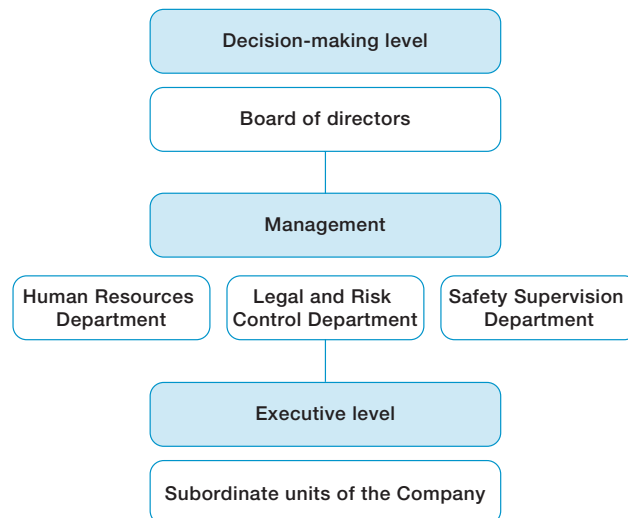


(I) Safeguarding rights to stabilize workforce morale

Consistently adhering to the core philosophy of “people-oriented”, QHD Port safeguards employees’ legitimate rights and interests in practice and maintains open democratic channels. By strengthening salary safeguards, incentives, and guidance mechanisms, the Company strives to establish a streamlined and efficient labor management model to stimulate employees’ intrinsic motivation and inherent vitality.

1. Governance

The Human Resources Department serves as the lead department for personnel management, responsible for formulating personnel policies and regulations, establishing personnel management frameworks, and overseeing and guiding human resources operations; the Legal and Risk Control Department conducts legal and regulatory compliance reviews of personnel policies and standard labor contracts, while providing legal support; the Safety Supervision Department inspects and evaluates employee safety training across all units, and coordinates safety management for interns during their tenure.



Personnel management governance framework

V. TOWARD EXCELLENCE IN FOSTERING TALENTS, FORGING ELITE PROFESSIONALS IN THE INDUSTRY

2. Strategy

Risk	Risk description	Period	Measures
Corporate culture integration	Low cultural integration between new and veteran employees, as well as staff from different regions, may result in inefficient team collaboration, thus, hindering the development of the Company.	Short term	Carry out cultural exchanges, establish cross-departmental mutual assistance teams, thus, cultivating a proactive and cohesive corporate cultural environment.
Risk in democratic management	Inadequate democratic communication may result in strikes, passive work disengagement, and others, disrupting normal operations and production	Long term	Establish multi-level communication platforms, implement Chairman's mailbox, and introduce professional mediation consultants to facilitate effective bilateral communication and collaboration.
Risk in compensation compliance	High employee turnover may lead to irregularities in labor contract execution, incomplete social insurance contributions, or wage arrears.	Short term	Standardize employment management, conducted comprehensive audits on execution rates of labor contract and social insurance contribution compliance, establish a retroactive tracking mechanism for payroll payments, and ensure full and timely wage disbursement.

3. Impact, Risk, and Opportunity Management

(1) Rights Protection

QHD Port strictly abides by the Labor Law of the People's Republic of China (《中華人民共和國勞動法》), the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) and other laws and regulations, safeguarding the lawful rights and interests of all employees, including non-contract-based personnel, and ensuring timely wage payments and social insurance contributions; The Company prohibits the employment of child labor and forced labor, and implements legally mandated holidays and paid leave systems, in order to foster employee enthusiasm for professional endeavors through a robust, comprehensive safeguard framework; In addition, any labor disputes arising during contractual processes may be escalated by employees through prescribed procedures and shall be promptly resolved by the Company.

(2) Equal Employment

QHD Port adheres to the principle of "openness and equality, competitive selection and job matching", publicly disclosing recruitment and internal promotion opportunities; The Company safeguards equitable, impartial, and transparent career opportunities for employees of all genders, ethnicities, religious beliefs, cultural backgrounds, or regional origins by prohibiting all forms of discrimination in recruitment, training, and promotion processes; During the Reporting Period, the Company hired 33 individuals.

(3) Democratic Management

The Company has formulated the Proposal Management Regulations for the Workers' Congress(《職工代表大會提案工作管理辦法》), leveraging its robust foundation in democratic governance to continuously refine enterprise-level democratic management systems centered on the Workers' Congress; Committing to transforming democratic management into a catalyst for corporate growth, the Company aims to achieve "synchronized resonance" between organizational development and employee advancement.



QHD Port convenes 2024 annual work conference and the third session of the second workers' congress

V. TOWARD EXCELLENCE IN FOSTERING TALENTS, FORGING ELITE PROFESSIONALS IN THE INDUSTRY

(4) Compensation and Benefits

Adhering to a market-oriented development direction, QHD Port continuously strengthens the guiding role of compensation distribution and implements employee performance evaluations to ensure that employee wage levels increase in alignment with the Company's economic performance, achieving organic integration of employee and corporate interests.

Salary Distribution Management	
Improve compensation management	<ul style="list-style-type: none"> Completed the formulation and distribution of the Green Innovation Incentive Program; Prioritized compensation distribution to the production frontline, with the proportion of piece-rate wages adjusted from 30% to approximately 50% of total wage income.
Carry out performance appraisal	<ul style="list-style-type: none"> Developed "one-person-one-table" performance evaluation tables for 2024 management personnel, decomposing and translating performance metrics; Formulated and issued the Incentive Program of 2024 Annual and Fourth-Quarter Excess Throughput.
Promote incentive plan	<ul style="list-style-type: none"> Completed the review and assessment of the Company's medium-to-long-term incentives; Provided guidance to Cangzhou Mineral Port in the formulation of the "2024 Annual Excess Profit Sharing Implementation Rules"; Formulated a specialized reward mechanism, with 70 individuals receiving specialized awards.

4. Indicators and Targets

In 2024, QHD Port achieved 100% coverage of its collective contracts and special collective contracts for the protection of female employees' rights and interests, fulfilling the annual target. No labor dispute incidents occurred throughout the year. For 2025, the Company aims to maintain a 100% signing rate of employees' labor contracts.

Structure of Employees by Age		
Indicators	Unit	2024
30 or below	person	376
31-40	person	2,221
41-50	person	3,129
51 or above	person	2,948

Structure of Employees by Gender		
Indicators	Unit	2024
Male	person	7,159
Female	person	1,515

V. TOWARD EXCELLENCE IN FOSTERING TALENTS, FORGING ELITE PROFESSIONALS IN THE INDUSTRY

In 2024, the employee turnover rate of QHD Port was 0.05%		
Indicators	Unit	2024
By gender		
Male	person	3
Female	person	1
By geographical region		
Qinhuangdao region	person	3
Cangzhou region	person	1

(II) Talent development excellence

QHD Port implemented the Group's Hebei Port Group Employee Education and Training Management System(《河北港口集團員工教育培訓管理制度》) and formulated the Employee Education and Training Fund Management Measures for Qinhuangdao Port Co., Ltd. (《秦皇島港股份有限公司員工教育培訓經費管理辦法》). Adhering to the principles of innovation-driven development, needs-based instruction, priority alignment, and results-oriented implementation, the Company executed multi-channel, multi-tiered, multi-format, and targeted education and training programs to streamline career development pathways, enhancing the comprehensive strengthening of the Company's core competitiveness.

1. Governance

In employee training, QHD Port has established dedicated departments to manage education and training programs. These programs are overseen by full-time and part-time instructors and administered daily by employee education officers. Regarding position management, the Company's employee position system comprises four sequences (management, professional and technical, production operations, and research leadership talent) and three tiers (senior, intermediate, and junior).

2. Strategy

To further enhance employees' professional competence and competitiveness, QHD Port organized employees to participate in professional title and position promotion evaluations, as well as vocational skill level certifications. The Company regularly conducts qualification certification, re-certification training, and job-specific adaptation training, with training expenses allocated to the annual vocational education budget, effectively elevating the vocational skills and expertise of our employees.

Risk	Risk description	Period	Measures
Skills not meeting the requirements of jobs	Traditional port operational models rely on experience-reliant employees; however, intelligent upgrades have heightened the demand for digital skills, employees may face hindered career advancement due to insufficient skills.	Short term	Refine the skill upgrade system by establishing the "National Skill Master Studio" and "Employee Innovation Studio", and implement targeted training.
Single career advancement pathway	Management positions are predominantly clustered in technical tracks, with a lack of cross-departmental rotations or mechanisms for cultivating management competencies, resulting in hindered career progression for grassroots employees.	Short term	Diversify career advancement pathways, establish a "technical-management" dual-track promotion mechanism; implement cross-port rotation programs to broaden professional horizons.

V. TOWARD EXCELLENCE IN FOSTERING TALENTS, FORGING ELITE PROFESSIONALS IN THE INDUSTRY

3. Impact, Risk, and Opportunity Management

(1) Employee Training

The Company establishes and refines an employee education and training management mechanism, formulating annual training plans. In 2024, the Company organized certification-oriented qualification training, safety training, and job-specific skill development across departments. Targeted programs on green port and smart port development, quality management systems, leadership training, and reserve cadre development will enhance training relevance. Collaboration with government bodies, research institutions, and consulting agencies will ensure training coverage extends to all leadership levels and core functional personnel (excluding contract-based dispatched personnel).



QHD Port carries out internal auditor training program for management systems



QHD Port carries out training program for newly promoted mid-level managers of subordinate units



Employee of the Second Company secures second prize in provincial SASAC youth business English skills competition "Soaring Talents, Global Communication"

V. TOWARD EXCELLENCE IN FOSTERING TALENTS, FORGING ELITE PROFESSIONALS IN THE INDUSTRY

(2) Career Development

The Company establishes a position management system centered on role governance to continuously conduct employee position promotion evaluations. This ensures transparent career advancement channels, and aligns employee career growth with organizational development.

Key tasks for building career advancement channels	
<ul style="list-style-type: none">Conduct annual position promotion evaluations. In accordance with the Position Management Regulations, 106 employees were promoted to intermediate-level positions through procedures including individual application, unit review, and organizational evaluation.Implement position promotion for frontline technical personnel using the “Daily Work Quantitative Assessment + Grassroots Unit Recommendation + Review and Defense” model. During the year, 8 frontline technical personnel were promoted to the M7 grade.Execute the first-ever evaluation and recommendation for Scientific Research Leading Talents in Hebei Port Group. Following processes such as group evaluation and organizational review, 5 employees were certified as scientific research leading talents at the S7 grade.	

4. Indicators and Targets

(1) Indicators

Indicators	Unit	2024
Investment in job training	RMB10 thousand	269.62
Training times of employee	time	288
Employee training coverage	%	100

(2) Targets

In 2025, the Company will instruct all departments and subsidiaries to focus on key talent groups such as leading and innovative talents, continuously strengthening high-level talent cultivation efforts; The Company will advance the development of scientific research leading talents and frontline loading and unloading technicians to enrich the tiered development of core technical personnel; and organize specialized smart training to provide educational support for smart port construction.

(III) Employee care

QHD Port formulated and adhered to the Implementation Rules for Delivering Warmth by Fundamental Unions(《基層工會送溫暖工作實施細則》), prioritizing employee health and well-being. Regular visits and support were extended to employees in need and their families; comprehensive care for female employees was implemented; Diverse recreational and cultural activities were organized to foster work-life balance; And a warm, fulfilling workplace environment was collectively cultivated. In 2024, the employee satisfaction reached 100%.

1. Building the “Employee Home”

QHD Port has focused on establishing the “Employee Home” initiative, integrating all efforts into the entire process from foundational development to organizing model “Red Banner Unit” selection campaigns. This initiative has significantly boosted employees’ enthusiasm and initiative in fostering a harmonious enterprise.

In 2024, the Company recognized 6 Model “Red Banner Unit” Employee Homes, 42 Advanced Employee Homes, and 96 Advanced Employee Sub-Homes. Additionally, the Labor Union of QHD Port was awarded the “Model Employee Home in Hebei Province”.

V. TOWARD EXCELLENCE IN FOSTERING TALENTS, FORGING ELITE PROFESSIONALS IN THE INDUSTRY

2. Support and Care Initiatives

QHD Port prioritizes addressing the needs of employees in need, safeguarding employees' physical and mental health, and extending dedicated care to female employees. Through practical actions such as the "Cooling Relief" to protect employee well-being, the "Golden Autumn Academic Support" to assist employees' children in pursuing education, and establishing a mutual aid fund for employee security, the Company further strengthens employees' sense of belonging.



Zhang Xiaoqiang, the Secretary to the Party Committee and Chairman of QHD Port, visits frontline employees in hot days



Leaders of QHD Port visit the targets for preventing returning to poverty



The Ninth Company of QHD Port carries out Flower Arranging on "International Working Women's Day"



General Cargo Port Branch collaborates with Hebei Port Hospital to carry out Free Medical Consultation for employees

3. Enriching Cultural and Recreational Life

QHD Port precisely advances the development of employee library, creating a space integrating "collection, borrowing, reading, research, and leisure" functions. These serve as "spiritual oases" for employees to acquire knowledge, refine professional skills, and showcase personal growth. The Company actively organizes diverse cultural and recreational activities, enabling employees to cultivate healthy and varied hobbies beyond work while strengthening mutual communication. In 2024, the employee library in Material Center of QHD Port was awarded the title of "Provincial-level Employee Library of Labor Union".



QHD Port carries out employee Tug-of-War competition



QHD Port carries out singing competition

VI. ADVANCING TOWARD THE NEW CHAPTER, BUILDING A PROSPEROUS AND HAPPY PORT

VI. ADVANCING TOWARD THE NEW, BUILDING A PROSPEROUS AND HAPPY PORT

Establishing a 4A-level tourist attraction, QHD Port aims to create a blue-sky, green-land, clear-water, clean-air, and scenic-port industrial tourism zone in Qinhuangdao Port to set a new model of port-industry-city integration; Focusing on “rural needs” to leverage “QHD Port’s capabilities”, the Company actively explores new pathways for rural revitalization and strives to achieve a virtuous cycle of community income, industrial profitability, and enterprise returns; The Company supports charitable and social welfare causes through practical actions, which demonstrates the accountability of state-owned enterprises in the new era.

Key Material Issues in This Topic:

- **Rural Revitalization:** Focus on enhancing organic development capacities in assisted villages and poverty-alleviated populations, and improving living standards and well-being in paired assistance regions.
- **Public Welfare and Charity:** Establish and refine volunteer service mechanisms featured new-era civilization practice, foster a culture where “Learning from Lei Feng Spirit is accessible to all; acts of compassion are achievable everywhere”.

This Topic Responds to the United Nations Sustainable Development Goals (SDGs):



(I) A new chapter in industry-city integration

QHD Port will designate the development of an industrial tourism zone as a concrete measure to advance port-city integration, creating a “one core and two wings” landscape layout to integrate “scenic beauty” with “efficient port operations”. The Company has innovatively launched public open days, inviting residents to experience firsthand the port’s century-long industrial transformation, comprehensively demonstrating the new achievements of deep port-city integration.

1. Scenic Integration for Port Prosperity

In accordance with the creation concept of “ancient and modern fellowship, international vision, co-prosperity of port and city, resource integration and green empowerment”, the Industrial Tourism Area of Qinhuangdao Port, developed on the foundation of Qinhuangdao Port, the “big port zone with a history of 100 years”, takes the commercial port opened in the west port zone as the core, and the east port zone and the container port zone of the west port zone as the two wings to create a landscape pattern of “one core and two wings”.

In December 2024, the industrial tourism area at Qinhuangdao Port successfully passed the comprehensive review by the Department of Culture and Tourism of Hebei Province and was included in the construction of AAAA scenic areas in the province. This month, Port Area of Qinhuangdao passed the evaluation by the Ministry of Ecology and Environment, becoming one of China’s first national port-industrial type Beautiful Bays. Qinhuangdao Port has completed a remarkable transformation from a traditional industrial port to a green, smart, and tourism-integrated development hub.



“Beautiful Bay” Port Area of Qinhuangdao



“Scenic beauty”
+“efficient port
operations”

Scan the QR code
to explore the
century-old
Qinhuangdao Port

VI. ADVANCING TOWARD THE NEW CHAPTER, BUILDING A PROSPEROUS AND HAPPY PORT

(1) Core Scenic Area

The founding site of the commercial port opened in the west port zone, while preserving its original architectural style, has transformed old factory buildings into enterprise exhibition halls, imported goods experience and sales centers, and wedding culture courtyards, committed to building a port-industry-city integrated new district. Leveraging its unique advantage of being within the one-hour living circle of the Beijing-Tianjin-Hebei high-speed rail, it has developed industries such as yachts, sailboats and healthcare, attracting relevant port and shipping enterprises to settle.



The commercial port opened in the west port zone

(2) “East Wing” in Scenic Area

The east port zone in Qinhuangdao Port, a key zone housing large-scale equipment such as unloaders, stacking machinery, and reclaiming machinery, showcases industrial landscapes characterized by “large ships, massive machinery, high-capacity loading and unloading”, alongside attractions featuring port-themed elements such as Tinghai Park, Yuehai Long Embankment, Guanhai Platform, and Xianghai Square. Notably, its third phase of the coal terminal, fourth phase of the coal terminal & expansion terminal, and fifth phase of the coal terminal are China’s first “Five-Star-rated” Green Port Areas.



The East Port Zone of Qinhuangdao Port

VI. ADVANCING TOWARD THE NEW CHAPTER, BUILDING A PROSPEROUS AND HAPPY PORT

(3) “West Wing” in Scenic Area

The container terminal operation zone in the west port zone of Qinhuangdao Port has opened liner routes directly connecting Incheon (South Korea), Kanto (Japan), China’s East and South China regions, with transshipment hubs including Dalian, Tianjin, and Qingdao linking domestic and global ports, accelerating its internationalization; The intelligent operating system used in port production achieves process-oriented workflows, network-based management decisions, and digitized operations, which significantly enhances operational efficiency and precision.



The West Port Zone of Qinhuangdao Port

2. Integration with Public Engagement

QHD Port drives the integration of “scenic beauty + efficient port operations” as new landmarks and windows for showcasing the port and city image and attracting visitors. By institutionalizing public open days into regular programs for both the port and scenic areas, it strives to become a dynamic model of deep port-industry-city integration, fostering mutual reinforcement between enterprise growth and social harmony.

Case Study: Qinhuangdao Port Hosts Public Open Day Event on Children’s Day

On the occasion of International Children’s Day, Qinhuangdao Port held its 5th Public Open Day Event of 2024 under the theme “Exploring the Harbor in Childhood, Co-Creating Dreams.” The event invited 22 children, accompanied by parents, to tour the east and west port zones, blending education with entertainment to help them gain insights into its world-leading dry bulk port operations.



Children toured the Sea-Viewing Platform during the visit



Children posed for a commemorative group photo after the tour

VI. ADVANCING TOWARD THE NEW CHAPTER, BUILDING A PROSPEROUS AND HAPPY PORT

(II) Rural revitalization fuels prosperity

QHD Port continues to deepen its rural revitalization assistance efforts, consolidating and expanding assistance achievements. By strengthening organizational structures, advancing industrial revitalization, and other measures, it further enhances the quality and impact of its assistance initiatives, making additional and greater contributions to advancing comprehensive rural revitalization.

1. Strengthening Organizational Leadership

In accordance with the Group Party Committee requirements, QHD Port has formulated detailed annual work plans and task lists, specifying 6 categories of annual assistance tasks and 16 concrete measures. Our leaders conduct biannual on-site inspections in villages where they review reports from the first secretary and village-based task force and express care for stationed cadres and resolve practical difficulties. The Company enhances cadre selection and management, ensuring the task force fulfills duties with responsibility assigned to individuals, tasks aligned with positions, and measures fully implemented.

Strengthening Party Branch Development in Assistance-Targeted Villages

- Prioritize the education and training for cadres of village “two committees” and Party members to enhance grassroots cadres’ comprehensive capabilities and practical skills in serving the public.
- Strengthen the Party branch’s role as a stronghold by organizing activities such as Party member volunteer services, themed Party Day initiatives, and joint branch development programs.



QHD Port carries out research and guidance at Shimenzi Village to advance residence-based assistance tasks



QHD Port organizes event commemorating March 8th Women's Day and extends care to stationed cadres

VI. ADVANCING TOWARD THE NEW CHAPTER, BUILDING A PROSPEROUS AND HAPPY PORT

2. Consolidating Assistance Outcomes

Consistently adopting a problem-oriented approach, QHD Port implements targeted measures including conducting household visits to disseminate Party policies and theories, collaborating with township-assigned cadres and members of “two committees” in Shimenzi Village to perform door-to-door, individual-level verification of registered poverty-alleviated households, strictly implementing the “Two Assurances and Three Guarantees” and drinking water safety. With these efforts, the Company ensures no relapse into poverty, laying a solid foundation for rural revitalization.

Advancing Industrial Assistance	<ul style="list-style-type: none">Conduct specialized research on industrial development, producing the “Research Report on the industry of Shimenzi Village” (《石門子村產業專題調研報告》) and “Development Plan for Economic Development and Specialty Industry in Shimenzi Village” (《石門子村經濟發展與特色產業發展規劃》).Strengthen collaboration with Shuanghesheng Company (雙合盛公司), signing the “Pumpkin Planting and Purchase Cooperation Agreement” (《南瓜種植收購合作協議》) to ensure sustained supply of non-polluting raw materials.Implement the Renovation Project of Assistance Micro-Factory for Rural Revitalization of Shimenzi Village, upgrading and renovating the micro-factory in compliance with food safety production standards.
Ecological Civilization Construction	<ul style="list-style-type: none">Assist “two committees” of Shimenzi Village in carrying out the Hundred-Day Campaign for Comprehensive Rural Living Environment Improvement, completing the repair of over 1,000 meters of village roads in Wudaogou and replacing 100 streetlights.Advance the “Moral Bank + Kindness Supermarket” initiative, where villagers’ exemplary deeds, such as helping others, honoring the elderly, and fostering familial bonds, serve as models, significantly improving the moral ethos and communal spirit of the community.

(III) Public welfare and charity to safeguard people’s livelihoods

QHD Port established three youth work co-construction zones to coordinate and organize youth volunteer services, creating a volunteer service brand with port characteristics that spreads warmth and gives back to society through “Port Blue” and “Volunteer Red” services. Subsidiary enterprises actively launched the volunteer campaign “Celebrating 75 Years of National Glory, Continuing Striving Legacy in Qinhuangdao Port”, organizing over 1,000 employees to conduct community services, environmental cleanups, elderly care, and related activities. In 2024, the Company allocated RMB20,000 in volunteer funding, recorded 2,270 volunteer participations with an accumulated 4,226 service hours and 1,137 individuals being directly benefited.

Respecting and Caring for the Elderly	Based on the “Grass Heart” (寸草心) volunteer service brand, organized young employees to carry out activities such as “Motherland in Heart, Elderly Care in Action” (祖國在心、敬老在行), “Holding Hands, Warming Hearts at Elderly Homes” (牽手夕陽紅、情暖敬老院), and “Warmth in Winter, Love on New Year’s Day” (情暖冬日、愛在元旦) to advance elderly-focused volunteer initiatives
Community Service	Organized young employees to carry out volunteer service activities, including appliance repairs, health body check, cleaning-ups, and anti-fraud publicity, tailored to the actual conditions of port-surrounding communities
Caring for Children	Launch volunteer service activities such as “Hand in Hand to Support Growth, Corporate Care Warms Young Hearts” (心手相牽助成長、企業關懷暖童心) and “Warm Winter Clothes Warm Hearts” (冬衣暖人心), donating care supplies, clothing, and toys to children at charity schools and municipal welfare institutions

VI. ADVANCING TOWARD THE NEW CHAPTER, BUILDING A PROSPEROUS AND HAPPY PORT

Case: Third Joint Development Zone of QHD Port Carries out Volunteer Service Activity

During the Double Ninth Festival in 2024, 14 young League members from the Third Joint Development Zone of QHD Port carried out the “Motherland in Heart, Elderly Care in Action” (祖國在心敬老在行) volunteer activity at Rende Elderly Apartment to deliver comfort items and festival blessings, enabling the elderly to experience family-like care and warmth.



Group Photo



The Sixth Company of QHD Port organizes young volunteers to carry out volunteer service activities in the frontlines of production



The Ninth Company of QHD Port launches volunteer activity “Books Spanning Time and Space, Setting Sail with Love” (書香穿越時空啟航與愛同行)

PROSPECTS

The past has unfurled a thousand layers of splendor; tomorrow shall scale new heights. Reflecting on 2024, QHD Port has resolutely implemented the strategic decisions of Hebei Port Group. Centering efforts on the annual mission of “Decisive Battle for Throughput”, QHD Port has made efforts in emancipating minds, forging ahead, and working diligently, demonstrating a momentum of vigorous growth while advancing steadily.

The year of 2025 marks a pivotal year for fully implementing the spirit of the 20th National Congress of the Party and its Third Plenum, as well as concluding the 14th Five-Year Plan and initiating the 15th Five-Year Plan. QHD Port, steadfastly following the guiding principles of General Secretary Xi Jinping from his inspection of Hebei ports, will resolutely implement the strategic decisions made by Party Committee of the Hebei Port Group. Adhering to the overarching principle of “seeking progress while maintaining stability”, the Company will play its full role of “throughput and profit” ballast by furthering strengths, addressing weaknesses, with “Two Increases, Two Reductions, and One Transformation” as the goal of reform and development. In this way, QHD Port aims to implement all the works of the “Year of Deepening Reform” with unwavering determination. With these efforts, QHD Port lays a solid foundation for a strong start to the 15th Five-Year Plan by accelerating the construction of a world-class dry bulk port, contributing “Qin Port Strength” to Hebei Port Group’s mission of pioneering maritime development and prosperity for the province.

KEY PERFORMANCE

	Indicator	Unit	2022	2023	2024
Economic performance					
Operation performance	Total assets	RMB100 million	279.41	280.26	278.80
	Operating revenue	RMB100 million	69.19	70.55	68.65
	Total profits	RMB100 million	16.63	18.83	19.00
	Total throughput of goods	100 million tons	3.84	3.92	4.14
Innovation driving	R&D investment ²	RMB'0,000	14,399.13	15,404.55	17,367.16
	Proportion of R&D investment to revenue from the principal operations	%	2.08	2.18	2.53
	Number of R&D staff	person	44	982	887
	Proportion of number of R&D staff to total number of staff	%	0.42	9.99	10.23
	Number of new patent grant	item	13	9	17
	Number of patent applications	item	5	5	6
	Number of effective patents	item	58	67	84
	Number of new software copyrights	item	1	26	13
Social performance					
Rural revitalization	Aggregate amount of contribution to rural revitalization	RMB'0,000	292.15	117.42	59.83
	Number of people benefited from rural revitalization	person	140	1,430	65
Social commonweal	Cumulative duration of participation in volunteer activities	hour	4,000	4,100	4,226
Guarantee of employee rights and interests	Number of Employees	person	10,583	9,826	8,674
	Including: Number of employees aged below 30	person	618	527	376
	Including: Number of employees aged between 31 and 40	person	2,943	2,675	2,221
	Including: Number of employees aged between 41 and 50	person	3,487	3,369	3,129
	Including: Number of employees aged above 50	person	3,535	3,255	2,948
	Number of male employees	person	8,773	8,156	7,159
	Number of female employees	person	1,810	1,670	1,515
	Employee turnover rate	%	0.13	0.11	0.05
	Physical examination coverage	%	100	100	100
	Labor contract signing rate	%	100	100	100

² Compared to the previous Reporting Period, the statistics source has changed, resulting in differences in the data for 2022 and 2023.

	Indicator	Unit	2022	2023	2024
社會績效					
	Social security coverage	%	100	100	100
	Number of female managers	person	782	739	653
	Proportion of female managers in middle management	%	12.96	12.30	13.30
	Days of paid leave per employee	day	12.73	12.81	13.69
	Employee satisfaction	%	100	100	100
Occupational health and safety in production	Investment in production safety	RMB'0,000	3,825.32	12,377.12	14,833.79
	Persons attending the production safety training	person-time	62,492	77,359	96,006
	Production safety training duration	hour	662.25	1,181.25	1,212
	Production safety accidents	time	0	0	0
	Number of injured/died employee	person	0	0	0
	Number of newly added occupational patients	person	0	0	0
	Investment amount of work-related injury insurance and production safety liability insurance	RMB'0,000	1,920.30	1,782.34	1,392.56
	Coverage rate of work-related injury insurance and production safety liability insurance	%	100	100	100
	Working day lost due to work-related injuries	day	0	0	0
Career development and training	Investment in job training	RMB'0,000	70.69	164.44	269.62
	Number of participants of job training	person-time	25,700	28,214	22,932
	Average training duration of job training	hour/person	40	41	42
	Times of employee training	time	259	281	288
	Employee training coverage rate	%	100	100	100
Product and service safety and quality	Customer Satisfaction	%	98.00	97.27	98.05
Supply chain security	Number of suppliers	unit	655	706	750
	Reviewed suppliers during reporting period	unit	116	106	70
	Potential denied suppliers due to non-compliance	unit	26	24	26
	Suppliers whose cooperation was suspended due to non-compliance	unit	13	31	20
	Training times of supplier's social responsibility	time	90	82	44

	Indicator	Unit	2022	2023	2024
Environmental performance					
Response to climate change	Total GHG emissions	tonnes of CO2 equivalents	378,911.56	240,179.59	387,325.08
	Scope 1 GHG emissions	tonnes of CO2 equivalents	20,006.02	16,723.38	19,630.91
	Scope 2 GHG emissions	tonnes of CO2 equivalents	358,905.54	223,456.20	367,694.17 ³
	GHG emissions density	tonnes of CO2 equivalents/ RMB10,000	0.55	0.57	0.92
Efficiency of energy usage	Comprehensive energy consumption	10,000 tonnes standard coal	9.06	7.97	9.49
	Total electricity consumption	10,000 kWh	55,478.00	46,316.14	57,213.33
	Gasoline consumption	tonne	185.00	138.45	194.98
	Diesel consumption	tonne	6,182.00	5,857.83	6,052.64
Waste treatment	Discharge of non-hazardous wastes	tonne	26,000	21,600	19,400
	Intensity of non-hazardous waste discharge	tonne/RMB10,000	0.04	0.03	0.028
	Hazardous waste discharge	tonne	180.37	171.57	158.29
	Hazardous waste density	tonne/RMB10,000	0.00026	0.00024	0.00023
Pollutant emissions	The wastewater discharge	tonne	0	0	0
	The waste gas emission	10,000 m3	86,247.00	67,775.54	80,865.89
	Environmental pollution incidents	item	0	0	0
Utilization of water resources	Consumption of municipal water supply	10,000 tonnes	244.57	188.36	248.67
	Total water consumption	10,000 tonnes	725.33	729.96	802.60
	Water consumption density	tonne/RMB10,000	10.48	10.35	11.69
	Water conservation	10,000 tonnes	14.00	-4.63	-72.64
	Recycled water	10,000 tonnes	480.76	483.20	457.53
Environmental compliance management	Investment in environmental protection	RMB100 million	2.50	3.24	2.49
	Paper consumption in office	package	9,625	8,937	8,276

³ The statistics source for Scope 2 GHG emissions in 2024 has changed, with the purchased electricity data now including subsidiaries.

INDEX TO INDICATORS

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)			Where the disclosure is made
Environment	A1 Emission	General disclosure: In relation to air emissions, sewage to water and land, hazardous and non-hazardous waste generation: (a) Policy; and (b) Information on compliance with relevant laws and regulations that have a significant impact on the issuer	IV. Embarking on a Green Journey: Pursuing a Low-carbon and Ecological Port Area
		A1.1 The types of emissions and respective emissions data	4.3 Enhancing energy efficiency in green operations
		A1.3 Total hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility)	4.3 Enhancing energy efficiency in green operations
		A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	4.3 Enhancing energy efficiency in green operations
		A1.5 Description of emissions target(s) set and steps taken to achieve them	4.3 Enhancing energy efficiency in green operations
		A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	4.3 Enhancing energy efficiency in green operations
	A2 Use of Resources	General disclosure: Policy in relation to use of resource (including energy, water and other raw materials) efficiently	IV. Embarking on a Green Journey: Pursuing a Low-carbon and Ecological Port Area
		A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	4.3 Enhancing energy efficiency in green operations
		A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility)	4.3 Enhancing energy efficiency in green operations
		A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them	4.3 Enhancing energy efficiency in green operations
		A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	4.3 Enhancing energy efficiency in green operations
		A2.5 Total packaging materials used for finished products (in tonnes) and, if applicable, with reference to per unit produced	N/A
	A3 Environment and Natural Resources	General disclosure: Policy in relation to minimizing the issuer's significant impact on environment and natural resources	IV. Embarking on a Green Journey: Pursuing a Low-carbon and Ecological Port Area
		A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	4.4 Vigorous promotion of green culture

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)			Where the disclosure is made
Society	B1 Employment	General disclosure: In relation to compensation and dismissal, recruitment and promotion, working hours, holiday, equal opportunity, diversity, anti-discrimination and other treatment and benefits: (a) Policy; and (b) Information on compliance with relevant laws and regulations that have a significant impact on the issuer	V. Toward Excellence in Fostering Talents, Forging Elite Professionals in the Industry
		B1.1 Total workforce by gender, employment type (e.g. full or part-time), age group and geographical region	5.1 Safeguarding rights to stabilize workforce morale
		B1.2 Employee turnover rate by gender, age group and geographical region	5.1 Safeguarding rights to stabilize workforce morale
	B2 Health and Safety	General disclosure: In relation to providing safe working environment and protect employees from occupational hazards: (a) Policy; and (b) Information on compliance with relevant laws and regulations that have a significant impact on the issuer	I. Consolidating the Port's Foundation by Deepening Responsibilities
		B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Annexes: Key Performance
		B2.2 Lost days due to work injury	Annexes: Key Performance
		B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored	1.4 Strengthening the defense line through safety production
	B3 Development and Training	General disclosure: Policy in relation to improving the knowledge and skill of employees in fulfilling work duties. Describe training activities.	V. Toward Excellence in Fostering Talents, Forging Elite Professionals in the Industry
		B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	5.2 Talent development excellence Annexes: Key Performance
		B3.2 The average training hours completed per employee by gender and employee category	Annexes: Key Performance
	B4 Labor Standard	General disclosure: in relation to avoiding child or forced labor: (a) Policy; and (b) Information on compliance with relevant laws and regulations that have a significant impact on the issuer	V. Toward Excellence in Fostering Talents, Forging Elite Professionals in the Industry
		B4.1 Description of measures to review employment practices to avoid child and forced labor	5.1 Safeguarding rights to stabilize workforce morale
		B4.2 Description of steps taken to eliminate such practices when discovered	5.1 Safeguarding rights to stabilize workforce morale

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)			Where the disclosure is made
	B5 Supply Chain Management	General disclosure: Environment and social risks policy for managing of supply chain	II. Gathering Efforts and Integrating Port Resources
		B5.1 Number of suppliers by geographical region	2.2 Collaborative management ensuring smooth and stable supply
		B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	2.2 Collaborative management ensuring smooth and stable supply
		B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	2.2 Collaborative management ensuring smooth and stable supply
		B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	2.2 Collaborative management ensuring smooth and stable supply
	B6 Product Responsibility	General disclosure: in relation to health and safety, advertisement, labels and privacy matters for product and services provided as well as remedies (a) Policy; and (b) Information on compliance with relevant laws and regulations that have a significant impact on the issuer	II. Gathering Efforts and Integrating Port Resources III. Advancing Digital and Intelligent Transformation
		B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons	N/A
		B6.2 Number of products and services related complaints received and how they are dealt with	2.1 Focusing on principal business and exploring new opportunities
		B6.3 Description of practices relating to observing and protecting intellectual property rights	3.2 Achieving breakthroughs through technological advancements
		B6.4 Description of quality assurance process and recall procedures	N/A
		B6.5 Description of consumer information protection and privacy policies, how they are implemented and monitored	2.1 Focusing on principal business and exploring new opportunities

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)			Where the disclosure is made
	B7 Anti-corruption	General disclosure: in relation to preventing bribery, extortion, fraud and laundering: (a) Policy; and (b) In compliance with relevant laws and regulations that have a significant impact on the issuer	I. Consolidating the Port's Foundation by Deepening Responsibilities
		B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees	1.3 Promoting stability through compliance operation
		B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	1.3 Promoting stability through compliance operation
		B7.3 Description of anti-corruption training provided to directors and staff	1.3 Promoting stability through compliance operation
Community	B8 Community Investment	General disclosure: Policy in relation to understanding the needs of the community where it operates via community participation and ensuring that the interests of the community will be considered in its business activity	VI. Advancing Toward the New, Building a Prosperous and Happy Port
		B8.1 Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport)	6.2 Rural revitalization fuels prosperity 6.3 Public welfare and charity to safeguard people's livelihoods
		B8.2 Resources contributed (e.g. money or time) to the focus area.	6.2 Rural revitalization fuels prosperity 6.3 Public welfare and charity to safeguard people's livelihoods

THE RATING OF THE REPORT

Rating Report of 2024 Environmental, Social and Governance Report of Qinhuangdao Port Co., Ltd.

Upon the request of Qinhuangdao Port Co., Ltd., the Chinese Expert Committee on CSR Report Rating invited experts to form a rating team to rate the “2024 Environmental, Social and Governance Report of Qinhuangdao Port Co., Ltd.” (hereinafter referred to as “the Report”).

I. Rating Criteria

“Water Transport Industry of Guidelines for Sustainability Report of Chinese Enterprises (CASS-ESG 6.0)” of the China Enterprise Reform and Development Society (中國企業改革與發展研究會) and Responsibility Cloud Research Institute & the “Corporate Sustainable Development Report Rating Standards in China (2025)” of “Chinese Expert Committee on Corporate Social Responsibility Report Rating”.

II. Rating Process

1. The Rating Team reviews and confirms the Corporate Sustainable Development Report Process Evaluation Materials Confirmation Form and related supporting documents submitted by the Compilation Team of the Report;
2. The Rating Team evaluates the process and content of the Report and drafts the Rating Report;
3. The Vice Chairman of the Chinese Expert Committee on CSR Report Rating, the leader and the rating expert of the Rating Team jointly review and approve the Rating Report.

III. Rating Results

Process (★★★★☆)

The board of directors of the Company is the top ESG decision-making body, responsible for the strategic planning, risk management, and decision-making on major matters. Led by the Party Committee Work Department, it has established the ESG Implementation Group specifically implementing concrete work in areas of ESG. The Report was positioned as an important tool to disclose social responsibility performance information in accordance with the requirements of regulators, strengthen social responsibility management and enhance communication with stakeholders, showing clear functional value. It has introduced a regular process for assessing material topics, and adopted the double materiality approach to assess and identify substantive topics. The Report will be released in both electronic and print versions, achieving a leading performance in the aspect of process.

Substantiality (★★★★★)

The Report systematically disclosed the key industry topics such as climate change mitigation, pollutant emissions (timely retirement of transportation vehicles), transportation safety and emergency management, occupational health and safety production, and sustainable governance mechanisms. The information is thoroughly detailed and comprehensive, reflecting outstanding substantive performance.

Completeness (★★★★☆)

The main content of the Report systematically discloses 87.92% of the core industry indicators from the perspectives of “Consolidating the Port’s Foundation by Deepening Responsibilities”, “Gathering Efforts and Integrating Port Resources”, “Advancing Digital and Intelligent Transformation to Shape Port Brand Image”, “Embarking on a Green Journey: Pursuing a Lowcarbon and Ecological Port Area”, “Toward Excellence in Fostering Talents, Forging Elite Professionals in the Industry” and “Advancing Toward the New, Building a Prosperous and Happy Port”, showcasing outstanding completeness.

Balance (★★★★☆)

The Report disclosed negative data information such as “production safety accidents”, “number of injured/died employee”, and “number of newly added occupational patients” and “environmental pollution incidents”, while illustrating the Company’s target for “zero” production safety accidents, demonstrating a leading performance in balance.

Comparability (★★★★★)

The Report disclosed the comparative data of 74 key indicators such as “total assets”, “operating revenue”, “total profit” and “customer satisfaction” for three consecutive years, and made horizontal comparison through “ESG Pioneer 100 Index of State-owned Listed Company (2024)” and “China’s Top 50 ESG Pioneer Listed Companies in Beijing-Tianjin-Hebei Region (2024)”, achieving an excellent performance in the aspect of comparability.

Readability (★★★★☆)

The Report systematically disclosed the actions and achievements of social responsibility performance to the government, customers, environment, employees, partners, the community and other stakeholders in six chapters, responding to the expectations and demands of stakeholders in detail. The cover page design continued the vector style, incorporating industry and company-specific logos and elements. The chapter content featured full-page, high-quality images of responsible practices, with vibrant and aesthetically pleasing colors to enhance the Report’s readability. The Report included a variety of concise and clear case studies that showcased the Company’s actual ESG actions, significantly boosting the report’s appeal. In all, it achieved a leading performance in the aspect of readability.

Innovation (★★★★☆)

The Report focused on two key responsibilities, namely “optimizing transportation models and comprehensively reducing logistics costs” and “building a green port and cultivating a high-quality development ecological background”, highlighting the Company’s outstanding practices in enhancing port service levels and green port construction. Also, the Report opened with the column of the “2024 responsibility performance” and the chapter pages of the “materiality issues under this section” to fully demonstrate the Company’s key responsibilities. The Company held annual ESG work initiation and training meetings, leading various departments to further strengthen the Report’s communication effectiveness and value. In all, it achieved a leading performance in the aspect of innovation.

Overall Rating (★★★★★)

According to the assessment of the rating panel, the 2024 Environmental, Social and Governance Report of Qinhuangdao Port Co., Ltd. is an excellent corporate sustainable development report.



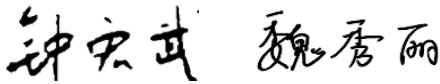
The Environmental, Social and Governance Report of Qinhuangdao Port Co., Ltd. wins a 5-star rating for the first time.

IV. Suggestions for Improvement

1. Increase the disclosure of negative data and negative event analysis to improve the balance of reporting;
2. Optimize the disclosure process for sustainable information and institutional mechanisms to further enhance the innovation of the report.



Vice Chairman of the Rating Expert Committee



Leader of the Rating Panel Expert of the Rating Panel



Scan the code to view enterprise rating files

Date of issuance: 24 March 2025

Feedback Questionnaire

Dear readers,

Hello! We are very grateful for you to read 2024 Environmental, Social and Governance Report of Qinhuangdao Port Co., Ltd. The Company places great emphasis on and is expected to hear your feedback about sustainability management, practices and disclosures of QHD Port. Your advice and suggestions are an important basis for the Company to continuously promote the management and practice of sustainability. Looking forward to your reply!

Selective question (please tick the appropriate place)

Options	Yes	Average	No
1. Do you think whether this report can reflect the QHD Port's significant impact on economy, society and environment or not?			
2. Do you think whether stakeholders identified in this report and the analysis on relationship between them and QHD Port are accurate and comprehensive or not?			
3. Do you think whether the information provided in this report is comprehensive or not?			
4. Do you think whether the information provided in this report is readable or not?			

5. Open-ended question: Other advice and suggestions from you on the 2024 Environmental, Social and Governance Report of Qinhuangdao Port Co., Ltd. are welcome.

Your Contact Details:

Name:
Employer:
Telephone:
Email: