



# 2024

Environmental, Social and  
Governance Report

## About this Report

This report is prepared with reference to the provisions set out in *Guide No.4 for Self-Regulatory Supervision on Listed Companies of the SSE – Compilation of Sustainable Development Reports* issued by Shanghai Stock Exchange and *Environmental, Social and Governance Reporting Guide* issued by Hong Kong Exchanges and Clearing Limited (HKEX). For ease of presentation and reading, Zhengzhou Coal Mining Machinery Group Co., Ltd. and its subsidiaries are referred to as “the Company” or “we” in this report. The Company is pleased to present its social responsibility performance from the year 2024, namely, from January 1, 2024 to December 31, 2024.

This report highlights and discusses the activities carries out by Zhengzhou Coal Mining Machinery Group Co., Ltd, and covers the following entities on account of a range of indicators such as sales values, business types, profits and assets values:

### Coal Mining Machinery Sector

Zhengzhou Coal Mining Machinery Group Co., Ltd., Zhengzhou Hengda Intelligent Control Technology Co., Ltd., Zhengzhou Coal Mining Comprehensive Machine Equipment Co., Ltd., Zhengzhou Coal Mining Machinery Group Material Trading Co., Ltd. For ease of presentation and reading, these four companies are collectively referred to as the “coal mining machinery sector” in this report.

### Auto Parts Sector

ASIMCO Technology, Inc., ASIMCO Shuanghuan Piston Ring (Yizheng) Co., Ltd., ASIMCO Camshaft (Yizheng) Co., Ltd., ASIMCO International Casting Co., Ltd. (Shanxi), Hubei Super Electric Auto Motor Co., Ltd., ASIMCO NVH Technologies Co., Ltd. (Anhui), ASIMCO Technologies (Yizheng) Co., Ltd. For ease of presentation and reading, these six companies are collectively referred to as “ASIMCO” in this report.

SEG Automotive Germany GmbH is referred to as “SEG” in this report.

### Investment Sector

Zhengzhou Zhima Street Industrial Co., Ltd., a wholly-owned subsidiary of Zhengzhou Coal Mining Machinery Group Co., Ltd., is one of the three major sectors under the strategic planning of Zhengzhou Coal Mining Machinery Group Co., Ltd (ZMJ). For ease of presentation and reading, Zhengzhou Zhima Street Industrial Co., Ltd. is referred to as “Zhima Street” in this report.

This report is issued in Chinese and English, and all contents shall be subject to the Chinese version. This report can be downloaded from the website of the Stock Exchange of Hong Kong Ltd. ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of Zhengzhou Coal Mining Machinery Group Co., Ltd. (hereinafter referred to as ZMJ) ([www.zmj.com](http://www.zmj.com)).





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## Message from the Company

Dear stakeholders,

Retrospect 2024, our resilience is clear as we advance despite challenges. This year presents a turbulent environment with strong winds and rough waves. We are experiencing a significant transformation, which has been ongoing for over a century, amid escalating geopolitical upheavals and increased competition in the market. In 2024, we focused on long-term strategies that began a new era for our company. We achieved consistent performance improvements, a smooth strategic transformation, enhanced digital intelligence across all areas, and a revolutionary reshaping of our corporate culture.

This year, the Coal Mining Machinery Sector, as the Group's stabilizing force, has continued to lead the way. Notable advancements in intelligent turnkey equipment have led to significant improvements in both production quality and efficiency. The main economic indicators began at a strong level, reached new highs, and have continued to reflect a positive trend toward sustained high-quality development.

This year, the Auto Parts Sector got strategic breakthrough and renewal. It closely aligned itself with market trends, optimized its business structure, and strengthened its core component advantage. NEV business made significant progress by a lot of mainstream OEM projects acquisition, overall operation efficiency and business profitability.

This year witnessed notable success in digital transformation. ZMJ Smart Park has become the first exclusive "Lighthouse Factory" in the global coal machinery industry. Additionally, a new factory of HENGDA has been successfully established and is now operational. ZMJ is serving as a beacon for the digital transformation and upgrading of discrete manufacturing enterprises, gradually paving the way for progress.

This year has brought significant advancement in the Investment Sector. SUDA, an equity investment company under ZMJ, successfully launched its initial public offering (IPO), becoming the first company based in Henan to go public on Shenzhen Stock Exchange. Meanwhile, phase II of ZHIMAJIE has experienced stable development. Additionally, LYC, another equity investment company of ZMJ, completed its shareholding reform and began the IPO sponsorship and filing process, with its IPO progressing smoothly.

As the 14th Five-Year Plan approaches its culmination, ZMJ maintains clear-sighted awareness of that the macroeconomic landscape of 2025 will grow increasingly complex and volatile, with intensifying market competition and accelerating technological disruption. These external dynamics present both transformative opportunities and formidable challenges for our strategic evolution. Therefore, ZMJ will continue to adhere to the vision of "With Smart Industrial Solution, We are the Motor for a Sustainable World", face up to difficulties, confront challenges head-on, move forward with reinforced determination and collaborative synergy, and navigate through turbulent industry currents to achieve enduring success.

Zhengzhou Coal Mining Machinery Group Co., Ltd.  
March 2025



## Company Profile

Zhengzhou Coal Mining Machinery Group Co., Ltd. was founded in 1958 and restructured into a limited liability company in 2008. It was listed on the main board of Shanghai Stock Exchange and Hong Kong Exchanges and Clearing Limited in 2010 and 2012, respectively, and became a listed company with A+H shares. The current controlling shareholders of the Company are Hong Yi Investment Management (Henan) Partnership (Limited Partnership) and Henan Asset Management Co., Ltd., collectively holding 19.15% of the Company's shares with no actual controller. For ease of presentation and reading, Zhengzhou Coal Mining Machinery Group Co., Ltd. and its subsidiaries are referred to as "the Company" or "we" in this report.

The Company started with its coal mining machinery business and has remained a leader in the hydraulic roof support industry for years. The Company successively acquired the ASIMCO Group and SEG in 2016 and 2017, and entered the field of auto parts with a high starting point. In 2018, the Company established Zhima Street Industrial Co., Ltd. to develop investment business. The Company currently has three business sectors, i.e. coal mining machinery, auto parts and investment, and has 28 branches in 17 countries and regions around the world. The Company has grown into the world's largest supplier of coal mining technology and equipment and a leading international auto parts manufacturer.

General Secretary Xi Jinping visited the Company in 2019 and made important instructions on the future development of the Company, pointing out the way forward for us. We have actively responded to the national development strategy and the instructions of the General Secretary, unveiled our updated mission, vision, and values in 2024. In the future, we will steadfastly embrace our noble mission of "Intelligence Drives a Better Future", anchored by the values of "Future-Focused, Transformation and Innovation, Openness and Collaboration, Pursuit of Excellence". We will resolutely advance transformation and upgrading of manufacturing industries to make traditional industries higher-end and smarter, and cultivate and foster new quality productive forces by means of digitalisation, striving to realize our ambitious vision of "With Smart Industrial Solutions, We are the Motor for a Sustainable World".





## Financial Performance in 2024

Revenue amounted to RMB (million)	Year-on-year Increase	Net profit attributable to the parent company stood at RMB (million)	Year-on-year Increase
37,052	1.73%	3,943 <sup>(1)</sup>	19.45%

Revenue amounted to RMB 37,052 million, with a year-on-year increase of 1.73%. Net profit attributable to the parent company stood at RMB 3,943<sup>(1)</sup> million, representing a year-on-year increase of 19.45%.

We distributed cash dividends of RMB 1,500 million (tax inclusive), accounting for 45.81% of the net profit attributable to the shareholders of the listed company in 2023.

<sup>(1)</sup>Calculated in accordance with international financial reporting accounting standards

## Important honors in 2024

2024 National First Batch of Excellence-level Smart Factor — Ministry of Industry and Information Technology of the People's Republic of China

2024 National Green Factor — Ministry of Industry and Information Technology of the People's Republic of China

Ranked 8th among World Top 50 Mining Machinery Manufactories — T50 Summit of World Construction Machinery Industry

Ranked 398th among *Fortune* China 500 companies in 2024 — *Fortune* (Chinese Version)

Ranking 312nd among 2024 Top 500 China Manufacturing Enterprises — China Enterprise Confederation

Ranked 31st among 2024 Top 100 China Automotive Supply Chain Companies — China Automotive News

Golden Bull Most Valuable Investment Award & “Golden Information Disclosure” Award — China Securities Journal

Ranking 75th among 2024 Top 100 Chinese Innovators — China Enterprise Confederation

Ranking 19th among 2024 Henan Top 100 Enterprises — Henan Enterprise Confederation

Ranking 1st among 2024 Henan Leading Enterprises — Department of Industry and Information Technology of Henan Province

Ranking 12nd among 2024 Henan Top 100 Manufacturing Enterprises — Henan Enterprise Confederation

Ranking 78th among 2024 Henan Top 100 High-Growth Enterprises — Henan Enterprise Confederation

Chairman Jiao Chengyao Wins the Honorary Title of “Golden Bull Entrepreneur” — China Securities Journal







# MANAGEMENT APPROACH

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Social Responsibility Governance

The Board of Directors of the Company is responsible for our Environmental, Social and Governance Report, including the assessment and identification of risks relating to social responsibility, and ensuring an appropriate and effective risk management and internal control system in place for social responsibility. The Company has appointed our business function departments to review the Company’s operations and hold internal discussions to identify relevant social responsibility issues and assess the importance of such issues to our business and stakeholders. The management has confirmed the effectiveness of the risk management and internal control system for social responsibility to the Board. According to the general disclosure requirements provided in *Environmental, Social and Governance Reporting Guide*, the identified major environmental, social and governance issues have been included in this report to provide balanced disclosure of the social responsibility performance of the Company during its operations.

Stakeholders’ Engagement

While adhering to its commitment to creating a world-class brand and tirelessly pursuing its own development, the Company has due regard to the demands from stakeholders, including investors, government/regulatory authorities, employees, customers, suppliers, non-government organizations and the community. By establishing channels conducive to the engagement of stakeholders, the Company brings in the views of each party to its entire decision-making and operating process.

This report provides the stakeholders with the latest information about the Company’s activities and performance in environmental, social and governance aspects, conveying the Company’s willingness to create the best value for its stakeholders.

Stakeholders	Expectations on the Company		Channels of Feedback	
Investors	•Protection of rights and interests of shareholders •Timely and accurate disclosure of relevant information	•Improvement of the corporate governance •Operation in compliance with laws	•General meetings of shareholders •News releases and announcements	•External reports •Release of news on the website of the Company •Investment briefings
Government/Regulatory Authorities	•Operation in compliance with laws •Safe and healthy workplace	•Benefits to stakeholder communities	•Compliance reports •Supervision and inspection	•Application for licensing documents •Compliance conferences
Employees	•Competitive remuneration and benefits •Safe and healthy workplace	•Training and capacity building	•Trade unions/employee representative congress •Collective negotiation agreements •Safety and compliance conferences	•Training and career development •Communication channels for employees
Customers	•Customer Service •Quality assurance	•Product liability	•Seminars for key customers •Systematic communication •Visit to plants in operation	•Participation in industrial organizations •Sustainable development reports

Stakeholders	Expectations on the Company		Channels of Feedback	
Supplier	•Supplier admittance management •Evaluation of suppliers	•Protection of suppliers’ interests •Cooperation with suppliers	•Tendering, seminars •Admittance and evaluation of suppliers	•Field visits •Meetings with senior management
Non-Governmental Organizations	•Investments in local development •Participation in local community projects	•Bearing environmental responsibility •Human rights •Sharing benefits fairly	•Annual Environmental, Social and Governance Report •Direct communication	•Factory visit
Communities	•Local development •Bearing environmental responsibility	•Promoting employment •Providing opportunities for local goods and service providers	•Convening community meetings •Focusing on group meetings	•Procurement demand notices •Recruitment notices

Key Social Responsibility Issues

Having communicated and conducted survey with the internal and external stakeholders of the Company, we have collected many suggestions. From the dimensions of both the impact on the Company’s operations and the impact on our stakeholders, we have scored and ranked the social responsibility issues of the Company to reflect our material impacts on the environment and society and better respond to the expectations and demands from stakeholders.

A matrix of our key issues is as follows:





# HIGHLIGHT



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Highlight 1 The Intelligent Park Create a Benchmark



In recent years, ZMJ deeply implement the important instructions of the General Secretary when he inspected ZMJ in 2019, firmly advance transformation and upgrading of manufacturing industries to make traditional industries higher-end and smarter, and strive to build smart factory to cultivate and foster new quality productive forces by means of digitalisation. In 2024, the ZMJ Intelligent Park has been successfully selected as a “Lighthouse Factory” list published by the World Economic Forum (WEF), becoming the only “Lighthouse Factory” in the coal machinery industry at present. Guided by the Industry 4.0 intelligent manufacturing system, the intelligent park utilizes advanced digital technologies and high-tech production equipment to achieve comprehensive digital management across the entire value chain, from design and procurement to production and delivery.

Intelligent Technology to Reshape the Production Model

The Intelligent Park makes comprehensive use of many advanced technologies such as “visual recognition, AI perception, 5G communication”, and deeply connects and integrates ERP, PLM, MBD, production execution and other systems, realising the integration of production equipment, upper-level interface, logistics drive, automation equipment and workstation. By collecting, cleaning, converting and processing data, improving data quality, creating a unified data convergence layer and application layer, and constructing data models according to the needs of business scenarios, the Intelligent Park achieves automatic statistics and analysis of production data, automatic generation of production costs, and automatic accounting of employee wages.



Digital Empowerment for Efficiency and Quality

The Intelligent Park combines industrial Internet of Things (IIoT), sensors, intelligent analysis, cloud computing and other technologies to achieve real-time interaction and collaborative operation of multiple types and models of logistics equipment by means of real-time data collection, remote monitoring and intelligent analysis. The dispatching system coordinates materials of different types, sizes, and weights across the entire process chain from raw material storage, cutting zones, plate processing zones, welding zones to delivery zones.



And the efficient operation of high-tech equipment greatly reduces labor costs and significantly improves production efficiency and product quality. With 23 intelligent production lines and nearly 200 robots of various types deployed—including proprietary grab-type unmanned cranes, industry-first large-scale positioners, and 14 high-speed/high-power fiber laser cutting machines—the Intelligent Park achieves output increase of more than 30%, manpower efficiency increase of more than 100%, and shorten the production cycle from the original 28 days to 9 days.

Inspect to Bolster China’s Manufacturing Power

In October 2024, Member of the Standing Committee of the Political Bureau of the CPC Central Committee and Vice Premier of the State Council Ding Xuexiang inspected ZMJ to learn about the transformation and upgrading of the manufacturing industry by visiting the Technology & Culture Exhibition Center and the Intelligent Park. Vice Premier Ding Xuexiang emphasized the need to meticulously implement the “Two New” policies, strengthen the real economy through independent innovation, and foster new quality productive forces in light of actual conditions. ZMJ will keep founding mission in mind at all times and pledge to uphold its commitment by relentlessly advancing equipment manufacturing expertise, scaling new technological height, and contributing “ZMJ Strength” to propel high-quality development in China’s manufacturing sector.





## Highlight 2 Achievements in Each Business Sector

Led by the vision of “With Smart Industrial Solution, We are the Motor for a Sustainable World”, the three business sectors of coal mining machinery, auto parts and investment demonstrated robust growth in 2024. Orders for intelligent complete sets of sales projects in the Coal Mining Machinery Sector continue to improve, the Auto Parts Sector broke the technical barriers of foreign parts, and new progress was made in the Investment Sector, which together lay a solid foundation for future development.

### Coal Mining Machinery Sector

In the Coal Mining Machinery Sector, a high-end intelligent complete unit, which ZMJ supplied to Gucheng Coal Mine of Lu'an Chemical Group, completed the joint commissioning and reached a state where it can be officially put into operation in 2024. The high-end intelligent complete unit integrates multiple innovative devices independently developed by ZMJ and builds an integrated intelligent control system, offering a strong protection for the customer's annual production to meet the standard. In addition, the 7.2-metre super-large mining height hydraulic supports, developed for Shenshupan Mining Company, has also successfully passed final inspection and acceptance, which is of milestone significance as the world's first set of hydraulic support with the highest height in the industry. This equipment can increase machine height, achieve “more mining, less waste”, significantly improve coal recovery rates and reduce the waste of resources. It not only pioneers a new approach for extracting ultra-thick coal seams in the Shanxi and Inner Mongolia region but also sets a benchmark for advancing high-quality equipment technological development in the coal industry.



### Auto Parts Sector

In the Auto Parts Sector, ASIMCO broke through technological barriers previously dominated by foreign suppliers through technological innovation, achieving breakthroughs from zero to one in main components, battery cooling plates, and chassis linkages of the intelligent air suspension system, which received nominations from several clients. Notably, the air compressor—a critical component for smart vehicles—was previously monopolized by foreign companies with exorbitant pricing. After localization, the unit price is expected to drop from over RMB 10,000 to RMB 5,000 – 6,000. At present, the production technology of air compressor products has obtained national patent, and has been won the recognition by a number of domestic top NEV manufacturers, with mass production imminent. Meanwhile, SEG vigorously invested in research and development to promote product upgrading and industry technological advances, and accelerate the expansion of new energy drive motor business, successfully mass produced 800V HV flat wire adhesive rotor products, which acquired a lot of mainstream OEM projects.



### Investment Sector

In the Investment Sector, SUDA, an equity investment company under ZMJ, successfully launched its initial public offering (IPO), becoming the first A-share company specializing in full-lifecycle management of industrial machinery and the first company based in Henan to go public on Shenzhen Stock Exchange. Meanwhile, LYC, another equity investment company of ZMJ, completed its shareholding reform and began the IPO sponsorship and filing process, with its IPO progressing smoothly.





Highlight 3 Smart mining: Extracting the power of AI

Zhengzhou Hengda Intelligent Control Technology Co., Ltd. actively responds to national policies promoting the construction of smart mining by integrating DeepSeek’s large language model into core smart mine systems such as the whole mine control platform, the integrated mining control platform, the digital twin system, and the mine pressure monitoring system. By deeply incorporating Huawei Ascend AI computing power, the system delivers various functions, including intelligent image analysis, intelligent Q&A, and computing power optimization, which not only help customers enhance production efficiency but also boost the safety and intelligence of mining operations, providing a more efficient and reliable solution for smart mine construction.



Coal Mine Disaster Comprehensive Prevention and Control + AI

Leveraging AI technology, multi-dimensional data from mine geology, hydrogeology, and mining operations can be comprehensively analyzed to construct a dynamic evolution model of mine pressure. This enables real-time monitoring of geological structure changes and abnormal roof pressure, accurately predicting the risk of roof falls. The system can automatically generate early warning alerts and recommend support optimization solutions, effectively ensuring the safety of underground workers.



Highlight 4 Digital and Intelligent Transformation Drives Innovation

To enhance global competitiveness, ZMJ is advancing its global digital transformation and business governance innovation. We have hired professional consultants and set up organizations to conduct in-depth interviews, research and discussions on a global scale. In 2024, ZMJ held the 3rd Global Managers Summit in Germany and Switzerland, where managers from different regions gathered to broaden their global horizons, merge their cultural philosophies, forge a consensus on development, and discuss plans for the development of the enterprise.



After multiple rounds of validation and discussions, the SAP project blueprint design has been completed and an initial digital transformation roadmap and business governance reform plan have been formulated to lay a solid foundation for future digital global governance. As an important milestone in the implementation of the overall digital transformation plan, SEG SAP upgrade project was officially launched in Stuttgart, Germany. Centering on the use of better and globally harmonized business processes to enhance efficiency, this project is dedicated to process optimization and standardization, and is committed to building a comprehensive digital system.

Integrated Mining Control Platform + AI

Leveraging AI technology, the integrated mining control platform can identify and analyze equipment operating status in real time, accurately capturing the potential link between declining operational efficiency and abnormal energy consumption. It can automatically generate targeted optimization recommendations and immediately push notifications to management personnel. Taking our AI smart assistant “Xiao Zhi” as an example, it boasts a response speed as fast as  $\leq 0.3$  seconds, large model processing times of  $\leq 1.5$  seconds, voice synthesis within  $\leq 1$  second, and an intent recognition accuracy exceeding 90%, effectively enhancing equipment tracking speed and overall production efficiency.





## Highlight 5 Discussing the Future on Davos Forum

In June 2024, Jiao Chengyao, Chairman of ZMJ Group (ZMJ), was invited to attend the 15th Annual Meeting of the New Champions (Summer Davos Forum) of the World Economic Forum. During the event, he participated in a special dialogue with Chinese Premier Li Qiang and engaged in discussions on key topics, including “Decarbonizing Asia’s Value Chains,” “Momentum for Energy Transition: China’s Roadmap,” “Industrial Energy Transformation,” and “Can Better Factories Give us Better Growth?”.



Chairman Jiao emphasized that the future of coal mining is driven by intelligentization, system integration, internationalization, and socialization. He highlighted key trends shaping the industry: Intelligent underground unmanned mining as the next stage of automation; System integration, which will lead to further industry consolidation; Socialized services, where lifecycle service models will redefine industry roles; International expansion, as global coal machinery companies gradually exit underground mining, creating opportunities for Chinese coal mining equipment manufacturers to rapidly capture overseas markets.

In the Auto Parts Sector, Chairman Jiao noted that 65% of traditional vehicle motors in Europe are currently supplied by ZMJ. Meanwhile, the Company’s new energy vehicle (NEV) motor business grew nearly tenfold in 2024, and this high-growth trend is expected to continue in the coming years. ZMJ is gradually transferring advanced motor technologies to China, shifting from high-cost production to a lower-cost manufacturing base.



Looking ahead, ZMJ will remain committed to its electrification, intelligentization, digitalization, and globalization strategy. The Company will accelerate innovation in green and sustainable technologies, increase investments in smart mining and intelligent manufacturing, and proactively expand into the new energy sector, including high-voltage drive motors and intelligent suspension systems for electric vehicles. Through these efforts, ZMJ aims to contribute to global sustainable economic development while creating long-term value for the industry.







# MARKET RESPONSIBILITY

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As an international company with integrated development of dual principal businesses, i.e. coal mining machinery R&D and manufacturing and auto parts manufacturing, we are always committed to integrity operation by leveraging on our own advantages in technology R&D, craftsmanship and innovation, and operation management, etc. to provide customers with high-quality products and services. We have established an advanced R&D and experimental center, an automatic production line and a quality management system covering the whole production process to continuously improve product quality. Through a systematic intellectual property protection system, we have standardized the maintenance and protection mechanism of intellectual property rights and patents, and striven to ensure that intellectual property rights and patents are not infringed. We have built a complete sales and after-sales service network to provide timely and high-quality services for every client. In addition, we have strengthened the management of our suppliers. We not only paid attention to the quality of our suppliers' products, but also raised the requirements on environmental protection, business ethics and other aspects.

## Focusing on Product Quality

We adhere to the value of "Pursuit of Excellence", attach great importance to product quality, stick to the quality concept of "high standards, delicacy, and zero defect", strictly abide by the laws and regulations relating to the product quality of the locations where we operate, including the Law of the People's Republic of China on Product Quality and Product Safety Act, and has taken various measures to ensure product quality. In 2024, we continued to improve the quality system construction and quality assessment and motivation, consolidate the standard operating practices, take the initiative to fulfill the liabilities for product quality, and strictly controlled the product quality through authoritative certification.



The coal mining machinery sector has established a perfect quality control system and whole-process inspection system, and has obtained ISO9001 Quality Management System Certification and CNAS laboratory accreditation. To ensure product quality, the full-process testing and inspection system covers three levels of testing and inspection, namely, completion inspection by operators in the production process, sampling inspection or full inspection by the quality department, and inspection by an independent authoritative inspection and measurement institution. For products that experienced breakdown after the installation in the mine but are within the warranty period, they are recalled after that the breakdown was certified by our technical department and quality department, or corresponding repair parts are produced according to the After-sales Service Control Procedure. In 2024, the Coal Mining Machinery sector continued to promote the "Do It Right the First Time" quality culture reform project. By cultivating in-house quality promotion specialists and standardizing the production method of doing it right the first time, we are striving to achieve zero-defect quality outcomes and strengthen brand competitiveness. In June, we further enhanced our quality management capabilities by inviting certified auditor trainers from the China Certification Centre for Security and Protection. These experts conducted specialized training sessions using past audit cases to comprehensively explain management systems for mining product manufacturing enterprises, thereby driving continuous improvement in organizational quality governance.



### Case: ZMJ won a number of scientific and technological awards issued by the China Coal Industry Association.

In December 2024, the China Coal Industry Association held the "2024 Summary of Technological Innovation Achievements and New Technology Exchange Conference in the Coal Industry." The meeting reviewed the new achievements in 2024 across technological innovation, technological awards, quality standards, intellectual property, achievement transformation, and platform construction within the coal industry. At the meeting, ZMJ leveraged its advanced manufacturing capabilities and outstanding product quality to secure one Special Award, one Innovation Team Award, one Second Prize in a Special Award category, and four Third Prizes for Technological Progress.





ASIMCO has formulated strict quality management system standards and product quality standards in accordance with the internationally accepted automotive industry quality system standards, and has implemented quality control, assessment and motivation throughout the process of procurement, production and delivery, and receives strict assessment by customers and third-party certification agencies every year. All subsidiaries of ASIMCO have passed IATF16949 quality management system certification, and ASIMCO NVH Technologies Co., Ltd. (Anhui), ASIMCO International Casting Co., Ltd. (Shanxi), and ASIMCO Shuanghuan Piston Ring (Yizheng) Co., Ltd. also have even obtained ISO9001 quality management system certification. For the product quality problems fed back by clients, the Quality Control Department shall organize relevant personnel to investigate and analyze in strict accordance with the standard 8D process. If the analysis shows the return or exchange criterion is met, timely recall for maintenance or return and exchange measures shall be taken.



Based on external laws and regulations as well as internal code of conduct, SEG has established a complete central one management system (OMS) with clearly defined standard processes and procedures for product quality control, product recalls and client claims management that combine preventive quality assurance with continuous process improvement to ensure products and services consistently meet the highest standards. All affiliates of SEG have been certified by IATF16949 Quality Management System. In April 2024, SEG Brazil was honored with the Excellence in Performance Award by Toyota Brazil for achieving 100% on-time delivery of all components, while collaborating with Toyota Brazil to deliver quality training programs for all production staff, jointly elevating quality control standards.

## Provision of Satisfactory Services

Customer satisfaction is the foundation for a company's survival. We attach great importance to customer satisfaction and regard maximizing customers' benefits as our first priority. In 2023, we enhanced the service quality, continued to improve the sound and complete service system, and built periodic service management to fully safeguard customer privacy and constantly improve customer experience, and we won a lot of recognition in both domestic and foreign markets.

For response to complaint, we always adhere to the principle of "customer first", establish a complete after-sales service process and customer relationship management platform. The Quality Department of the Company deals with the feedback from customers in a timely manner, specially appoints personnel to communicate with the purchasing, production site, logistics and other departments of customers, and proposes specific solutions according to the actual situations of customers to effectively solve problems. In 2024, we received 68

communication complaints about products and services, with a completion rate of 100%. In terms of the protection of customer privacy, we will sign a confidentiality agreement according to clients' requirements, and properly keep or destroy without delay drawings, inspection records, technical agreements and other materials generated in the production process in strict accordance with standards; implement encryption measures for computer systems to prevent data leakage; provide regular training on data protection for employees. The Supervision Department of the Company shall strengthen routine supervision and inspection. Once any disclosure of clients' privacy is found, it will be handled seriously to effectively protect the rights and interests of clients.



In 2024, we were recognized by a number of customers for our high-quality products and comprehensive customer services:

- ASIMCO was honored with the "Strategic Collaboration Contribution Award" and "Supplier of the Year Award" by Foton Cummins for 2024-2025;
- ASIMCO Sealing Technologies Co., Ltd. (Anhui) won the "Zero-Defect Supplier Award" from Vitesco Technologies Tianjin in 2024;
- ASIMCO NVH Technologies Co., Ltd. (Anhui) won the "Global Outstanding Quality Supplier" by Nexteer Automotive in 2024;
- ASIMCO Shuanghuan Piston Ring (Yizheng) Co., Ltd. was awarded the title of "2024 Core Supplier for Commercial Vehicle Aftermarket";
- ASIMCO Shuanghuan Piston Ring (Yizheng) Co., Ltd. won the "Best Product Development Award" from Dongfeng Cummins in 2024;
- ASIMCO Shuanghuan Piston Ring (Yizheng) Co., Ltd. won the "Best Quality Award" from Guangxi Cummins in 2024;
- ASIMCO International Casting Co., Ltd. (Shanxi) won the "Outstanding Supplier Award" by Geely Farizon New Energy Commercial Vehicle Group in 2024;
- SEG was honored as "2024 Gold Supplier" by Weichai Power.



## Supplier Management

The Company upholds the core value of “Open Collaboration”, establishing a supply chain system characterized by transparent processes, controlled risks, enhanced efficiency, and cost leadership, thereby laying a solid foundation for the stable development of all its projects. In addition, we understand that the relationship between our partners and us is not only to achieve win-win cooperation, but also to establish mutual supervision. In 2024, we continued to promote the application of electronic bidding platform, integrated the concept of sustainable development into routine management of suppliers, abided by environmental protection laws, regulations and standards, took the initiative to purchase environmentally friendly materials, and continuously improved supplier assessment, qualification review and other significant links to work with suppliers for sustainable development.



The Coal Mining Machinery sector formulated *Measures for the Supplier Management Measures*. Every year, we invites all user departments and R&D, technology, quality, warehousing and other departments to conduct assessment on the aspects of basic conditions, staffing, quality management, environmental protection, production safety and system documents of our suppliers to compile a directory of qualified suppliers. In 2024, the Coal Mining Machinery sector continued to promote the construction of electronic bidding platform and digital SCM supplier portal. Furthermore, we strictly complies with China’s environmental regulations by setting procurement standards for water-based paints, promoting powder coating processes as an alternative, prohibiting suppliers from using China IV or below emission-standard vehicles for material transportation, increasing the proportion of rail transport, and adopting preheating-free steel plates and semi-finished product supply models to reduce carbon emissions.

ASIMCO formulated procurement-related systems such as *Procurement Policy*, *Supplier Development Process Control*, *Procurement Process Control Procedure* and *Management Measures for Supplier Performance Evaluation*, which made agreements on suppliers in terms of employment of child labor or young workers, wages and welfare, working hours, freedom of association, collective bargaining, and environmental protection, etc., and used the supplier information management platform (SRM system) to realize informatization control of purchase order management, new product quotation, supplier portrait and other modules. Potential suppliers are investigated

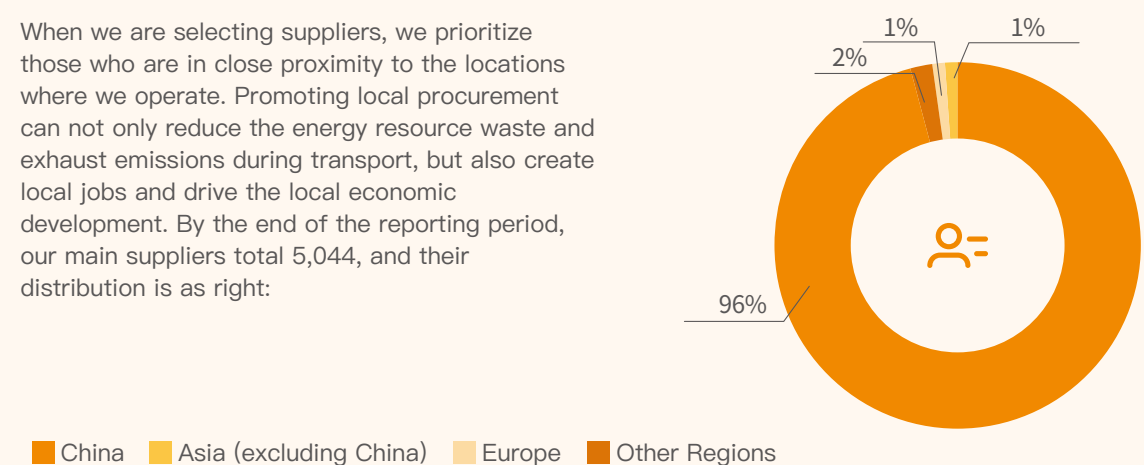
in the early stage, ASIMCO organized an evaluation team to carry out admission audit, and approve supplier admission according to the processes. For existing suppliers, ASIMCO signs environmental, health and safety (EHS) agreements with all suppliers and notifies relevant parties, clarifies that the supplied materials meet the requirements of national and regional environmental protection laws and regulations and environmental protection standards of automotive industry, and performs supplier quality system audit and EHS investigation every year. ASIMCO does not include the suppliers that fail to meet standards in the list of qualified suppliers until they complete rectification. Furthermore, we also promote the suppliers of raw materials and outsourced parts to comply with the environmental friendly packaging requirements to gradually eliminate the packaging of cartons and pallets, and use plastic storage boxes, storage cages, hoarding boxes and other forms to promote the recycling of packaging materials.

SEG has formulated supplier management systems such as the *Supplier Code of Conduct* and the *Enterprise and Quality Agreement*, and established a complete supplier risk management system, incorporating delivery date, product quality, product performance and suppliers’ sustainable development practices into its supplier evaluation standards. SEG will regularly evaluate the validity period of suppliers’ ISO14000 environmental management series certification and entrust a third-party organization to monitor their environmental and social risks, so as to ensure that they take effective measures to deal with relevant risks. At the same time, SEG is also committed to improving its professional skills and knowledge throughout the supply chain, providing regular skills training for suppliers and imparting technical expertise on parts, so as to build and consolidate long-term cooperative relationships.



▲ SEG provides product training for suppliers

When we are selecting suppliers, we prioritize those who are in close proximity to the locations where we operate. Promoting local procurement can not only reduce the energy resource waste and exhaust emissions during transport, but also create local jobs and drive the local economic development. By the end of the reporting period, our main suppliers total 5,044, and their distribution is as right:





## Anti-Corruption

We adhere to the principles of “integrity operation, legal operation and incorruptible management”. We abide by the laws and regulations of the locations where we operate, including *Criminal Law of the People's Republic of China*, *Anti-unfair Competition Law of the People's Republic of China*, *Interim Provisions on Prohibition of Commercial Bribery*, *Law against Unfair Competition*, *Criminal Code* and *Money Laundering Act*, to build an operating environment of “integrity, justice and transparency”. In 2024, the Company continued to implement the provisions on anti-corruption in the Management Measures for Discipline Inspection, Supervision and Reporting of ZMJ Group, and published the supervision and reporting telephone number and email address on the official website to encourage all parties to report violations of business ethics. The Discipline Inspection and Supervision Department of the Company will verify, follow up, handle the reported matters and strictly protect the privacy of the whistleblowers.

The Coal Mining Machinery sector strictly implements the discipline supervision and inspection, and collaborative operation with the board of supervisors, and internal audit, to make joint efforts to supervise corruption and promote integrity, and to practically monitor the proper duty performance of employees. Meanwhile, to strengthen integrity awareness among employees at all levels, the coal mining machinery sector launched an online ‘Discipline Inspection and Supervision’ course and routinely conducts case-based warning education during monthly economic operation analysis meetings, departmental meetings, and pre-shift briefings at branch factories. Additionally, integrity commitment agreements have been signed with mid-level assistant managers and above, and integrity training programs are organized for new employees to reinforce ethical conduct in the workplace.



▲ Integrity education and training for new employees

ASIMCO continued to work on the integrity education of employees and senior management to strengthen the compliance awareness. Regularly issue integrity and self-discipline notices to all employees through the Company's OA platform and mails, and post them on the bulletin boards of each company; Develop a compliance reporting platform to encourage internal employees and other external persons to report violations of laws and disciplines through the compliance platform; For reimbursement of legal and reasonable expenses such as sponsorship, entertainment and gifts, *the Application and Approval Form for Anti-Corruption Compliance Expenses of ASIMCO* shall be filled in. Any payment without real business will not be recognized and entered into the account; Conduct special training on anti-corruption for middle-level and above personnel of the Company every year; Implementation of job rotation for procurement personnel; Require suppliers to sign *the Sunshine Agreement* with the Company; Measures such as issuing integrity supervision notices to all suppliers and various units with business connections by mail can effectively prevent potential corruption risks in operation and business activities.

Outside China, SEG has set up a global compliance department headed by the Chief Compliance Officer to monitor non-compliance and formulate corresponding prevention and countermeasures. At the same time, the “Speak Up” strategy is launched within all affiliated companies. Any employee, customer and supplier can report non-compliance matters through the reporting mailbox and electronic reporting platform. The Compliance Manager checks all received reports and tracks them every week. The electronic reporting platform is operated by an independent third party, to ensure anonymity in reporting non-compliance matters. In addition, SEG has launched an e-training course of compliance management and code of conduct, including topics such as anti-corruption, anti-money laundering, code of conduct, data protection, etc., and continuously updated the course content to adapt to new developments to ensure that all employees timely learn and comply with relevant compliance requirements.

In 2024, we did not identify any closed corruption litigation cases against the Company and its employees.





# EMPLOYEE RESPONSIBILITIES

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Adhering to the employment concept of “Gathering Excellent People and Doing Excellent Things”, we are committed to creating an open, innovative, and fair work environment for our employees. We focus on their physical and mental well-being, safeguard their legal rights, and encourage them to create value while growing together with the company. We continuously build a learning organization, actively attracting exceptional external talent while strengthening the development of our internal talent through diversified training programs, competitive compensation, and an ever-improving promotion system.



## Labor Rights and Interests

We strictly abide by local labor laws and regulations in all business sectors around the world. In this regard, we have established corresponding systems, such as *the Staff Manual* and *the Administrative Measures for Staff Recruitment and Admission*. The Coal Mining Machinery Sector and ASIMCO strictly comply with the laws and regulations of the People’s Republic of China, such as *the Labor Law*, *the Anti-Employment Discrimination Law*, and *the Law of the People’s Republic of China on the Protection of the Minors*. They value openness and equality in both internal and external recruitment, prohibit the employment of child labor and compulsory labor, sign labor contracts with employees, arrange working hours in accordance with the standard working hour system, and pay social insurance premiums including medical insurance, work-related injury insurance and maternity insurance for employees on time every month. SEG complies with *the General Information Equal Treatment Act (AGG)* and other applicable local laws and regulations in terms of remuneration and dismissal, recruitment and promotion, working hours, equal opportunity, anti-discrimination, human rights and other benefits. These principles were incorporated in SEG’s *Business Conduct Guidelines* and *Business Conduct Guidelines for Suppliers*. In 2024, we did not identify any incidents of child labor, forced labor, or discrimination.

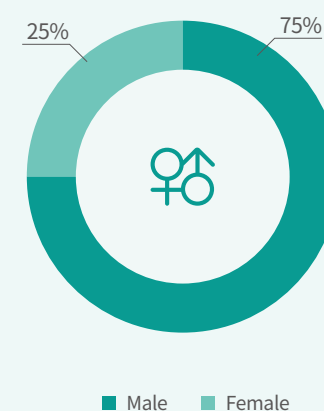
We attach importance to two-way communication with employees and safeguard their legitimate rights and interests. We have set up an employee hotline to encourage employees to anonymously report any behavior that may harm their rights and interests. The annual congress of workers and staff is convened to collect the opinions and requests of employees, so as to better respond to their expectations towards the Company. The Coal Mining Machinery Sector, ASIMCO and SEG have reached collective negotiation agreements with labor unions or employment committees of the locations where they operate. All employees have the rights to associate freely and negotiate collectively.



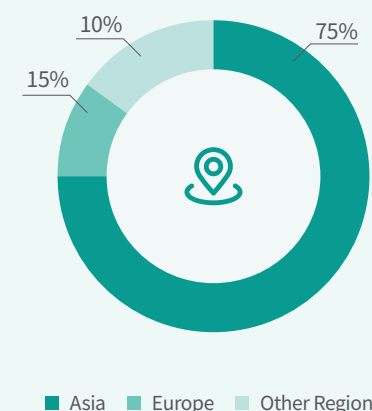
▲ Each business sector holds an employee representative congress

We attach great importance to a diversified employee structure. Accordingly, we recruit employees from different backgrounds and encourage them to enrich our thoughts and values, so as to invigorate the Company and employees. In 2024, we have a total of 15,502 employees with approximately 25% women and 25% in Europe and other regions.

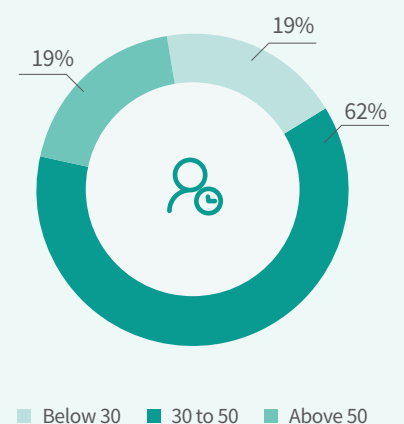
Structure of employees by gender



Structure of employees by regional distribution



Structure of employees by age





## Employee Caring

We, being employee-oriented, consider employees' physical and mental health as a cornerstone of the Company's culture. We have been actively communicating with employees, paying attention to their demands, and focusing on supporting employees in need. We balance employees' work and life by organizing a variety of sports and entertainment activities, creating a healthy, joyful, and positive work atmosphere, and enhancing employees' sense of belonging and happiness.

## Work-Life Balance

In order to enrich the spare time life of the employees, the Company headquarters is equipped with an employee cultural and sports activity center, covering an area of 712 square meters. The center includes sports and fitness area, table tennis activity area and culture and sports association activity area. Apart from work, we help our employees relieve their pressure and strike a balance between work and life with various activities. There are 7 culture and sports associations in the Company, namely, basketball association, badminton association, table tennis association, painting, calligraphy and photography association, dance association, music association, and reading and public speech association, providing our staff with the same hobbies and interests with a platform for making friends.

In 2024, each business sector leveraged culture to drive development by organizing a variety of cultural and sports activities. The Coal Mining Machinery Sector curated the ZMJ Stories Comic Exhibition, using dozens of original comic artworks to artistically depict real stories from the Company's development journey, promoting ZMJ's corporate culture. It also hosted a Spring Festival Gathering, providing a vibrant stage for employees to showcase their talents through singing, dancing, poetry recitation, and comedy skits.



ASIMCO celebrated its 30th anniversary by organizing a grand employee sports event. The competition featured six major categories, including track and field, soccer, basketball, badminton, table tennis, and fun sports. Nearly 800 employees from six subsidiaries participated in the two-day event, where they demonstrated their passion in the clash of speed and strength and honed teamwork through collaboration and competition.



SEG emphasized the workplace-family-community connection, showing care for employees' family well-being. In 2024, SEG hosted a Company Open Day, featuring an immersive VR product experience area and interactive innovation workshops, allowing employees' families to gain deeper insights into the company's operations and culture, strengthening employees' sense of belonging. Additionally, SEG organized a Children's Pottery Summer Camp, where professional ceramic artists guided employees' children in experiencing the joy of pottery making, fostering their creativity, hands-on skills, and artistic appreciation.





## Helping Employees in Need

We have a relatively complete assistance system in place to help employees in need. An employee medical mutual aid fund has been established to subsidize the clinical visits and hospitalization for employees suffering from major illnesses and those in particular difficulties. We have also set up a relief fund for our employees in particular difficulties, to assist them and their families who lead a difficult life by helping them improve their living and health conditions as well as enhance their qualities and abilities.

## Career Development

We are committed to providing more and better career development opportunities that suit our employees better. We have established a comprehensive and multi-level career development system, and formulated corresponding career development paths and training plans for different posts, so as to fully tap the potential of employees and strive to achieve the vision that the employees grow together with the Company. We constantly improve our *Remuneration Management System*, and this scientific performance appraisal and evaluation system enables employees to improve their ability with clear targets.



## Talent Cultivation

We have implemented an all-round talent cultivation plan to build a complete, structurally reasonable and well-qualified talent team to provide solid talent support for the Company's future transformation and technological innovation.

In 2024, each business sector continued to implement a structured talent pipeline development strategy. The Coal Mining Machinery Sector further refined its three-tier talent development program, integrating external cutting-edge learning resources such as courses from international business schools, new productive forces, and business English. These resources provide high-potential and high-performing employees with comprehensive learning and growth opportunities. Additionally, we strengthened partnerships with China University of Mining and Technology, Zhengzhou University, and other institutions, hosting over 900 students and faculty members for visits and exchanges in September 2024, deepening industry-academia collaboration to nurture future talent. ASIMCO conducts an annual high-potential training program focused on talent pipeline development. Through pre-training assessments, participants at different levels are effectively categorized, and customized learning content is designed accordingly. SEG launched a series of training courses covering leadership, technical skills, language proficiency, and soft skills, aiming to develop well-rounded professionals.



In addition, for the first time, the Company has launched an awards program across the entire organization, establishing six major awards, including the "Performance Contribution Award," the "New Business Breakthrough Award," and the "Technology Star Award," to honor outstanding teams and individuals who contributed to the company's development in 2024. This awards program not only creates a strong demonstration effect but also underscores our high regard for talent development and team building.





## Employee Training

We have formulated *Employee Training Management Measures*, built a team of experienced internal trainers, and established a multilevel education and training system that involves a range of categories, employs multiple channels and forms, stresses practical results, and engages the staff with great vitality. To effectively develop our talent team, we provided training for our employees of all sectors worldwide.

We always implement the construction of a learning organization and carry out a variety of company-level and department-level training to improve competency of employees by providing training for all employees. The Coal Mining Machinery Sector utilizes an HR online training platform, significantly improving training efficiency. It also conducts a variety of training activities, covering management knowledge, coal mining technology, and welding skills. Additionally, skills competitions serve as a platform to systematically identify and develop technical talent, enhancing employees' professional expertise and overall capabilities. ASIMCO updates its employee skills matrix every six months to identify employees needing skill enhancement. In 2024, it organized a series of specialized skill development programs in product design, forklift operation, administrative skills, and English proficiency. SEG offers both online and in-person training, focusing on knowledge sharing and the professional growth of internal experts.



▲ Employees of The Coal Mining Machinery Sector participated in the Henan Province Mechanical, Metallurgical, and Building Materials Industry Employee Skills Competition — Welder Finals.



▲ ASIMCO implemented a mentorship program, fostering mutual growth between mentors and apprentices.



▲ SEG organized a specialized training on product maintenance to enhance technical expertise.



## Safety and Health

We put the safety and health of employees first, formulated rules and regulations such as *Operation Environmental Inspection System for Production Safety and Staff Health* and *Safety Management System*, and developed a relatively complete management system for occupational health and safety. Our main subsidiaries in China and SEG outside China have certification of ISO 45001 for management systems of occupational health and safety.

### Health and Safety Education

To reduce the occurrence of safety incidents and occupational diseases, the first thing is to enhance the health and safety awareness of the employees. In 2024, we continued to provide health and safety-related education, training and emergency drills to improve employees' health and safety awareness across our global business sectors.

The Coal Mining Machinery Sector established and operated a dual prevention system for production safety. In the forms of experiential training, pre-shift meetings, video training and professional training courses, they actively launched diversified training on safety standardization work, occupational diseases prevention and other subjects to implement the production safety concept at workplace and achieve "zero injury" in production. In 2024, The Coal Mining Machinery Sector invited experts from Panshi Safety and the Zhengzhou Emergency Management Bureau to conduct specialized training on safety leadership and execution as well as first aid, strengthening safety awareness among management personnel and promoting the development of a robust safety management system. Additionally, first aid and fire safety training sessions were organized for all employees to enhance their emergency response skills and fire safety awareness.



▲ Training on safety leadership and first aid



ASIMCO holds an annual “Safety Production Month” campaign to implement a comprehensive safety responsibility system for all employees. In 2024, ASIMCO advanced a grid-based risk management system for high-risk areas and established a safety FMEA (Failure Modes and Effects Analysis) control standard to facilitate regionalized safety management. It also conducted specialized safety training sessions covering equipment operation, working at heights, electrical safety, and fire prevention.



SEG was committed to creating an HSE atmosphere. It holds regular HSE briefings and provides HSE training every year, monitors and manages the production environment in real time through the SEG Hildesheim information system, and displays HSE-related information to employees at factory entrances, important intersections, indoor office areas and other premises. Each year, SEG also holds 4 HSE committee meetings to discuss health, safety and environmental risks and corresponding measures.



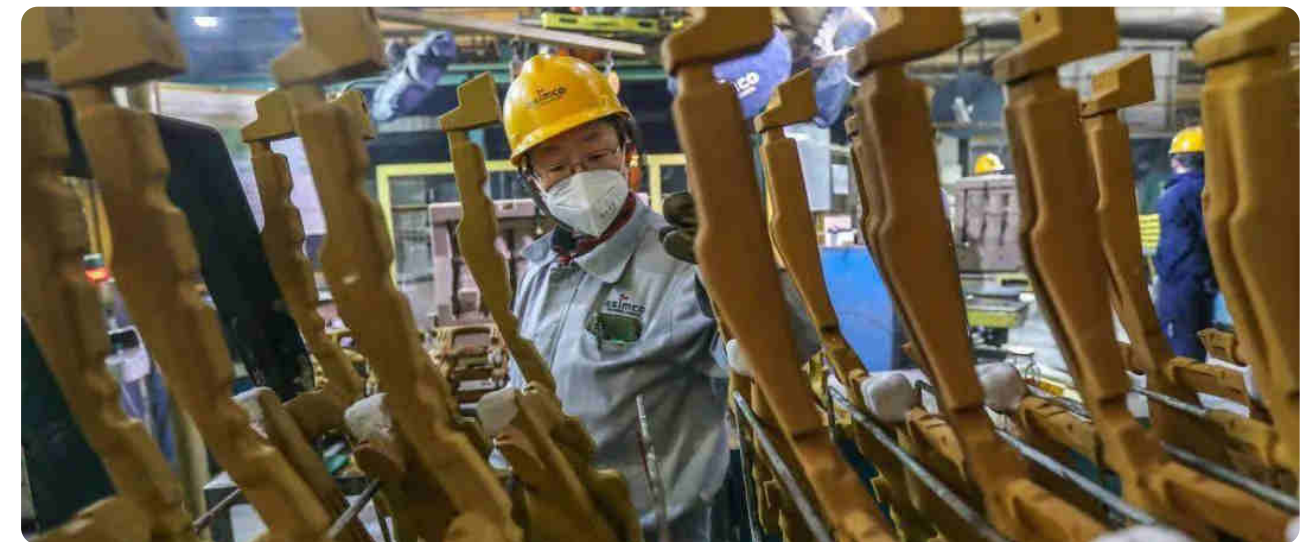
## Safety Precaution

To effectively ensure employee safety, each business sector has established comprehensive safety prevention mechanisms, integrating digital technology to make safety hazard inspections more scientific.

The Coal Mining Machinery Sector continues to implement the 5S (Sort, Set in order, Shine, Standardize, Sustain) safety incentive assessment system, encouraging both middle and frontline management personnel to actively participate in on-site safety operations. It also strengthens on-site 5S management, establishes intelligent safety monitoring systems, and builds a safety management platform to refine the safety management structure and enable data sharing across all subsidiary companies. Additionally, it conducts hazard inspections and occupational hazard assessments, ensuring timely rectifications.

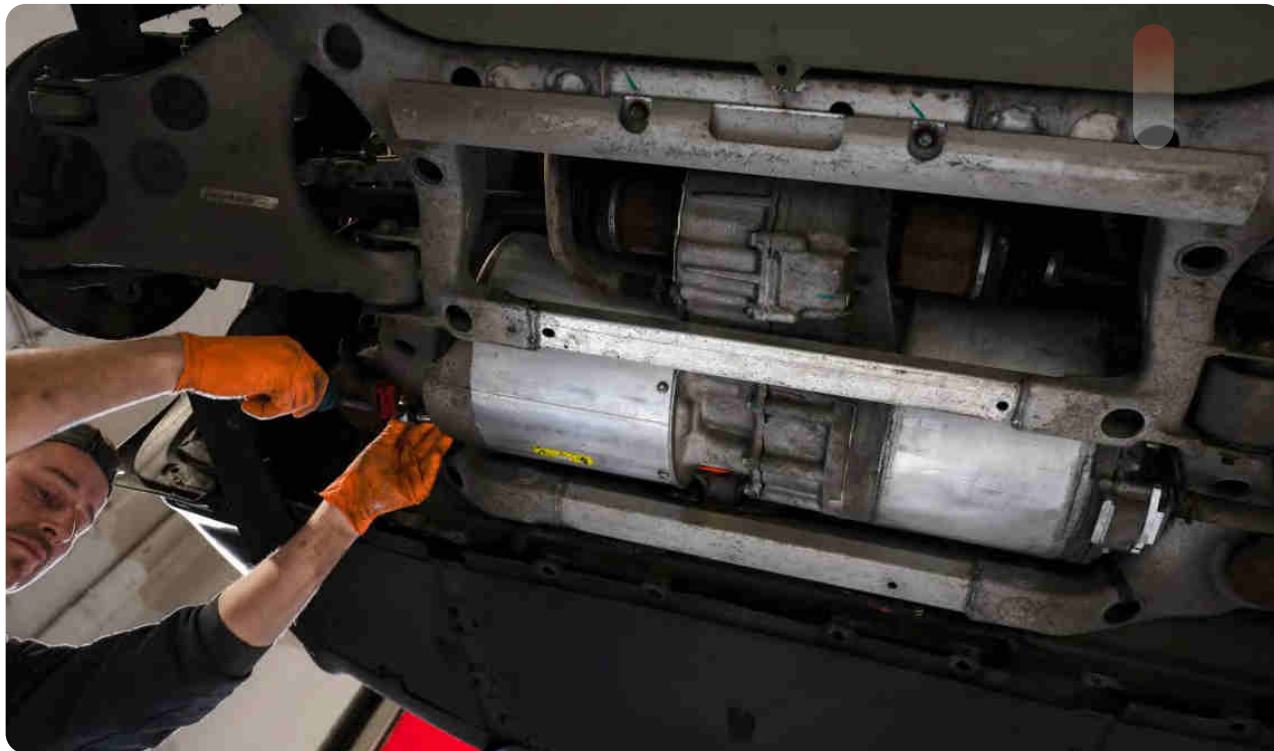


ASIMCO ensures that employees are equipped with protective gear as required by regulations and enforces proper usage. It conducts STOP (Safety Training Observation Program) observations, as well as daily, monthly, and shift inspections, to assess and correct unsafe behaviors. It also enhances automated equipment with improved safety features to safeguard employees. Furthermore, ASIMCO organizes “Lessons Learned” reviews of past incidents to reinforce safety awareness and prevention strategies among employees.





SEG has also taken a series of measures to ensure work safety, including providing personal protective equipment and training employees to use it correctly, regularly supervising whether employees use protective equipment as required, regularly inspecting devices storing chemicals, strictly supervising and controlling the safety of high-altitude, airtight, high temperature and other hazardous working environments, organizing work safety accident drills and promoting special safety inspections and improvements for special equipment, hazardous areas and special operations.



In addition, we also attach great importance to the prevention of hazards caused by extreme weather events, such as extreme high temperature, heavy rain, thunderstorm, and frost, in our business operation areas. During the high temperature days in summer, we take various measures to ensure the health and work safety of employees, such as distributing heatstroke prevention articles, organizing emergency drills and training for heatstroke, installing sprinkler air supply system and sunshade netting, etc. We issue flood control notices every year during the flood season, requiring all subsidiaries to strengthen hidden danger identification of on-site equipment and drainage ditches. In the event of extreme weather events, we set up an emergency leading group to deploy countermeasures in time, so as to ensure safe production and the safety of employees' lives and property.

## Health Assurance

We focus on protecting not only the lives of our employees but also their physical health. In China, according to the requirements of laws and regulations such as *the Law on Prevention and Treatment of Occupational Diseases* and *the Provisions on the Supervision and Administration of Occupational Health at Workplace*, the Coal Mining Machinery Sector and ASIMCO have formulated *the Occupational Hazard Management System*. Every year, we take a series of measures to effectively prevent occupational hazards and create a healthy working environment for employees, such as arranging physical examination for employees, testing occupational hazard factors, purchasing protective equipment, training in occupational disease prevention, updating employees' occupational health monitoring files and so on.

SEG, our overseas subsidiary, abided by laws and regulations such as the Health and Safety Act, the Industrial Safety Regulation, the Hazardous Substances Ordinance, the Workplaces Regulation, and the Maternity Protection Act, and actively adopted measures to reduce hazards of occupational diseases and improve employees' health. SEG provides employees with consultation on health issues, ergonomics and toxic and hazardous substances; It provides fitness classes and organizes activities such as smoking cessation activities; It offers periodic physical examination for all employees, including blood test, urine test, visual inspection and blood pressure test; For the employees at posts with risk factors, SEG conducts pre-job, on-the-job and off-post occupational health examination, and regularly conducts the detection and improvement for occupational hazard factors.

In 2024, we continued to focus on the physical and mental well-being of our female employees. The Coal Mining Machinery Sector and ASIMCO regularly organize women's health seminars to enhance female employees' self-care awareness. For several consecutive years, ASIMCO has provided each female employee with a special insurance plan for women from the All-China Federation of Trade Unions Mutual Assistance Association. Additionally, The Coal Mining Machinery Sector hosted a themed floral event in March, offering a platform for female employees to relax and enhance their artistic cultivation. In October, SEG launched the "Pink October" campaign, calling on employees worldwide to wear pink to raise awareness of breast cancer and promote early detection, prevention, and treatment.



▲ Themed floral event for female employees



▲ SEG's Pink October breast cancer awareness campaign.





# ENVIRONMENTAL RESPONSIBILITY

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▲ SEG's Zero Waste certified factory in Treto, Spain

We take “promote green development and harmonious coexistence between human and nature” as our guiding principle, and we are firmly committed to following an eco-first, green development path. Our each business sector strictly complies with the environmental protection laws and regulations of their operating locations. We have established systems such as the *Environmental Protection Management System*, the *Pollution Prevention Facilities Operation and Monitoring System*, and the *Environmental Pollution Accident Emergency Response Plan*, and have obtained ISO14001 Environmental Management System certification.

We continue to explore the role of technological innovation in driving energy conservation and emission reduction by introducing intelligent production equipment to implement clean production. This approach enhances resource conversion efficiency while achieving cost reduction and improved effectiveness. We encourage our employees to cultivate a sense of resource conservation, enforce environmental protection responsibilities at their respective posts, and integrate green principles into daily operations. In addition, we require our suppliers and partners to strictly adhere to the laws, regulations, and environmental requirements of their operating locations and to follow environmental principles during production. In 2024, we did not observe any major environmental pollution incidents or ecological destruction events.

## Energy Management

The energy that we consumed in the business operation process is mainly electricity, natural gas, and a small amount of diesel, gasoline, liquefied petroleum gas, etc. We keep enhancing our energy efficiency and adopting more clean energy, to reduce fossil fuel consumption and greenhouse gas emissions. In 2024, our total photovoltaic power generation was approximately 19.87 million kWh, which reduced greenhouse gas emissions by about 11,377t. In the future, we will actively respond to the national “3060” Dual Carbon Goal, explore the applicability of photovoltaic power generation and other renewable energy sources, and promote green production and operation.

In 2024, we continued to implement a series of measures to reduce energy consumption in response to the dual carbon targets. The Coal Mining Machinery Sector organized a two-month campaign on energy conservation and consumption reduction. By encouraging employees to propose energy-saving improvement projects, produce short videos on energy conservation, and post promotional posters, we increased overall participation in energy-saving efforts. We also promoted the replacement of high-energy-consuming and high-fault equipment, and collected data on equipment operating duration for energy efficiency analysis, thereby extending the effective processing time of the equipment.

ASIMCO NVH Technologies Co., Ltd. (Anhui) launched a Phase II photovoltaic power generation and energy storage project, which not only effectively reduced carbon emissions but also optimized the power usage structure through off-peak energy storage and peak electricity generation, thereby lowering electricity costs. ASIMCO Shuanghuan Piston Ring (Yizheng) Co., Ltd. generated approximately 3.23 million kilowatt-hours of photovoltaic power over the year, providing strong support for green production. ASIMCO Camshaft (Yizheng) Co., Ltd. reduced standby energy consumption by using inductive switches and timers to eliminate phenomena such as unmanned lights, continuous water running and equipment idling. ASIMCO International Casting (Shanxi) Co., Ltd. used the waste heat of the adjacent factory for heating, saving 1.22 million cubic meters of natural gas throughout the year.

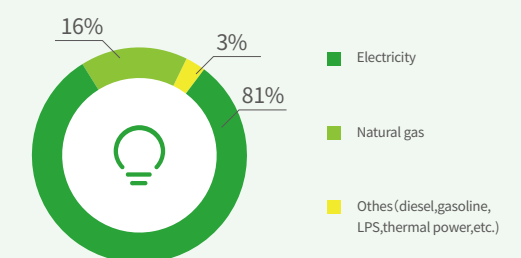
SEG continues to implement energy saving and emission reduction measures by installing photovoltaic power generation systems in many of its factories to use clean energy in a wider range of production and work areas. The power generated by the photovoltaic system is for self-consumption and the surplus power is transferred to the grid. After it was put into operation, the photovoltaic system can supply power for the air conditioning system in general, truly realizing green production.



▲ Energy storage system at ASIMCO plant and photovoltaic power generation system at SEG plant

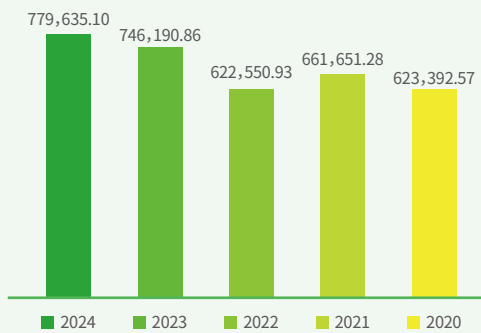
In 2024, we consumed energy of 779,635.10 MWh in total, 81% of which was electricity, 16% of which was natural gas, and 3% of which was other energy sources, such as diesel and gasoline. We have taken various energy saving and emission reduction measures to enhance the efficiency of energy use and to achieve an energy consumption intensity that is basically the same as that of 2023.

Energy Consumption Composition (%)

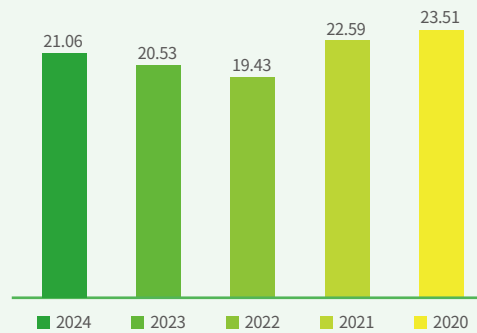




Total energy consumption (MWh)

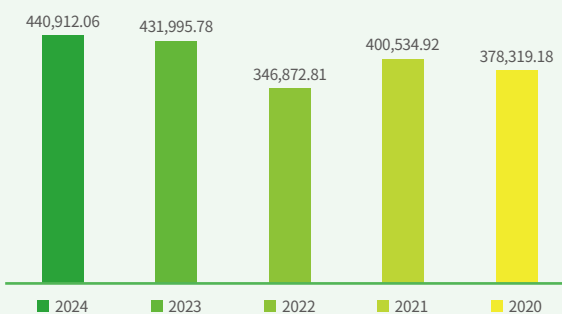


Energy Consumption Intensity (MWh/CNY Million)

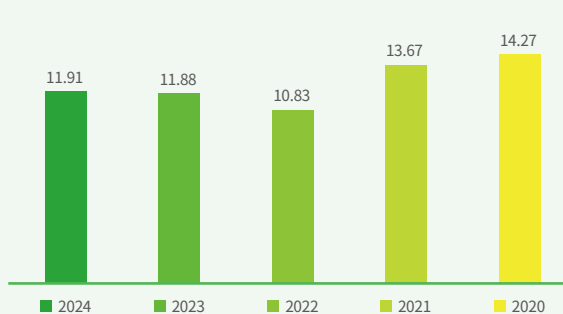


Scope 1 greenhouse gas emissions were mainly from burning natural gas, gasoline, and diesel oil, while Scope 2 greenhouse gas emissions were mainly from purchased electricity. In 2024, our total greenhouse gas emissions equivalent totalled 440,912.06t, achieving the emissions intensity that is essentially the same as in 2023.

Total Greenhouse Gas Emission Equivalent (Ton)



Greenhouse Gas Emission Intensity (Ton/CNY Million)



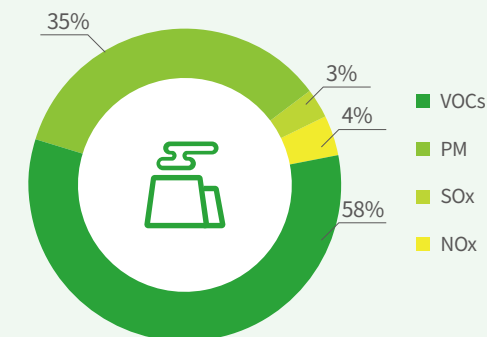
## Emissions Management

We strictly comply with the laws and regulations related to emissions management in the places where we operate, carefully identify the sources of various pollutants during operation, and strictly monitor the management and discharge of exhaust and wastes.

## Exhaust

Our main sources of exhaust include the exhaust from fossil fuel combustion and painting, dust and soot during the production process. The main pollutants in our exhaust include NO<sub>x</sub>, SO<sub>x</sub>, PM, and VOCs. In 2024, our primary exhaust emissions totalled 121.58 tons, which is essentially the same as the 2023 emission level.

Proportion of Exhaust emissions (%)



Total exhaust emissions (t)



In China, The Coal Mining Machinery Sector and ASIMCO comply with *the Atmospheric Pollution Prevention and Control Law of the People's Republic of China*. Overseas, SEG complies with *the Federal Immission Control Act*. For exhaust produced during production, our subsidiaries actively adopt new processes featuring energy conservation and emission reduction, and employ different measures to optimize the treatment process, so as to minimize exhaust emission. In the future, our subsidiaries will continue to optimize the process flow, monitor the emission situation in real time, and control their exhaust emission concentration to meet the emission standards of the places where they operate.

### Measures of The Coal Mining Machinery Sector:

- Adopt robot welding instead of manual welding, improve and upgrade the welding workshop, and increase the exhaust collection efficiency;
- Upgrade the dust collector to further reduce the concentration of particulate matter;
- The surface anticorrosion treatment of oil cylinder implements environmental protection technology upgrading, replacing the traditional paint spraying process with plastic spraying process to reduce the emission of VOCs.



The Auto Parts Sector has also taken the following measures accordingly:

- ASIMCO NVH Technologies Co., Ltd. (Anhui) cleans and recycles its adsorption media and has launched an upgrade project for sulfide exhaust gas treatment. By combining spray systems, oil fume purification, and two-stage activated carbon adsorption, the company has significantly reduced VOC emissions.
- ASIMCO Camshaft (Yizheng) Co., Ltd. has equipped equipment such as quenching machines, tempering furnaces, and grinding machines with oil-water filtration and separation systems, and has replaced water tanks with consumable-free models to reduce harmful gas emissions.
- SEG regularly maintains its exhaust gas adsorption devices and replaces filters to ensure that exhaust emissions remain well below the regulatory limits.

## Exhaust

Wastes produced in our operation process are categorized as hazardous and non-hazardous wastes. The hazardous wastes are mainly emulsion, paint slag and chromium slag. We have engaged a qualified third-party professional treatment firm for centralized treatment of these wastes. Our non-hazardous wastes mainly include scrap mixed steel, scrap steel and household waste. Based on the nature of the wastes, we landfill, reuse and sell them to waste resource recycling companies or reuse them, or entrust a garbage power plant for waste treatment. In 2024, we generated 2,240.05t of hazardous wastes and 149,667.64t of non-hazardous wastes. In the future, we will explore more sustainable waste management methods to ensure that no environmental contamination incidents will occur.

In China, The Coal Mining Machinery Sector and ASIMCO comply with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, formulated the Hazardous Waste Management and other systems, and established a dynamic management mechanism for hazardous wastes, to monitor the clean-up, storage, and transport of hazardous wastes on a real time basis. Outside China, SEG strictly abided by the Soil Protection Act and other laws, collected, stored, and treated hazardous wastes from different production lines, and analysed their causes.

To reduce wastes, each business sector took a series of measures in 2024:

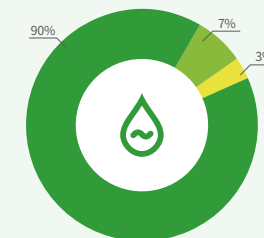
- The Coal Mining Machinery Sector installed low-temperature evaporators to extract wastewater from waste cutting fluids and waste emulsions for further treatment.
- ASIMCO NVH Technologies Co., Ltd. (Anhui) recycles waste cutting fluid through on-site filtration and reuse, and channels waste mineral oil from equipment maintenance to qualified manufacturers for recycling. In 2024, the company was honored as one of the first "Waste-Free Factories" in Xuancheng City, Anhui Province.
- ASIMCO International Casting Co., Ltd. (Shanxi) increased the recycling rate of wastes through the waste sand recycling workshop and produced reclaimed sand of about 76,000t in 2024;
- SEG collaborated with third-party companies to promote more environmentally friendly packaging solutions and to recycle packaging boxes.



## Water Resources Management

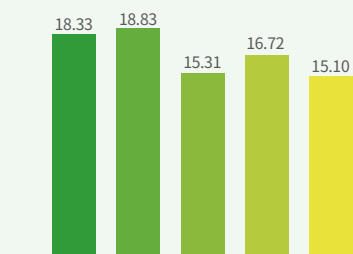
The Company values water resource management and takes measures to reduce water consumption as much as possible though none of its business locations are located in water shortage areas. Our water supply is mainly from tap water and river water. In 2024, our water consumption totalled 18.33 million m3, including recycled water of 16.52 million m3. The recycling rate is approximately 90%. In the future, we will continue to implement the concept of using water for multiple purposes and repeatedly, and maintain the overall water recycling rate at more than 90%.

Water Resources Composition (%)



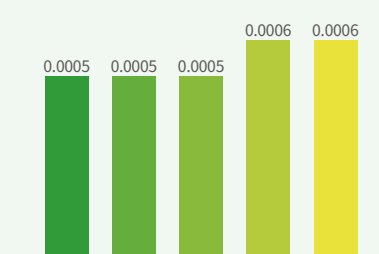
■ Recycled water ■ Tap water ■ River water

Total water consumption (million m3)



■ 2024 ■ 2023 ■ 2022 ■ 2021 ■ 2020

Water Usage Intensity (MCM/CNY Million)



■ 2024 ■ 2023 ■ 2022 ■ 2021 ■ 2020

In 2024, each business sector across the globe continued to actively reduce water consumption through measures such as improving the water recycling rate and renovating the equipment:

- The Coal Mining Machinery Sector strengthened the point inspection and maintenance of water pumps and pipelines at various places to eliminate the phenomenon of running, bubbling and leaking;
- ASIMCO NVH Technologies Co., Ltd. (Anhui) set annual water consumption targets and regularly assessed the effect of water conservation;
- ASIMCO International Casting Co., Ltd. (Shanxi) optimized the cooling water circulation system to realize a utilization rate of recycled water of 95%;
- ASIMCO Camshaft (Yizheng) Co., Ltd. recycled wastewater after treatment for casting production;
- SEG implemented the recycling and reuse of evaporator condensate water, effectively improving the utilization rate of water resources. By phasing out backward production capacities, processes and products, SEG has improved the utilization efficiency of water resources.

Our wastewater is mainly domestic sewage and production wastewater. The former is mainly from the office area restrooms and kitchens, without poisonous, hazardous or special substances, while the latter is mainly from electroplating and painting processes. We adopt different treatment systems for the electroplating wastewater that contains different heavy metals, to ultimately recycle all the wastewater containing heavy metals. In terms of painting wastewater, we install integrated industrial wastewater processing machines to process and discharge the wastewater in strict accordance with local environmental protection requirements.





# COMMUNITY RESPONSIBILITY

06

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Actively participate in public welfare activities	57



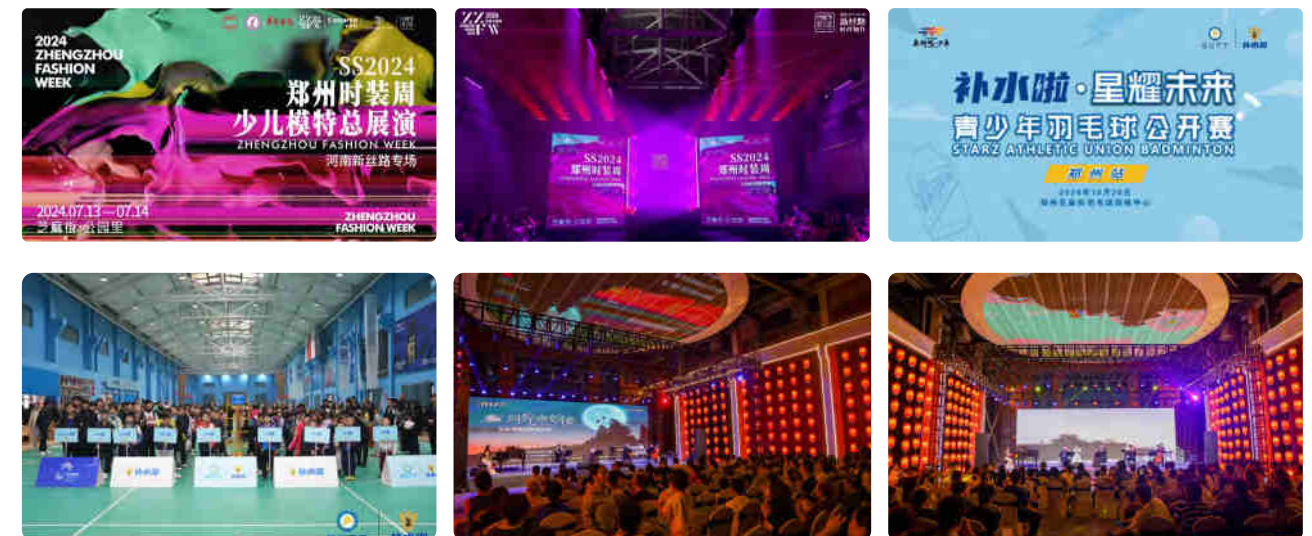
In advancing high-quality development, we consistently adhere to the concept of social co-governance and actively participate in social welfare practices, focused on empowering regional development, educational assistance, and public welfare activities, striving to extend the benefits of corporate development to broader social groups, demonstrating our commitment to corporate social responsibility.

## Empowering Regional Development

In 2024, ZMJ 1958 Innovation and Entrepreneurship Park upheld the industrial positioning of “scientific innovation + cultural creation” and persistently fulfilled its role in constructing an entrepreneurial ecosystem and empowering regional development. In terms of scientific innovation, by attracting 178 enterprises, including DiDi Global Inc., China Unicom Industrial Internet Research Institute, and Ubtech Robotics Corp Ltd., the park has cultivated six pillar industrial chains spanning comprehensive Health, creative design, green economy, platform economy, digital innovation, and smart manufacturing, forming a three-phase industrial evolution model—transforming traditional industries with digital technologies, scaling emerging strategic industries, and developing prospective industries. This has not only become an important engine for economic growth in the Zhongyuan District in Zhengzhou, but also provided a replicable plan for the transformation of the old industrial base.



In the realm of cultural and creative initiatives, ZMJ industrial park continues to function as a cultural engine, hosting numerous cultural and sporting events in 2024. In July, the Henan New Silk Road special event of the 2024 Zhengzhou Fashion Week was held in ZMJ industrial park. As a significant fashion event in the Central Plains, the event innovatively introduced a youth model segment, aiming to accelerate the growth of Henan’s fashion ecosystem and advance the child fashion industry. In September, the “Moonlight Wonderful Night” Mid-Autumn concert integrated traditional Chinese instrumental music with electronic music elements, offering citizens an immersive “culture + technology” auditory journey. In November, the Starz Athletic Union Badminton Zhengzhou Station was held here, fostering youth development while advancing integrated cultural-sporting ecosystems.



## Facilitating Educational Development

As a cornerstone of national rejuvenation, education’s pivotal role in fostering both national and individual advancement is fully recognized, and we proactively embrace our social responsibilities within the education sector. Domestically, in December 2024, ZMJ donated intelligent hydraulic support and related components to Xinjiang Institute of Engineering, bolstering its scientific research and technical education capabilities. Furthermore, ASIMCO has set up Li Keping Scholarship Fund since 2006 to support eligible employees’ children in pursuing higher education in the fields of science, technology, engineering, and mathematics at colleges and universities, thus laying a solid foundation for cultivating more outstanding talents in these fields. In 2024, a total of 18 outstanding students received this scholarship. As of the end of the reporting period, the scholarship fund had provided financial assistance for 263 children to attend school.



▲ Donation Ceremony of Intelligent Hydraulic Support of Xinjiang Institute of Engineering



Outside the Chinese mainland, SEG Spain continued its role as the official powertrain supplier for the EUSKELEC 2024 student engineering competition. Eighteen participating teams, utilizing LEGO® components, are fiercely competing with race cars built around SEG's EM1.2 e-motor platform. We also invited the students to visit our factory for in-depth tours and educational opportunities. In 2024, SEG Hungary collaborated with the HeimPal Kindergarten, assisting in the renovation and expansion of its infrastructure to create a more comfortable learning environment for the children.



## Actively participate in public welfare activities

We encouraged employees to pay attention to a wide range of public welfare issues and actively participate in various public welfare activities. Domestically, ZMJ seconded core security personnel to serve as “Peace Volunteers”, assisting in community security management. We organized militia units participated in district-level training programs, earning recognition as an “Outstanding Militia Unit”. We regularly carried out activities to help farmers and organized the purchase of honey from Henan Mileyuan Beekeeping Professional Cooperative, with a total value of about RMB 60,000. Furthermore, 29 employees voluntarily joined blood donation drives organized by the Henan Red Cross Blood Center, demonstrating positive energy through concrete actions.

ASIMCO has been continuously involved in and promoting community public welfare projects for many years. ASIMCO NVH Technologies Co., Ltd. (Anhui) has made it a regular practice to carry out charitable donation and scholarship activity every year on Children's Day. In 2024, it donated nearly RMB 59,000 to several primary and secondary schools, as well as special schools for children with disabilities, and organized employees to visit Zhongxi Town Nursing Home for 14 consecutive years to bring fruits and food to the elderly, with a total donation of RMB 10,000.



SEG also actively participates in various public welfare activities outside China mainland. In October 2024, the southern region of Spain experienced severe flooding caused by a weather phenomenon called DANA. SEG Spain promptly responded by donating essential supplies, including waterproof boots, work clothes, shovels, gloves, and masks, to the heavily affected Valencia region to ensure the safety of the rescue workers and to contribute to the reconstruction of the area after the disaster.



In addition, SEG Spain has entered into a long-term partnership with the local charity organization Cocina Económica Santander to help the local disadvantaged groups through a series of measures such as food supply, medical support, employment counselling, etc. SEG Hungary carries out the Christmas activity every year, internally collecting toys, clothes, food and other necessities, and donating them to the local needy families to improve their living conditions; SEG Hungary also cares about animal welfare and regularly donates cat food, dog food and cat litter to animal aid foundations, supporting the rescue of stray animals.





# Overview of Social Responsibility Data

**Note:** The statistical criteria for the Social Responsibility Data are consistent with the scope of this report. For details, please refer to the “About this Report” section.

Environmental Indicators	2024	2023	2022	2021	2020
Emission					
Total greenhouse gas emissions equivalent (scopes 1 & 2) (t)	440,912.06	431,995.78	346,872.81	400,534.92	378,319.18
Scope 1 emissions	29,934.62	27,444.39	23,970.98	20,939.18	20,760.48
Scope 2 emissions	410,977.44	404,551.39	322,901.83	379,595.74	357,558.70
Greenhouse gas emissions equivalent per RMB million in revenue (t/RMB million)	11.91	11.88	10.83	13.67	14.27
Total exhaust emissions (t)	121.58	122.38	180.02	184.51	167.21
Total discharge amount of hazardous wastes (t)	2,240.05	2,253.28	1,835.93	1,951.67	1,811.81
Hazardous waste discharge amount per RMB million in revenue (t/RMB million)	0.06	0.06	0.06	0.07	0.07
Total discharge amount of non-hazardous wastes (t)	149,667.64	151,292.52	130,118.25	109,943.88	97,506.58
Non-hazardous waste discharge amount per RMB million in revenue (t/RMB million)	4.04	4.16	4.06	3.75	3.68
Water Resources					
Total water consumption (million m³)	18.33	18.83	15.31	16.72	15.10
Fresh water	1.81	1.84	1.40	1.29	1.17
Recycled water	16.52	16.99	13.91	15.43	13.93
Water consumption per RMB million in revenue (million m³/RMB million)	0.0005	0.0005	0.0005	0.0006	0.0006
Energy					
Total energy consumption (MWh)	779,635.10	746,190.86	622,550.93	661,651.28	623,392.57
Electricity	632,670.66	609,966.12	497,488.34	540,114.64	496,418.79
Natural gas	126,653.68	111,144.03	107,329.10	93,964.36	94,343.82
Diesel and gasoline	16,249.20	21,076.15	11,725.60	3,583.19	8,843.16
LPG	246.00	189.00	2,192.33	20,173.53	19,971.24
Thermal power	3,815.56	3,815.56	3,815.56	3,815.56	3,815.56
Energy consumption per RMB million in revenue (MWh/RMB million)	21.06	20.53	19.43	22.59	23.51
Packaging materials					
Total packaging materials consumption (t)	15,521.97	15,427.00	9,891.85	15,814.38	16,638.87

# Data Calculation Standards and Methods:

- Greenhouse gases: carbon dioxide, methane, nitrous oxide, and sulfur hexafluoride. Data of greenhouse gases under scope 1 are calculated according to the default value of common fossil fuel characteristic parameters issued by the National Development and Reform Commission of the People’s Republic of China. Data of greenhouse gases under scope 2 are calculated according to the average carbon dioxide emission factor of China’s regional power grid issued by the National Development and Reform Commission of the People’s Republic of China.
- Exhaust: The data are sourced from the monitoring systems installed or a third party entrusted for monitoring, and calculated according to the emission factor provided in the EMFAC–HK Vehicle Emission Calculation model issued by the Environmental Protection Department of Hong Kong.
- Hazardous wastes: They are classified according to the “hazardous wastes” stipulated in *the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal* mentioned in *the Reporting Guidelines on Environmental Key Performance Indicators* published by the Hong Kong Exchanges and Clearing Limited (HKEX). The data are mainly sourced from relevant records and accounts.
- Non-hazardous wastes: All wastes that do not fall within the definition of “hazardous wastes” in *the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal* are classified as “non-hazardous wastes”. The data are mainly sourced from relevant records and accounts.
- Water consumption: The data are sourced from the monitoring system installed and the municipal water amount purchased.
- Energy consumption: The data are calculated based on the electricity purchased, fuel consumption and relevant conversion factors provided by the International Energy Agency.

Social Indicators	2024	2023	2022	2021	2020
Employment					
Total	15,502	15,639	15,415	16,774	17,412
By gender					
Male	11,686	11,783	11,760	12,777	13,332
Female	3,816	3,856	3,655	3,997	4,080
By employment type					
Full-time	15,401	15,344	15,376	16,729	17,326
Part-time	101	295	39	45	86
By age group					
Below 30	2,927	3,099	3,167	3,677	3,687
30 to 50	9,610	9,711	9,640	10,447	10,834
Above 50	2,965	2,829	2,608	2,650	2,891
By region					
Asia	11,565	11,343	11,592	12,696	
Europe	2,400	2,958	2,678	2,991	
Other Regions	1,537	1,338	1,145	1,087	



Social Indicators	2024	2023	2022	2021	2020
Employee Turnover Ratio	12%	14%	13%	13%	14%
By gender					
Male	12%	14%	14%	13%	
Female	12%	15%	12%	11%	
By age group					
Below 30	21%	25%	23%	23%	
30 to 50	11%	11%	11%	10%	
Above 50	7%	8%	6%	9%	
By region					
Asia	12%	12%	12%	12%	
Europe	7%	19%	16%	12%	
Other Regions	19%	20%	14%	23%	
Safety					
Work-related fatality	0	0	0	0	0
Work-related fatality ratio	0%	0%	0%	0%	0%
Number of working days lost due to work-related injury	1,017	658	974	1,999	
Training					
Training					
By gender					
Male	99%	99%	97%	91%	
Female	100%	100%	99%	87%	
By employment type					
Senior management	97%	99%	95%	98%	
Middle management	97%	100%	95%	98%	
General staff	99%	100%	98%	90%	
Average Training Hours					
By gender					
Male	29.49	26.17	23.93	19.02	
Female	30.25	27.27	31.94	18.94	
By employment type					
Senior management	72.90	36.51	48.25	51.11	
Middle management	61.22	62.68	39.15	43.36	
General staff	28.10	25.08	25.13	17.78	

Appendix I – Content Index Based on the Environmental, Social and Governance Reporting Guide

Aspect	Description	Location/Remarks
A.Environment		
A1: Emissions		
General disclosure	(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to exhaust and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes	Environmental Responsibility
A1.1	Types of emissions and relevant emissions information	Emissions Management
A1.2	Emissions (in tons) and (if applicable) intensity (e.g. per unit of production volume, per facility) of direct (scope 1) and energy indirect (scope 2) greenhouse gases	Energy Management Overview of Social Responsibility Data
A1.3	Total amount (in tons) and (if applicable) intensity (e.g. per unit of production volume, per facility) of hazardous wastes produced	Emissions Management Overview of Social Responsibility Data
A1.4	Total amount (in tons) and (if applicable) intensity (e.g. per unit of production volume, per facility) of non-hazardous wastes produced	Emissions Management Overview of Social Responsibility Data
A1.5	Description of the emission targets set and steps taken to achieve them	Emissions Management
A1.6	Description of measures for hazardous and non-hazardous waste treatment, the emission targets set and steps taken to achieve them	Emissions Management
A2: Resource Utilization		
General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	Environmental Responsibility
A2.1	Total consumption (in 1,000 kWh) and intensity (e.g. per unit of production volume, per facility) of direct and/or indirect energy by type (e.g. electricity, gas or oil)	Energy Management Overview of Social Responsibility Data
A2.2	Total water consumption and intensity (e.g. per unit of production volume, per facility)	Water Resources Overview of Social Responsibility Data
A2.3	Description of the energy efficiency targets set and steps taken to achieve them	Energy Management
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, the water efficiency targets set and steps taken to achieve them	Water Resources Management
A2.5	Total consumption of packaging materials for finished goods (in tons) and (if applicable) volume attributable to per production unit	Overview of Social Responsibility Data
A3: Environment and Natural Resources		
General disclosure	Policies on minimizing the Issuer's significant impact on the environment and natural resources	Environmental Responsibility
A3.1	Description of the significant impact on the environment and natural resources due to business activities, and the actions adopted to manage such impact	Environmental Responsibility



Aspect	Description	Location/Remarks
A4: Climate Change		
General disclosure	Policies for identifying and addressing significant climate-related matters that have and may have an impact on the Issuer	Safety Precaution
A4.1	Description of significant climate-related matters that have and may have an impact on the Issuer, and countermeasures	Safety Precaution
B. Society		
B1: Employment		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Issuer relating to remuneration and dismissal, recruitment and promotion, working hours, vacation, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Employee Responsibility
B1.1	Total number of staff by gender, employment type, age group and region	Labor Rights and Interests Overview of Social Responsibility Data
B1.2	The turnover ratio of employees by gender, age group and region	Overview of Social Responsibility Data
B2: Health and Safety		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Issuer relating to providing a safe working environment and protecting employees from occupational hazards	Employee Responsibility
B2.1	Number and ratio of work-related fatalities in each of the past three years (including the reporting year)	Overview of Social Responsibility Data
B2.2	Number of working days lost due to work-related injury	Overview of Social Responsibility Data
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored	Safety and Health
B3: Development and Training		
General disclosure	Policies on improving employees' knowledge and skills for performing duties at work. Description of training activities	Employee Responsibility
B3.1	Percentage of trained employees by gender and employee category (e.g. senior management, middle management, etc.)	Overview of Social Responsibility Data
B3.2	Average training hours completed per employee by gender and employee category	Overview of Social Responsibility Data
B4: Labor Standards		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Issuer relating to preventing child or forced labor	Employee Responsibility
B4.1	Description of measures for reviewing recruitment practices to avoid child labor and forced labor	Labor Rights and Interests
B4.2	Description of steps taken to eliminate the relevant violations when discovered	Not applicable
B5: Supply Chain Management		
General disclosure	Policies on managing environmental and social risks of the supply chain	Supplier management

Aspect	Description	Location/Remarks
B5.1	Number of suppliers by region	Supplier management
B5.2	Description of practices relating to the engagement of suppliers, the number of suppliers to which the practices are implemented, and how they are implemented and monitored	Supplier management
B5.3	Description of practices for identifying environmental and social risks at each stage of the supply chain, and how they are implemented and monitored	Supplier management
B5.4	Description of practices of promoting the use of environmentally friendly products and services in selecting suppliers, and how they are implemented and monitored	Supplier management
B6: Product Responsibility		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Issuer relating to health and safety, advertising, labeling and privacy matters of products and services provided and corresponding remedies	Focusing on Product Quality
B6.1	Percentage of products that must be recalled for safety and health reasons among the total products sold or delivered	Focusing on Product Quality
B6.2	Number of complaints received for products and services and relevant solutions	Provision of Satisfactory Services
B6.3	Description of practices relating to the maintenance and protection of intellectual property	Market Responsibility
B6.4	Description of the quality inspection process and product recall procedure	Focusing on Product Quality
B6.5	Description of consumer data protection and privacy policy, and how they are implemented and monitored	Provision of Satisfactory Services
B7: Anti-corruption		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Issuer relating to bribery, extortion, fraud and money laundering	Anti-Corruption
B7.1	Number and outcomes of concluded legal cases regarding corruption practices brought against the Issuer or its employees during the Reporting Period	Anti-Corruption
B7.2	Description of precautions and reporting procedure and how they are implemented and monitored	Anti-Corruption
B7.3	Description of anti-corruption training provided to directors and employees	Anti-Corruption
B8: Community		
General disclosure	Policies on community engagement to understand the needs of the communities where the Issuer operates and to ensure the communities' interests will be taken into account in its activities	Community Responsibility
B8.1	Areas to make contribution (e.g. education, environmental matters, labor demands, health, culture, sports)	Community Responsibility
B8.2	Resources (e.g. money or time) contributed to the areas	Community Responsibility





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