



洋房牌水泥



2024

ASIA CEMENT (CHINA) HOLDINGS CORPORATION

ENVIRONMENTAL, SOCIAL,  
AND GOVERNANCE (ESG) REPORT

# About this report

## Overview

This report is the 11th Environmental, Social, and Governance (ESG) Report released to the public by Asia Cement (China) Holdings Corporation (hereinafter referred to as “Asia Cement (China)”, “the Company” or “we”). This report is open to all stakeholders of Asia Cement (China), and truthfully discloses responsibility performance practices of Asia Cement (China) in 2024 based on the principles of openness, transparency and integrity, with the aim of responding to the expectations of stakeholders and better fulfilling social responsibilities in the future.

## Reporting period

This is an annual report. Unless otherwise stated, the reporting period is from January 1, 2024 to December 31, 2024. To enhance the comparability and completeness of this report, some content may trace back to previous years or include forward-looking descriptions.

## Report scope

Unless otherwise specified, the report covers the ESG situation of Asia Cement (China) and its wholly-owned and holding subsidiaries, and the information boundary is consistent with the Company’s annual report.

## Data source

Unless otherwise specified, the information and data quoted in this report are derived from the Company’s statistical reports and related documents, as well as ESG information that has been counted and audited by the Company. Unless otherwise specified, the monetary unit is RMB.

## Basis of preparation

This report is prepared in accordance with the Index to the ESG Reporting Guide of the Stock Exchange of Hong Kong Limited (HK ESG), Global Reporting Initiative (GRI Standards), Guide for Business Action on United Nations Sustainable Development Goals (SDGs), cement industry standards released by the Global Cement and Concrete Association (GCCA), and building materials industry standards released by the Sustainability Accounting Standards Board (SASB).

## External verification

This report has been independently verified by China Quality Certification Center Co., Ltd. The statement of verification is attached at the end of this report.

## Confirmation and approval

This report has been considered by the Board of Directors of the Company. The Company pledges that the report contains no false records, misleading statements or major omissions, and bears joint and several liabilities for the authenticity, accuracy and integrity of the report.



## Interpretation

### Company full name

Jiangxi Ya Dong Cement Co., Ltd. ....  
Huanggang Ya Dong Cement Co., Ltd. ....  
Hubei Ya Dong Cement Co., Ltd. ....  
Sichuan Ya Dong Cement Co., Ltd. ....  
Sichuan Lan Feng Cement Co., Ltd. ....  
Yangzhou Ya Dong Cement Co., Ltd. ....  
Wuhan Ya Dong Cement Co., Ltd. ....  
Nanchang Ya Dong Cement Co., Ltd. ....  
Nanchang Ya Li Ready-mixed Concrete Co., Ltd. ....  
Wuhan Ya Li Ready-mixed Concrete Co., Ltd. ....  
Sichuan Ya Li Ready-mixed Concrete Co., Ltd. ....  
Chengdu Ya Li Ready-mixed Concrete Co., Ltd. ....  
Shanghai Ya Li Ready-mixed Concrete Co., Ltd. ....  
Taizhou Ya Dong Building Materials Co., Ltd. ....  
Jiangxi Ya Li Transportation Co., Ltd. ....  
Hubei Ya Li Transportation Co., Ltd. ....  
Sichuan Ya Li Transportation Co., Ltd. ....

### Company abbreviation

Jiangxi Ya Dong  
Huanggang Ya Dong  
Hubei Ya Dong  
Sichuan Ya Dong  
Sichuan Lan Feng  
Yangzhou Ya Dong  
Wuhan Ya Dong  
Nanchang Ya Dong  
Nanchang Ya Li  
Wuhan Ya Li  
Sichuan Ya Li  
Chengdu Ya Li  
Shanghai Ya Li  
Taizhou Ya Dong  
Jiangxi Ya Li  
Hubei Ya Li  
Sichuan Ya Li

## Report release format

This report is released in electronic version and can be accessed and downloaded from the Company's website at <http://www.achc.com.cn/>. This report is in both Chinese and English. Should there is any discrepancy between the two versions, the Chinese version shall prevail.

## Contact information

For further inquiries, questions or suggestions regarding this report and the Company's ESG work, you may contact us in the following ways:

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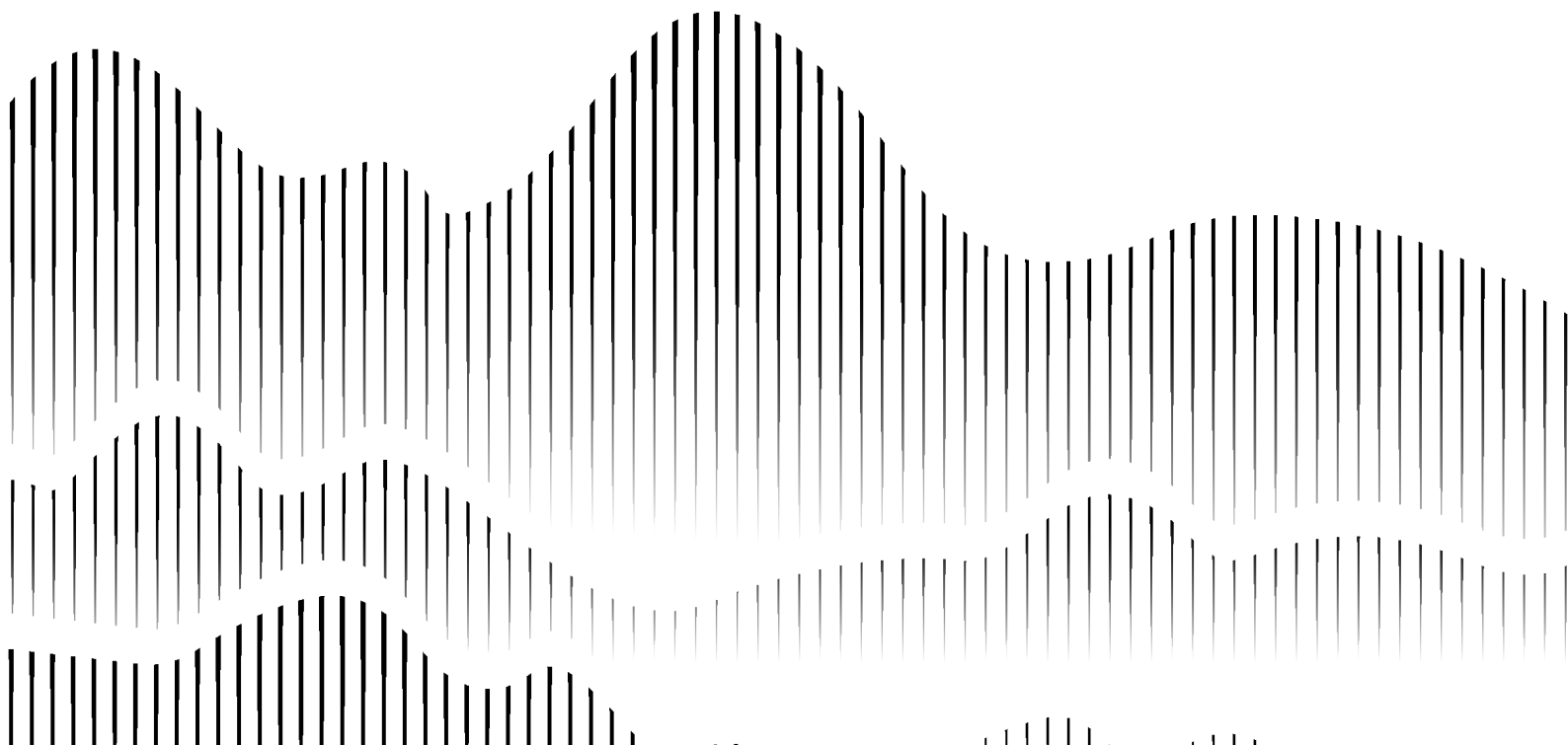
Contact: Director Wu Shengxin



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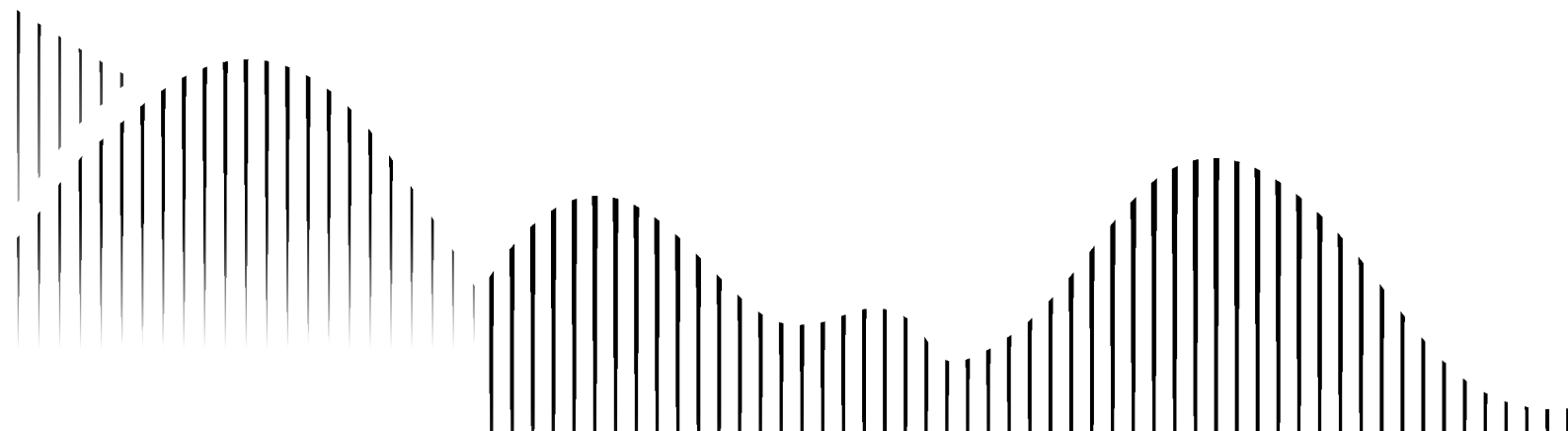
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# Statement of the Board of Directors

The Board of Directors of Asia Cement (China) is well aware of its important responsibility in promoting the sustainable development of the Company. We fully recognize that sustainable development is not only the embodiment of corporate social responsibility, but also the cornerstone of long-term corporate development. Therefore, we always integrate ESG concept into the daily operation and management of the Company.

As the highest decision-making body of the Company, the Board of Directors and senior management have adopted a bidirectional management approach to comprehensively assess the major issues facing the Company and use this as an important basis for developing sustainable development strategies. We believe that this management approach not only ensures a clear recognition and understanding of ESG at the top, but also facilitates smooth communication between decision makers and front-line workers, ensuring that ESG is effectively implemented at all levels of the Company.

We attach great importance to communication and collaboration with stakeholders, and provide stakeholders with a comprehensive picture of the Company's environment, society and governance (ESG) performance and progress through regular annual environmental, social and governance reports. At the same time, we also actively listen to the opinions and suggestions of stakeholders, and constantly improve our ESG management system and practices.

The Board of Directors is well aware that the ESG field is keeping on changing every day and that market and international trends are constantly changing. Therefore, we will continue to monitor the latest developments in ESG related issues and understand international standards and best practices in order to adjust and optimize the Company's ESG strategies and measures in a timely manner. We will continue to seek opportunities to improve ESG practice and continue to improve the sustainable development level of the Company.

We firmly believe that only by adhering to the ESG concept and actively fulfilling social responsibilities can we achieve the long-term development of enterprises and the harmonious coexistence of society. In the future, Asia Cement (China) Holdings Corporation will continue to promote ESG work and contribute to the realization of the sustainable development goals.

# Chairman's report



Against the backdrop of accelerating global climate governance, Asia Cement (China) has made ESG principles the strategic core, to deepen green transformation and promote the coordinated development of economy, society, and environment. In 2024, the Company anchored itself to the guidance of the Baku Climate Solidarity Pact, to systematically advance sustainable development practices around clean energy transformation and low-carbon goals.

## Facing global challenges, deepening the sustainable development strategy

In the face of a complex environment intertwined with geopolitical conflicts and climate risks, Asia Cement (China) has built a resilient development model with “forward-looking planning and science and technology driving” as the strategic pivot.

Scientific and technological innovation, as the core driving force of corporate development, has been deeply integrated into the strategic layout of Asia Cement (China). In the field of “digital science and technology”, the Company has accelerated the digital transformation of the industry, and achieved dual breakthroughs in production efficiency optimization and energy-saving and emission reduction goals by relying on cutting-edge technologies such as AI and IoT. In the field of “green science and technology”, we focus on key areas such as carbon capture, utilization and storage (CCUS), circular economy technology, and clean energy R&D, continue to increase investment, drive low-carbon transformation with technological innovation, and provide a benchmark demonstration for the industry's green upgrade.

Sustainable development is not only the long-term strategic foundation of Asia Cement (China), but also the core path for the Company to achieve long-term success. We always integrate ESG into the entire decision-making process to ensure the organic unity of economic, social and environmental goals.

## Improving the ESG governance system and consolidating the talent and organizational foundation

In order to strengthen the sustainable development governance capabilities, the Board of Directors of Asia Cement (China) has established the “Corporate Sustainability Committee” to coordinate the formulation and supervision of ESG strategy implementation; at the same time, it has established a “Corporate Sustainability Promotion Committee”,

with the CEO as the Chairman to comprehensively promote the implementation of ESG goals. Through a two-tier governance mechanism, we ensure that the ESG philosophy is efficiently integrated into all business links.

Talent is the core asset for the sustainable development of a company. Asia Cement (China) adheres to the talent strategy of “professionalism-oriented, diversified empowerment” and systematically cultivates employees’ cross-domain skills, including international communication skills and AI technology application capabilities, to meet the needs of future industrial changes. At the same time, by optimizing the remuneration incentive mechanism and improving career development channels, we continue to enhance employees’ sense of belonging and creativity. The Company also dynamically adjusts its organizational structure and management system to ensure that the governance system is highly coordinated with strategic goals. In order to strengthen the sustainable development governance capabilities, the Board of Directors of Asia Cement (China) has established the “Corporate Sustainability Committee” to coordinate the formulation and supervision of ESG strategy implementation; at the same time, it has established a “Corporate Sustainability Promotion Committee”, with the CEO as the Chairman to comprehensively promote the implementation of ESG goals. Through a two-tier governance mechanism, we ensure that the ESG philosophy is efficiently integrated into all business links.

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### **Practising green manufacturing and leading the industry's low-carbon transformation**

With scientific and technological innovation as its engine, Asia Cement (China) comprehensively promotes the upgrading of green production models and achieves new breakthroughs in low-carbon development.

In terms of carbon reduction at the source, we have significantly reduced the consumption of natural resources by replacing traditional raw materials with industrial waste slag (such as copper slag, phosphorus slag, tailings, coal slag, slag, papermaking mud, industrial by-product gypsum, etc.). We have simultaneously promoted the R&D of biomass alternative fuels, which will achieve year-on-year decrease by 7.21% for total greenhouse gas emission in 2024.

In terms of carbon reduction in the production process, we have partnered with Asia Cement Hualian Cement Plant in Taiwan and Ding & Ding Management Consultants to build an intelligent

energy management system to monitor energy consumption in the production process in real time, and achieve a carbon dioxide equivalent emission reduction of 1.3375 million tons by 2024. The system will be further extended to logistics management, quality control, and other areas, to comprehensively improve operational efficiency and environmental protection levels. In terms of pollutant emission reduction, we innovatively apply ultra-low emission technologies such as low-nitrogen combustion and composite desulfurization, to achieve synergistic emission reduction of nitrogen oxides, sulfides, and greenhouse gases, thus successfully establishing a benchmark for green factories, and also creating a safe and healthy working environment for employees.

### Practising social responsibility, sharing development achievement

As a responsible company, Asia Cement (China) always adheres to the core philosophy of “taking from society and giving back to society” while pursuing economic benefits, and actively practising corporate social responsibility.

In terms of creating a happy workplace, we build employee care system, adhere to sharing the achievements of enterprise development with employees, provide good remuneration and welfare, systematic career development planning, intimate humanistic care, safe and healthy working environment. We are committed to establishing harmonious relationship with employees with mutual respect, mutual trust and common growth to improve the sense of happiness and belonging of employees.

In supporting disaster area reconstruction and rural revitalization strategies, we fully leverage the advantages of a cement company, to mobilize resources to support disaster area reconstruction efforts. At the same time, we promote the improvement of rural infrastructure in Jiujiang City, Jiangxi Province and Pengzhou City, Sichuan Province, to contribute to rural revitalization.

In focusing on vulnerable groups and supporting education and cultural causes, we continuously pay attention to the needs of surrounding communities, to provide assistance for vulnerable groups within our capacity. In 2024, we gave back to society over RMB 7.75 million, which are used to fund public welfare causes such as education, culture, and poverty alleviation. In the future, we will continue to focus on the development of these areas, contributing to the creation of a green home.

### Looking ahead: Moving towards a new era of green intelligence

In 2024, Asia Cement (China) achieved phased results in the ESG field, but the path to sustainable development remains long and challenging. We will continue to uphold the Group’s founding spirit, and unwaveringly follow the path of sustainable development.

In the future, we will deepen the integration of digital and green technologies, accelerate the application of AI, big data, and clean technologies, and build a smart and low-carbon industrial chain. We will strengthen global cooperation, align with international ESG standards, introduce advanced technologies and management experience, and

enhance global competitiveness. We will continuously improve the responsibility ecosystem, optimize the ESG governance system, expand the coverage of social responsibility, and promote win-win outcomes for stakeholders.

Looking ahead, we firmly believe that with the relentless efforts of all employees and the strong support from all sectors of society, Asia Cement (China) will take innovation as the engine and responsibility as the cornerstone, work hand in hand with employees, partners, and society to write a new chapter of green and intelligent development, and contribute corporate strength to the harmonious coexistence of humans and nature.

徐旭東

# Insights about Asia Cement (China)



Asia Cement (China) Holdings Corporation, as one of the leading companies in China's cement industry, has been committed to providing high-quality cement products and solutions and reliable support for various construction projects since its establishment in 2004. On May 20, 2008, the Company was successfully listed on the main board of the Hong Kong Stock Exchange, with the stock code 743.

## FOUNDING SPIRIT

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Integrity, diligence, austerity, prudence and innovation

## VISION

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Pursue high quality, high level of environmental protection, high efficiency, low cost, seek innovation, and become a model company in the industry

## GOAL AND PROSPECT

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The Company hopes and strives to become one of the leading comprehensive cement producers in China with the highest regional market share and operational efficiency, and is committed to striving for maximum returns for shareholders

## MISSION

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To be a preferred partner for building sustainable green homeland

## PHILOSOPHY

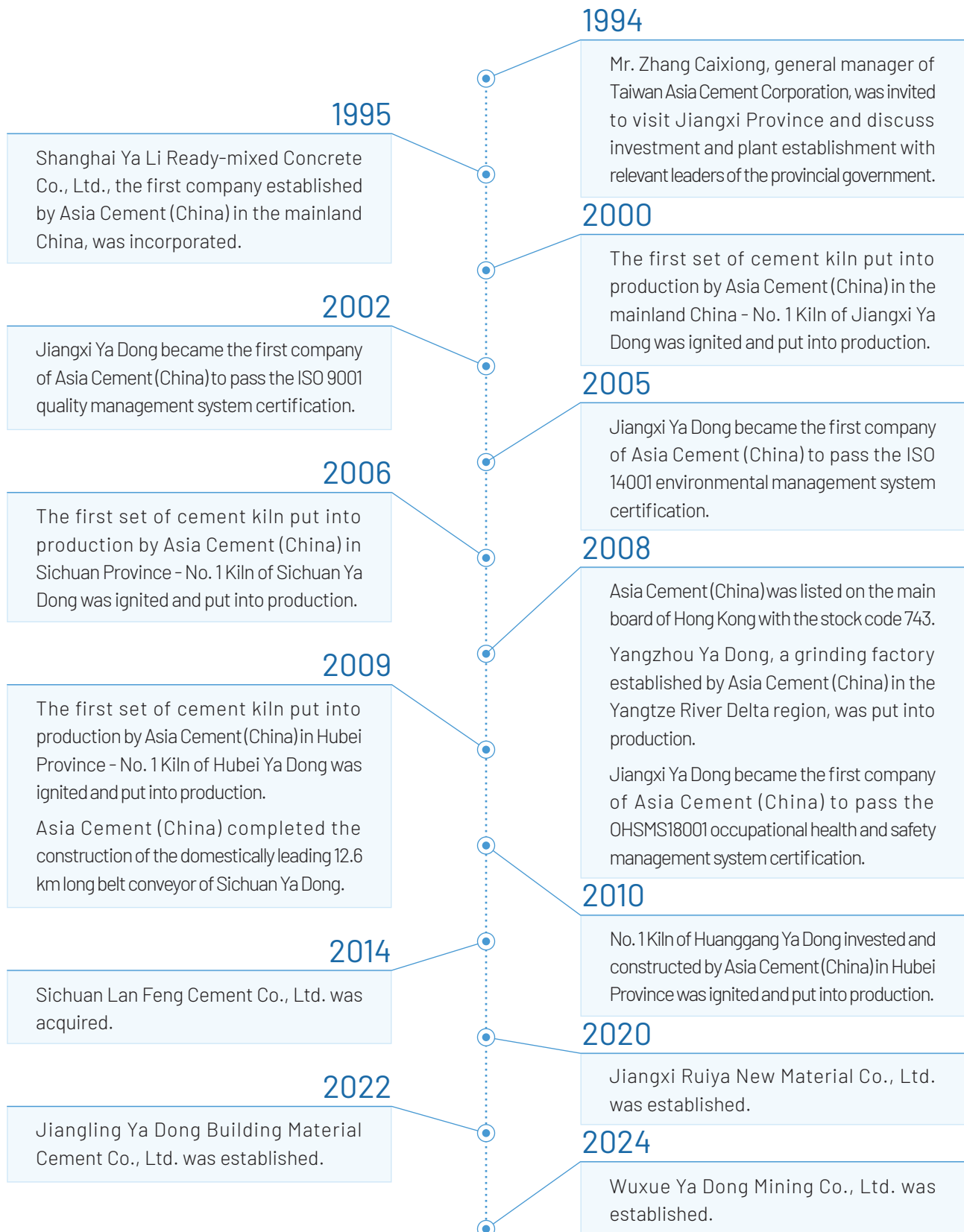
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Industrial development and environmental protection can go hand in hand

ASIA CEMENT  
(CHINA)



## Development history



Product and business layout

Asia Cement (China) is headquartered in Ruichang City, Jiangxi Province, with its subsidiaries located in the middle and lower reaches of the Yangtze River and Chengdu, Sichuan Province, and has several modern cement production lines, with an annual cement capacity of 35,000,000 t.

Annual cement capacity  
**35,000,000<sub>t</sub>**

The Company’s main markets cover Sichuan, Hubei, Henan, Jiangxi, Anhui, Jiangsu, Zhejiang, Shanghai and other provinces and cities. After years of operation, the Company’s main product - Skyscraper Brand cement - has become a representative of high-quality cement in Wuhan, Jiujiang, Nanchang, Yangzhou, Shanghai, Chengdu and other urban markets.

The Company’s main products include:

Portland cement clinker	General purpose Portland cement with different strengths	Moderate and low heat Portland cement
Slag powder	Limestone powder	Ash powder
		Ready-mix concrete

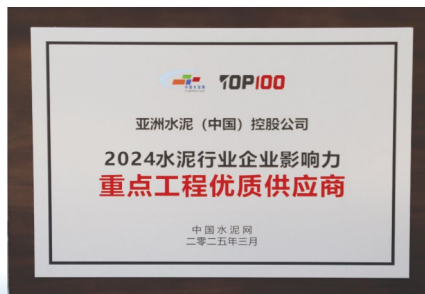
Integrated cement plants	Jiangxi Ya Dong Cement Co., Ltd.	Cement products manufacturing plants	Nanchang Ya Li Ready-mixed Concrete Co., Ltd.
	Huanggang Ya Dong Cement Co., Ltd.		Wuhan Ya Li Ready-mixed Concrete Co., Ltd.
	Hubei Ya Dong Cement Co., Ltd.		Sichuan Ya Li Ready-mixed Concrete Co., Ltd.
	Sichuan Ya Dong Cement Co., Ltd.		Chengdu Ya Li Ready-mixed Concrete Co., Ltd.
	Sichuan Lan Feng Cement Co., Ltd.		Shanghai Ya Li Ready-mixed Concrete Co., Ltd.
Cement grinding plants	Yangzhou Ya Dong Cement Co., Ltd.	Transportation companies	Jiangxi Ya Li Transportation Co., Ltd.
	Wuhan Ya Dong Cement Co., Ltd.		Hubei Ya Li Transportation Co., Ltd.
	Nanchang Ya Dong Cement Co., Ltd.		Sichuan Ya Li Transportation Co., Ltd.
		Other	Taizhou Ya Dong Building Materials Co., Ltd.



as one of the Top 10 in China's  
Cement Clinker Capacity in 2024



the 10th of China's  
Cement Clinker Capacity in 2024



the "2024 Annual Cement Industry  
Enterprise Influence Key Project Quality  
Supplier"



the "2024 Annual Cement Industry  
Enterprise Influence Renowned Brand  
Enterprise"



the "2024 Annual Cement Industry  
Enterprise Influence Quality and  
Credit-Conscious Enterprise"



the "2024 Annual Cement Industry  
Enterprise Influence New Quality Productivity  
Demonstration Enterprise"



# SUSTAINABLE ASIA CEMENT FOR COMPLIANCE GOVERNANCE







Asia Cement (China) deeply practises the ESG philosophy, improves the corporate governance architecture, adheres to the bottom line of business ethics, cultivates compliance operations, strengthens risk prevention and control, and builds a compliant, clean and efficient governance system, thus injecting strong momentum for the Company's high-quality sustainable development.

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# Corporate sustainable development

Asia Cement (China) highly values the deep integration of ESG management philosophies with the Company’s development strategy, continuously improves the ESG management mechanism, closely monitors the comprehensive performance of corporate ESG practices, actively responds to the expectations of various stakeholders while achieving the Company’s operational goals, effectively fulfills corporate social responsibilities, continuously creates long-term value for society, and escorts the Company’s sustainable development.

## Sustainable development strategy .....

The Company bases its sustainable development strategy on three aspects: environment, society, and governance, and assesses the impact of each operational link on domestic and international sustainable development. By integrating feedback from stakeholders, industry characteristics, and external expert opinions, the Company focuses on sustainable mining, circular economy, and low-carbon manufacturing as key directions for sustainable development.



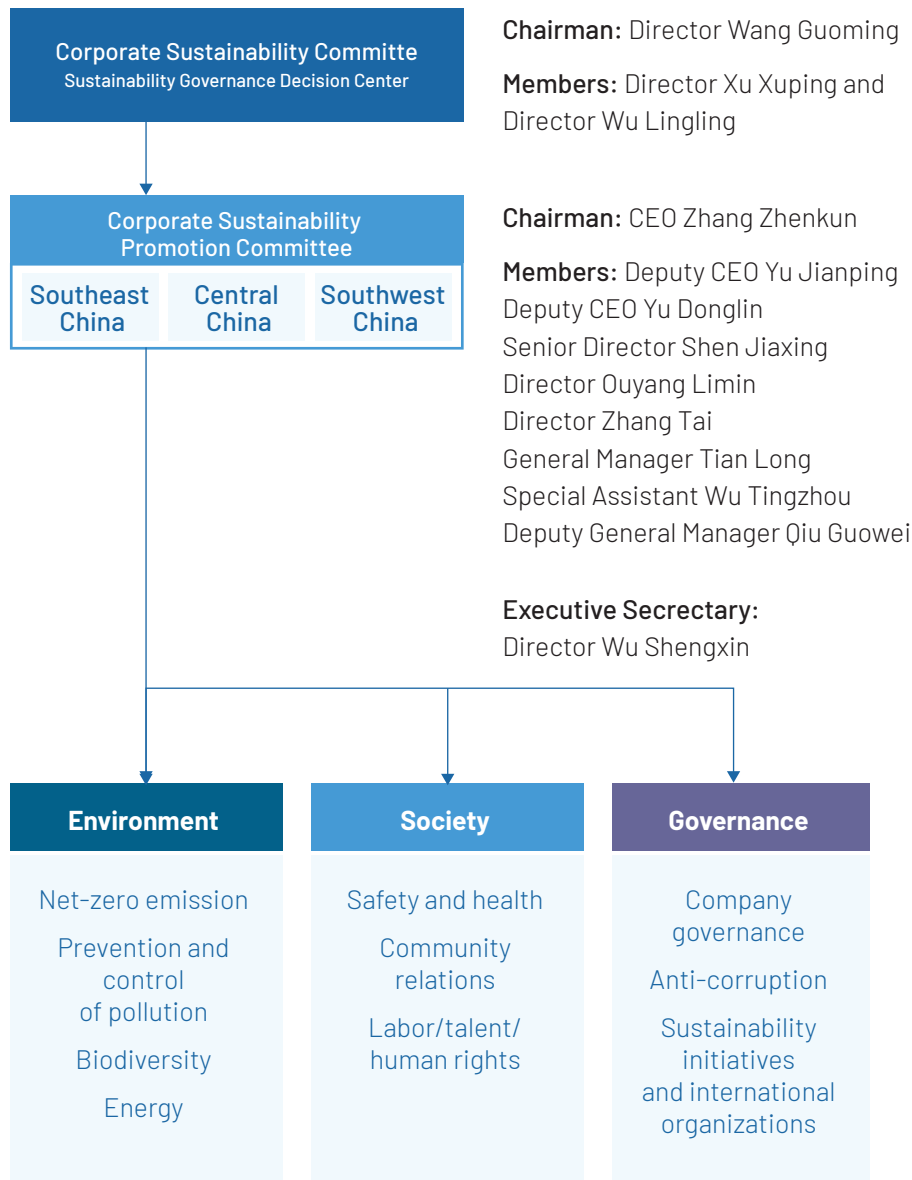
## Sustainable development governance mechanism .....

In order to achieve the philosophy of sustainable management, Asia Cement (China) established a Corporate Sustainability Committee in 2023 through the approval of the Board of Directors, which is responsible for supervising and making decisions on corporate sustainability related matters, and shall hold at least two meetings annually and report to the Board of Directors. The Board of Directors annually advises the Corporate Sustainability Committee on the Company’s environmental, social and governance related issues, and tracks and reviews annual completion to monitor corporate sustainability.

To more effectively promote the implementation of sustainable development work, the Company has also established the Corporate Sustainability Promotion Committee. The Company’s CEO serves as the Chairman and the Director of the Secretariat of Administration Department as the Executive Secretary, to be responsible for setting up and convening leaders for different ESG-related issues, planning the promotion of sustainable issues, and regularly reporting work objectives and progress to the Corporate Sustainability Committee to ensure the smooth progress of sustainable work.



## Corporate Sustainability Committee Organization Chart:



### Power and functions

1. Supervise ESG execution in each group.
2. Report to the Board of Directors and Sustainability Committee every six months.
3. Approve the annual ESG plan.

Manage ESG administrative affairs.

1. Convene group meetings.
2. Supervise project execution.
3. Report to the Promotion Committee every quarter.
4. Write group execution reports every quarter.
5. Write and announce the ESG report in the first quarter of each year.
6. Draft the execution plan for the next year in the fourth quarter.

### Corporate Sustainability Committee

Be responsible for supervising the implementation of sustainable policies, systems or related management guidelines, and reporting the progress to the Board of Directors regularly.

Sustainability risk management mechanism .....

In order to strengthen corporate governance and promote the steady operation and sustainable development of the Company, the Company has established a sound risk management mechanism to control the possible risks within an acceptable range. The Board of Directors is the highest decision-making body for risks and opportunities, and bears the ultimate responsibility for the overall risk of the Company, and the Corporate Sustainability Committee and various responsible bodies execute the decisions of the Board of Directors to ensure the achievement of goals. The Company conducts regular risk review annually and identifies risk issues with priority, which are submitted to the Corporate Sustainability Promotion Committee for deliberation.



Risk issues with priority	Risk description	Mitigation measures
Climate risk	If the government imposes a carbon fee, it may cause an increase in direct operational costs.	The Corporate Sustainability Promotion Committee has established the Net-zero Emission Group to regularly report on carbon reduction measures and their effectiveness, to ensure the Company's carbon reduction performance.
Labor relations risk	If internal communication channels are not smooth, it may cause strikes, slowdowns, etc., which affects the normal production and operation order of the Company and damages the Company's reputation and image.	Establish the "Worker Labor Union Committee" to hold meetings with the corporate management for collective consultation and negotiation on company policies, salaries, welfare, etc., to protect workers' rights and interests, and promote the sound corporate development.
Policy and regulatory risks	Regulatory policies, tax laws, and international accounting standards.	Complete the preparation and announcement of quarterly financial reports, tax operations, and declarations on time to reduce the Company's operational risks.



## Sustainable development goal

In recent years, the Company gradually quantifies our sustainable development goals through scientific demonstrations, regularly track and evaluate the completion of sustainable development goals, and disclose our progress to employees, partners, customers and the public. In the meanwhile, we timely adjust or revise the goals based on completion status, the Company's strategic planning, and changes in market risks and opportunities to ensure their rationality and feasibility.

Long-term goal:

**2060 net zero emission**

2025 Sustainable Development Goal:

Aspect	Group	Type	Indicator		Goal
Environment	Net zero carbon emission	Carbon emissions	Reduce cement emission intensity(t CO <sub>2</sub> e/t cement)	Taking 2019 as the base year with 0.725 t CO <sub>2</sub> e/t cement, we are committed to reducing cement emission intensity of Scope 1 plus Scope 2 by 5.1% to 0.688 t CO <sub>2</sub> e/t cement by 2025.	
	Energy	Energy management	Electricity consumption(MWh)	Taking 2019 as the base year, we reduce electricity consumption by 1% annually.	
			Electricity intensity (MWh/t cement)	Taking 2019 as the base year, we reduce the intensity by 0.5% annually.	
			Alternative fuel heating ratio (%)	By 2025, the heating ratio of biomass + non-biomass alternative fuels will reach 2.4%.	
			Ratio of waste heat power generation to total plant electricity consumption (%)	Net waste heat recovery power generation accounts for 30% of purchased electricity.	
Society	Safety and health	Occupational health and safety	Disabling injury frequency rate per million working hours(FR)	Based on the Company's average within 2020-2022 Employee disabling injury frequency rate (FR) < 1.31 in 2025 Contractor disabling injury frequency rate (FR) < 0.43 in 2025	
			Disabling injury severity rate per million working hours(SR)	Based on the Company's average within 2020-2022 Employee disabling injury severity rate < 45.42 in 2025 Contractor disabling injury severity rate < 20.23 in 2025	
			Frequency-severity indicator (FSI)	Based on the Company's average within 2020-2022 Employee frequency-severity indicator (FSI) < 0.24 in 2025 Contractor frequency-severity indicator (FSI) < 0.09 in 2025	

Aspect	Group	Type	Indicator	Goal
Society	Labor/Human rights/Talent	Human rights	Education and training of employees' human rights	Annual training participation rate 100%, pass rate 100%
		Talent development	Education and training of employees	Training hours per employee $\geq 30$ hours 100% completion of leadership training and skill development according to the annual plan
		Talent retention	Turnover rate of employees	Voluntary turnover rate $\leq 2\%$ , involuntary turnover rate $\leq 3\%$
Governance	Anti-corruption	Bribery prevention management	Establish an anti-bribery culture	Including employees: Bribery prevention training once a year Goal completion rate 98%
			Zero bribery incidents	Zero incidents of bribery and corruption
			Implement whistleblower protection	Zero incidents of retaliation against whistleblowers
			Strictly punish dishonest acts	100% execution according to reward and punishment management measures Major cases are sent to public security and economic investigation systems for handling

2024 sustainable development work plan and goal completion status are shown in the table below:

Work planning	Completion in 2024
All manufacturing plants gradually met China's A-level environmental standard	1 company met A-level environmental standard
All mines were gradually certified as green mines	As of the end of the reporting period, among 10 mines of Asia Cement (China), 8 were certified as green mines, including 6 national level green mines and 2 provincial level green mines.
Disclose the achievement of carbon neutrality goals of all manufacturing plants every year	During the reporting period, greenhouse gas emissions (Scope 1 + Scope 2) were 17,201,529 t

## Management of substantive issues

In order to make sure sustainable development meets the needs of stakeholders, highlights the Company's characteristics, and conforms to the trends of the industry, we adopt scientific approaches to systematically manage materials issues for sustainable development by four steps, i.e., identify sustainability topics, survey stakeholders, assess impact on sustainable development, and manage key material topics.

### Identification of sustainable development issues

Various internal and external factors are taken into account to identify material topics in a comprehensive manner. Stakeholder engagement is guaranteed via questionnaires, in-depth interviews, everyday feedback and the like. The frequency of questionnaire survey is once every 1 to 2 years, which is timely adjusted in the light of the Company's actual situation. Special investigations are conducted when there are significant changes in the deployment of sustainable development tasks.

The frequency of questionnaire survey is **once every 1 to 2 years**

### Stakeholder survey

The Company attaches great importance to maintaining good communication with internal and external stakeholders. Therefore, a regular communication mechanism is established to understand the demands and expectations of all parties. We also continuously optimize and adjust communication channels to actively respond to stakeholders' concerns to steadily promote the orderly progress of ESG work.

In 2024

Investor communication exchanges **673**

Response rate to investor inquiries **100%**

Including

Answering investor calls **250**

Receiving on-site research and discussion exchanges **11**

Handling emails **400**

Holding conference calls **3**

Hosting online performance briefings **3**

Video conferences **6**

The specific investor communication methods



Stakeholder	Issues of concern	Communication method and channel
Employee	Legal employment Protection of rights and interests of employees Diversity and equal opportunity Training and development Occupational health and safety	Training and performance assessment Complaint and feedback Labor union Employee satisfaction survey Employee handbook, electronic bulletin board
Shareholders and investors	Economic performance Risk management Compliance management Management architecture	Board of Shareholders Investor zone on official website Information disclosure (annual report, ESG report) Daily communication (phone, email, and meeting)
Customers and partners	Customer service Product quality and safety Information security Digital transformation	Satisfaction survey Product quality certification and inspection report Official website feedback Laboratory cooperation Daily communication (phone, email, and meeting)
Suppliers and contractors	Business ethics Responsible procurement Supplier management	Supplier evaluation Supplier management platform Supplier opiniaonaire Daily communication (phone, email, and meeting)
Government bodies and supervisory authorities	Economic performance Environmental compliance	Information disclosure Regulation briefing, seminar or symposium Correspondence Routine inspection
Non-governmental organization	Green mine Energy conservation and emissions reduction Combat with climate change	Information disclosure Participation in NGO activity Seminar/symposium
Industry associations and companies in the same industry	Economic performance Green products	Exhibition and seminar Industry conference Daily communication (phone, email, and meeting)
Community and public media	Community relations Management of mines Prevention and control of pollution Charity and public welfare	Complaint and feedback Public welfare activities Community resident activity Company website Daily communication (phone, email, and meeting)

## Sustainable development impact assessment

The sustainable development impact assessment process comprehensively considers our key tasks in 2024, trends of the industry, and feedback from stakeholders. We adjust the importance of certain issues. The Company conducted a cross-analysis from two aspects, the degree of influence on stakeholders' evaluations and decisions, the degree of economic, environmental and social impact exerted by the Company, and then used that analysis to form the matrix of material topics according to 1,531 recovered questionnaires. The matrix has been reviewed and adopted by the Board of Directors.



## Management of major issues .....

Based on the identification and assessment results of sustainability issues, the Company enhances the disclosure of information on key issues in this report and guides business improvements and management optimization in daily operations to meet stakeholder expectations, strengthen trust and cooperation, and promote the sustainable development of the Company and society.

## Business ethics



Asia Cement (China) strictly adheres to laws, regulations, and regulatory requirements, to formulate and implement internal management systems such as the Business Ethics Management Anti-Corruption Policy, Code of Conduct for Business Personnel, Code of Conduct for Integrity Management, and Employee Stakeholder Declaration Management Measures. These cover all business areas and commercial partners, including employees, suppliers, customers, and special types of transactions. The Company establishes a sound compliance management system, a comprehensive reporting mechanism, and a whistleblower protection system. Through self-assessment, external audits, annual audits, and special case investigations, the Company effectively supervises anti-corruption and anti-bribery matters, thus avoiding various improper and illegal behaviors. During the reporting period, the Company did not engage in any incidents of bribery, corruption or other violations of business ethics.

## Routine audit .....

The Audit Committee assists the Board of Directors in conducting independent reviews of the Company's internal controls and risk management, and supervises the audit process. At the same time, the Company sets a general auditing office and regional auditing offices to coordinate the Company's risk control auditing work. In addition, according to the operational procedures of each department, the Company formulates internal auditing implementation rules to guide the implementation of auditing work.

The General Auditing Office and regional audit offices conduct internal audits on all business areas annually, formulate annual audit plans based on operational process risk assessment results and setting audit frequencies based on previous audit anomalies. Special audits with priority are conducted for temporary management risks or relevant reports received. Audit reports are issued for the audit results of annual audits, temporary special case, and reporting investigations, and are submitted to the Vice Chairman for approval before being sent to relevant departments for processing and improvement in accordance with the instructions.

## Training

The Company actively conducts anti-corruption training, incorporates it into the employee training management system, and regularly arranges dedicated sessions to ensure every employee systematically receives anti-corruption education. At the same time, the Company actively adopts employee feedback, continuously optimizes training content and methods, and enhances the effectiveness of anti-corruption training to strengthen the Company's integrity defense line.

### During the reporting period

A total of employees participated  
in anti-corruption training **2,881**

Participation  
rate **100 %**

Test pass  
rate **100 %**

## Reporting mechanism

The Company requires all employees not to ask for or accept any benefits for themselves or others from any person, company or organization that has business dealings with the Company and its subsidiaries; if business banquets arise due to business needs, they must be strictly implemented in accordance with the Company's relevant regulations; employees shall take the initiative to avoid conflicts of interest, for example, family relationships between employees and suppliers.

The Company has established a normalized appeal and reporting mechanism, formulated and implemented Reporting Policies. The general auditing office and regional auditing offices are responsible for reporting and complaint work, including accepting reports and complaints, recording, reporting, investigating, and following up on reported violations of discipline and regulations.

The Company maintains smooth internal monitoring, reporting, and complaint channels, and encourages all employees, suppliers, customers, contractors, business partners, and all other relevant personnel who have business dealings with the Company to actively report bribery, corruption, cheating, violations of corporate rules and regulations, and any suspected violations of laws and regulations.



**During the reporting period**

The Company has received and disposed  
of a total of reported problem clues **6**

Completion  
rate **100 %**

## Reporter protection

The Company accepts anonymous and real-name reporting, and firmly protects the legitimate rights and interests of reporting. The reporting department is required to keep the information of the informant strictly confidential; it is strictly prohibited to disclose the reporter's personal information, reporting processing status, etc. to the person be reported or personnel unrelated to the reporting work; it is also strictly prohibited to retaliate against the reporter.



## Standardizing the operation of the three meetings

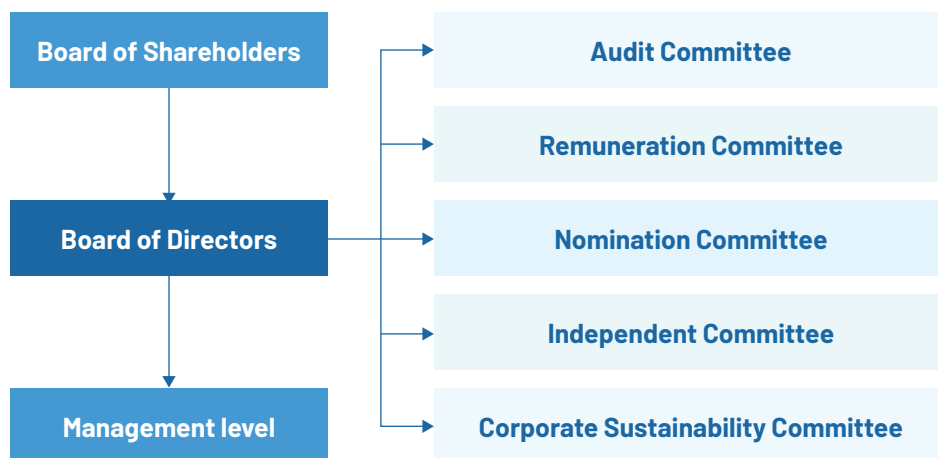


Asia Cement (China) has established a corporate governance architecture composed of board of shareholders, Board of Directors and its special committees, supervisors, and management in strict accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Hong Kong Listing Rules, relevant laws and regulations of the China Securities Regulatory Commission, and the Articles of Association. We also convene shareholders meetings and Board meetings in accordance with the requirements of the Rules of Procedure for Board of Shareholders and the Rules of Procedure for Board of Directors for management decision-making and operation supervision, in order to ensure that the decision-making process for major matters of the Company is standardized and efficient. During the reporting period, our decision-making and supervisory bodies such as the board of shareholders and the Board of Directors conducted management decision-making and operation supervision in strict accordance with the normative operation rules and internal systems, and the operation was standardized and effective, and each committee performed its duties in accordance with the provisions of the articles of association and the rules of procedure of each committee.





## Organization Chart



During the reporting period, the meetings of the Company's Board of Shareholders, Board of Directors and Special Committee were held as follows:

Board of Shareholders  
Number of meetings held **2**

Board of Directors  
Number of meetings held **5**

Specialized Committee  
Number of meetings held **9**

Board of Shareholders  
Director attendance **82 %**

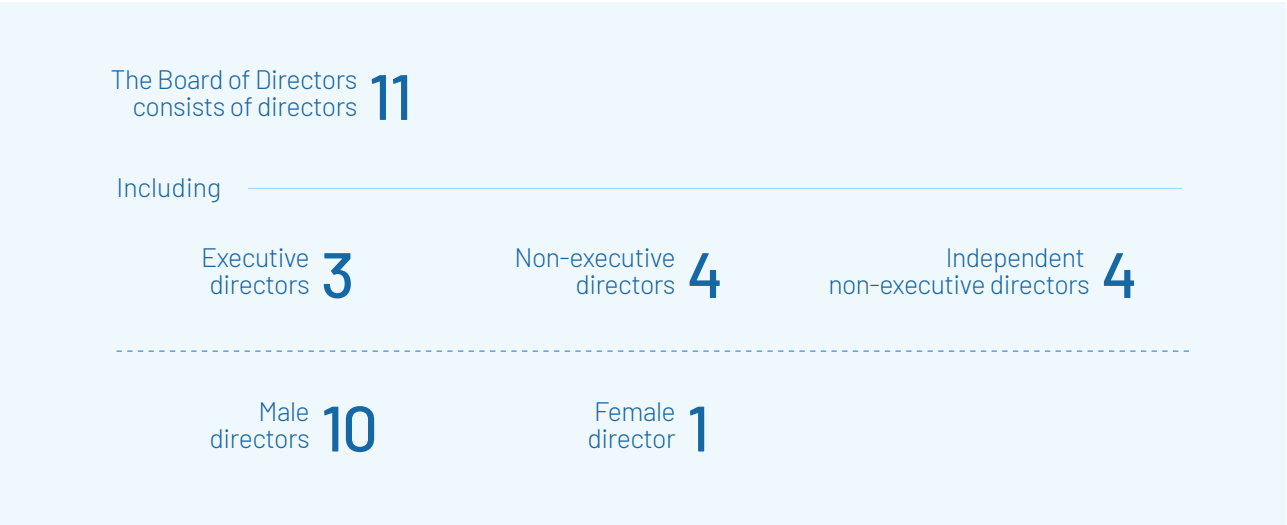
Board of Directors  
Director attendance **100 %**

Specialized Committee  
Director attendance **100 %**

Note: During the reporting period, the Company's independent non-executive director Mr. Li Gaochao resigned on October 17, 2024.

## Diverseness in the Board of Directors

We actively build a diversified Board of Directors in strict accordance with the Policy on Diverseness in the Board of Directors and other internal systems. The Nomination Committee evaluates the structure, personnel and composition of the Board of Directors every year. It takes into consideration gender, age, educational background, professional experience, skills, knowledge and industry experience when nominating directors to promote the sound development of the Company from a more professional and diversified management perspective.



After the reporting period, the Company’s independent non-executive director Mr.Wu Junpang succeeded to the position on January 1, 2025.

Responsibilities of special committees of the Board of Directors

Audit Committee	Assist the Board of Directors in conducting independent reviews on the effectiveness of the financial reporting procedures, internal control and risk management systems of the Company and its subsidiaries, supervise the reviews, and perform other duties and responsibilities as appointed by the Board of Directors.
Remuneration Committee	Review and formulate policies on the remuneration structure for all directors and senior management of the Company and make recommendations to the Board of Directors for consideration.
Nomination Committee	Review the structure, size and membership of the Board of Directors at least once a year and make recommendations to the Board of Directors on any proposed changes to align with the Company’s development strategy.
Independent Committee	Review all transactions between the Company, Asia Cement Corporation and Far Eastern Group to ensure that they are carried out on general commercial terms in the ordinary course of business of the Company and, where necessary, recommend to the Board of Directors to adopt amendments or not to proceed with such transactions.
Corporate Sustainability Committee	Be responsible for supervising the implementation of sustainable policies, systems or related management guidelines, and reporting the progress to the Board of Directors regularly.

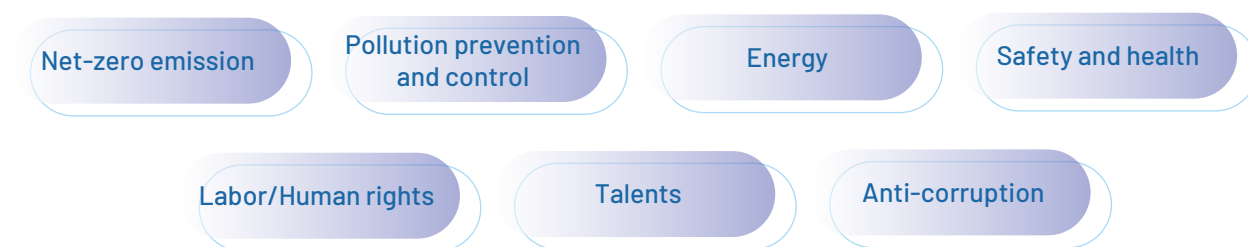
## Remuneration policy

The remuneration policy for directors is formulated by the Remuneration Committee based on the Company's operating performance, individual positions and performance, and comparable market statistics. For information on the remuneration of each director, please refer to the Company's 2024 annual report.

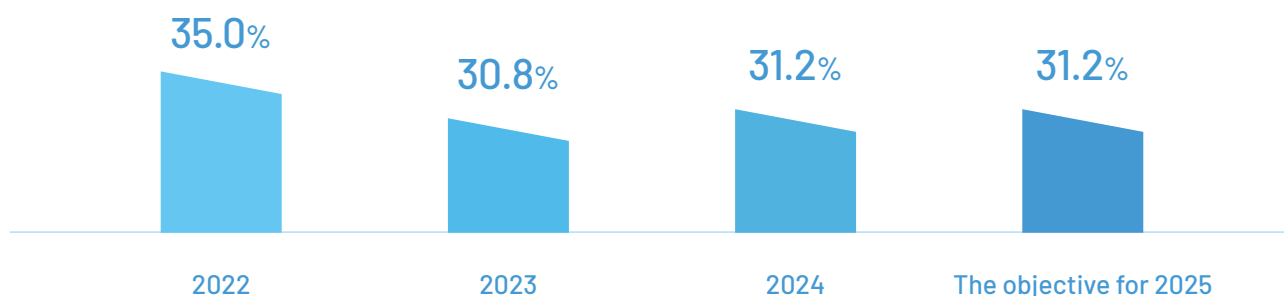


## ESG indicators for senior managers

The Company's senior managers participate in the management of ESG sustainable business performance indicators, and their variable remunerations (30%-35%) are linked with it. In 2024, net zero emissions, pollution prevention and control, energy, labor/human rights, safety and health, talent, and anti-corruption are all important reference indicators for the Company's performance evaluation, daily work assessment, and rewards and punishments. Among them, environmental protection (net zero emissions, pollution prevention and control, and energy), labor safety and health are the main evaluation indicators, which are highly related to the remuneration of senior management, accounting for about 40% of year-end bonuses and employee incentives.



The proportion of salaries change for senior managers from 2022 to 2025:



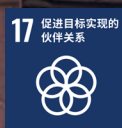
Note: Senior managers are personnel of the Company at level 15 or above.

Asia Cement (China) takes innovation as its engine, strives to promote the development of high-quality products and enhance product competitiveness; attaches great importance to supplier management, establishes good cooperative relationships, promotes synergy of the entire industry chain, and achieves mutual benefit and win-win results; adheres to the people-oriented philosophy, fully protects the rights and interests of employees, and makes efforts in salary, career development and other aspects to stimulate the enthusiasm of employees; actively fulfills social responsibilities, give back the development results to the society, and helps build a harmonious society.



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Practising social responsibility .....	58

# RESPONSIBLE ASIA CEMENT FOR PAINTING A SPLENDID PICTURE OF PURSUING DREAMS SIDE BY SIDE



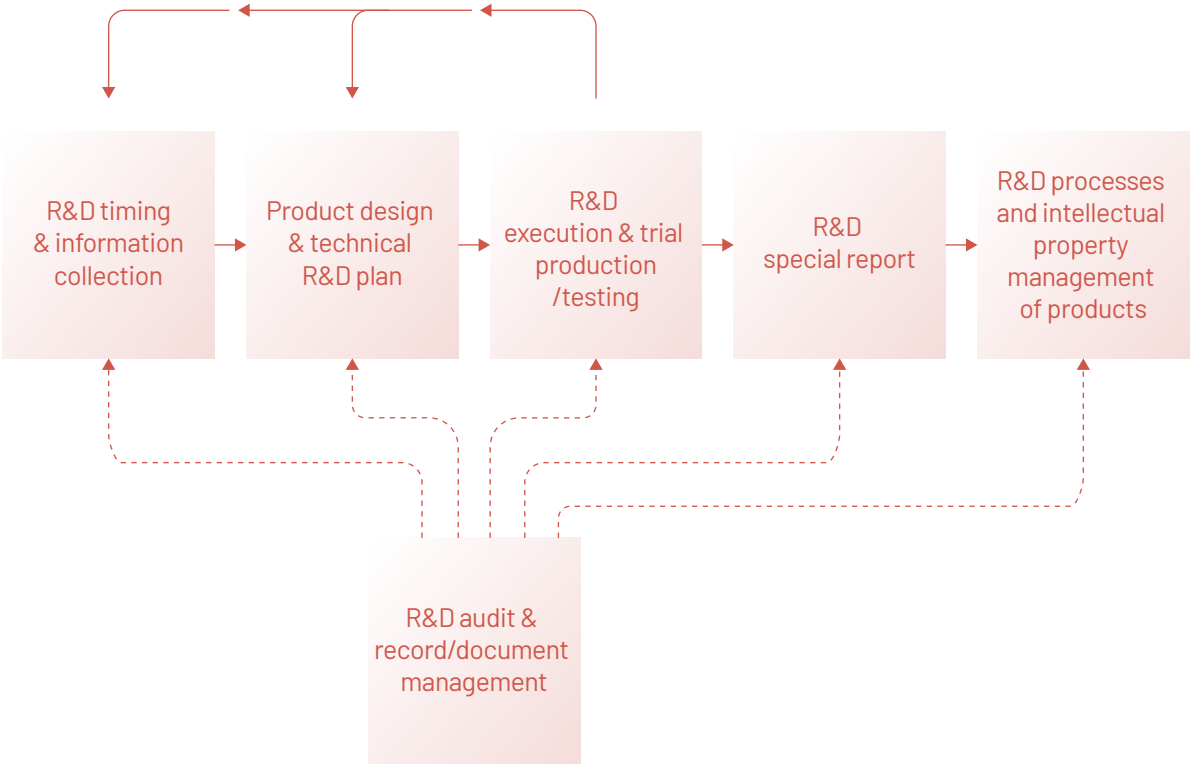
# Strengthening science and technology innovation

Asia Cement (China) actively promotes innovative development, continuously establishes and improves R&D and innovation management systems and institutions, strengthens R&D and innovation, and intellectual property protection, actively participates in industry exchanges, and helps technological innovation breakthroughs.

## Innovation management .....

The Company has formulated the Articles of Organization for the Innovation and Improvement of Nomination Committee and Operation Management Measures 4.0, advocating for active participation of all employees in various subsidiaries of the Company, so as to fully leverage the innovative and reformative thinking of all employees, work together, and continuously promote work innovation and improvement.

The Company conducts active and effective R&D cycle management by combining R&D timing and information collection, product design and technology R&D planning, R&D execution and trial production/testing, R&D project report, R&D audit, record and document storage, and R&D processes and intellectual property management of products.





## Incentive mechanism

### Clarify reward rules

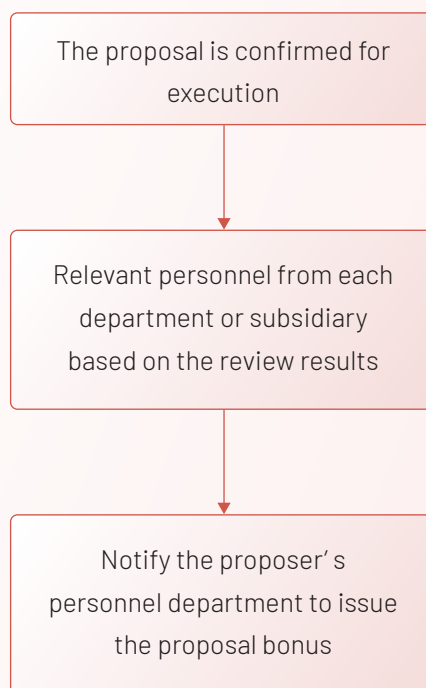
1

The Company has established a proposal incentive system and reward standards. Administrative incentives will be given to the proposer for improvement, and **RMB 100-6,000** will be given to the proposer for innovation. In addition, the relevant personnel responsible for the implementation of innovative proposals can receive **RMB 200-13,200** of incentives according to the actual benefits generated by the proposals.

In 2024, a total of **69** proposals were put forward, including **65** proposals for improvement and 4 proposals for innovation, with a total reward amount of about **RMB 30,000**. It is estimated that after the actual implementation, they can create nearly **RMB 25 million** of benefits for the Company every year.

### Bonus distribution process

2



### Additional reward mechanism

3

If the innovative proposal achieves groundbreaking results after execution, such as forming new methods, processes, or procedures that can be considered industry benchmarks (or receiving commendations from relevant government authorities), or successfully patenting new products or processes, the Project Leader can submit relevant proof materials to the Nomination Committee for reward application.

### Benefit bonus calculation

4

Based on the calculation method of the innovative proposal benefit bonus, proposals passing review by the Nomination Committee will be returned to each department or subsidiary for improvement. From the date when the Project Leader issues the completion notice, the bonus will be calculated based on the actual benefits generated by the proposal within the specified period and distributed to relevant personnel.

## Intellectual property protection

The Company attaches great importance to intellectual property protection and has formulated and implemented the Patent Management Measures, which stipulate the details of patent applications and maintenance of the Company, as well as the precautions for using products with intellectual property rights.

As of the end of the reporting period

A total of  
valid patents **69**

Software  
copyrights **12**





## Active industry exchange

The Company is brave enough to shoulder the mission of industry development, make steady progress in exploration and practice, and combine independent innovation with opening up, cooperation and standardization. While developing the relevant technologies, it plays an important role in the activities of industry association. Now it has become the official member of different associations and acted as their deputy directors, executive directors and director members.

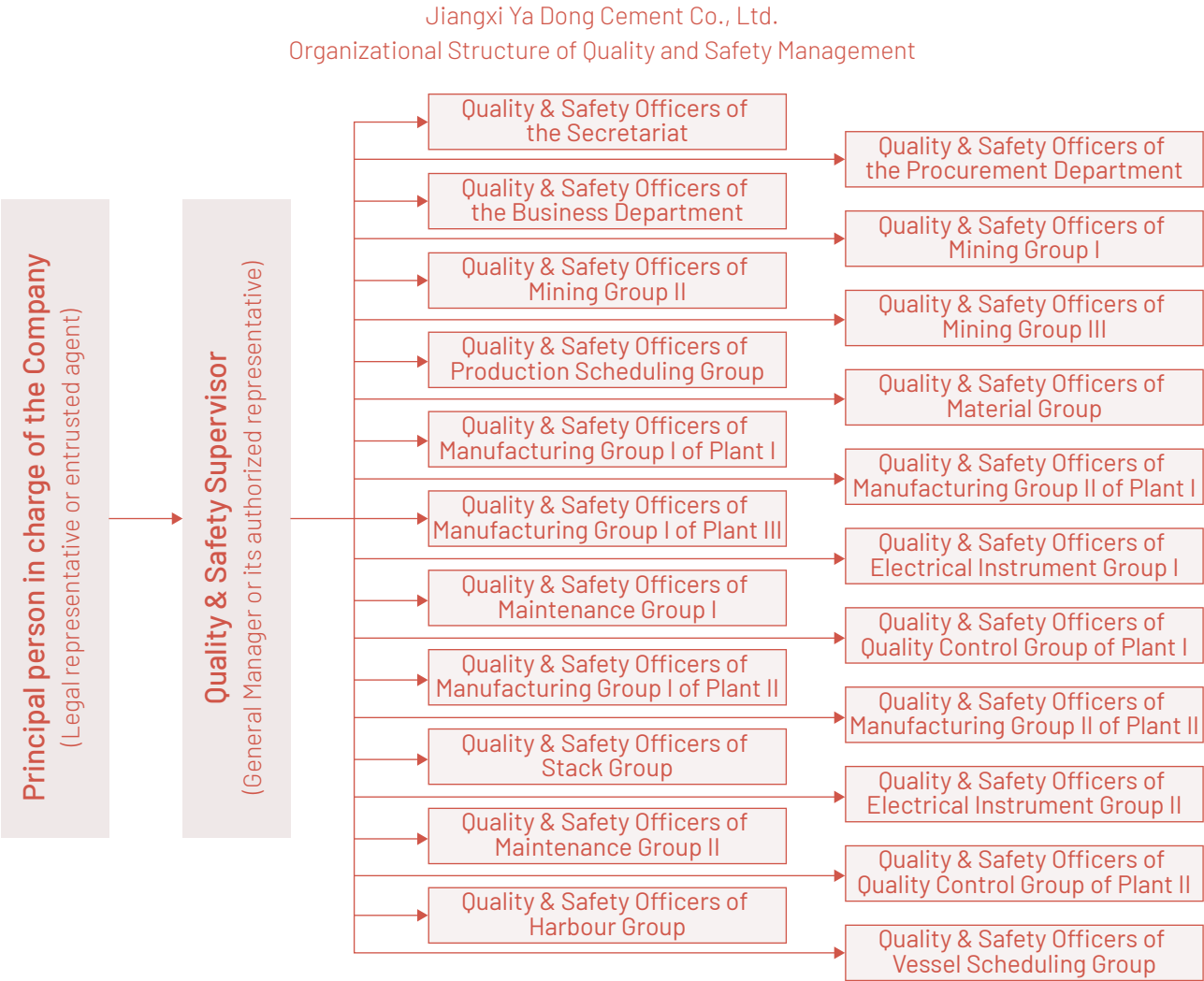
Unit	Association/organization	Title
Jiangxi Ya Dong	Jiangxi Provincial Blasting Equipment Industry Association	Executive Director
Jiangxi Ya Dong	China Mining Association	Member
Jiangxi Ya Dong	China Building Materials Federation	Member
Jiangxi Ya Dong	Jiangxi Provincial Quality Association	Governing Member
Jiangxi Ya Dong	Jiangxi Federation of Building Materials Industry	Vice President
Jiangxi Ya Dong	Jiangxi Provincial Brand Promotion Association	Member
Jiangxi Ya Dong	Sxcoal	Member
Jiangxi Ya Dong	China Cement Association	Member
Jiangxi Ya Dong	Jiangxi Provincial Cement Association	Governing Member
Wuhan Ya Dong	Wuhan Association of Circular Economy	Governing Member
Sichuan Ya Dong	Sichuan Provincial Certification and Accreditation Association	Governing Member
Sichuan Ya Dong	Sichuan Cement Association	Members, member representatives, governing members
Sichuan Lan Feng	Sichuan Cement Association	Governing Member
Yangzhou Ya Dong	Jiangsu Building Materials Industry Association	Executive Director
Hubei Ya Dong	Hubei Cement Industry Association	Vice President
Nanchang Ya Dong	Jiangxi Federation of Building Materials Industry	Member
Nanchang Ya Li	Jiangxi Federation of Building Materials Industry	Member
Nanchang Ya Li	Jiangxi Association of Bulk Cement and Ready-Mixed Concrete	Governing member
Yangzhou Ya Dong	Jiangsu Building Materials Industry Association	Member

# Serving customers with quality

Asia Cement (China) ensures comprehensive quality control, implements product quality standards, strengthens production management, and establishes a sound after-sales service system. The Company also attaches high importance on supply chain management to ensure the stability and high quality of raw material supply, thus achieving end-to-end quality control.

## Quality management

The Company strictly complies with applicable laws, regulations and national standards such as the Product Quality Law of the People’s Republic of China, the Implementation Rules for Cement Product Certification, and the Implementation Rules for Portland Cement Clinker Product Certification. We have established a three-level quality inspection system, which is managed by the Quality Control Department throughout the entire process.



The Company continues to strengthen quality control in various production processes and has established a comprehensive ISO 9001 quality management system. It sets relevant inspection control operation standards and conduct full control and inspection for the quality of incoming raw material and fuel, product production processes, and finished products to ensure that the quality of the products to be delivered is qualified. All integrated cement companies, cement grinding companies, and cement product companies under the Company have passed the ISO 9001:2015 quality management system certification. All cement and clinker products have passed the product quality certification, and the packaging of products is made with standardized label in strict accordance with regulatory requirements.

#### During the reporting period

The Company did not experience any recall issues or related violations caused by product quality and safety issues.

The Company continues to enhance quality control and strengthen the quality culture construction. Through various methods such as knowledge training, technical seminars, promotion of internal communication notices, and third-party external audit inspections and supervisions, the Company improves the quality risk awareness and quality management capabilities of all employees. During the reporting period, the Company's subsidiaries actively participated in the 19th National Cement Chemical Analysis Comparison Activity and achieved excellent results.



Wuhan Ya Dong won  
the excellence award  
in the 19th National Cement  
Chemical Analysis  
Comparison Activity.



Hubei Ya Dong won  
the excellence award  
in the 19th National Cement  
Chemical Analysis  
Comparison Activity.



Nanchang Ya Dong won  
the general excellence award  
in the 19th National Cement  
Chemical Analysis  
Comparison Activity.

## Customer service

Asia Cement (China) adheres to the entrepreneurship spirit of "Integrity, diligence, austerity, prudence and innovation", focuses on the need of every customer and continuously promotes customer satisfaction by improving product quality and customer service quality.

⦿ Optimizing service mechanisms

The Company has formulated and implemented the Service Management Operation Procedure, Customer Satisfaction Survey Management Operation Procedure and other internal management systems to carry out pre-sale, in-sale and after-sale services. The Business Department is responsible for the distribution of cement factory test reports and service reports, customer visits and surveys and acceptance of customer complaints and the quality control team is responsible for assisting in handling related matters.



Pre-sale

Communicate with customers in various ways, such as phone call, electronic media, advertising, online publicity and meeting for the placement of orders;



In-sale

Review management operating procedures in accordance with product requirements and orders;



After-sale

Establish after-sales service hotline, conduct regular customer satisfaction surveys, provide quality services, and adjust the ratio to meet customer needs.

Indicator	Unit	2024
Number of customer complaints	Times	58
Number of complaints handled	Times	58
Rate of response to complaints after completion of handling	%	100

⦿ Improvement of customer satisfaction

In order to fully protect the rights and interests of customers and improve customer satisfaction, the Company pays annual visits to customers, collects customer satisfaction questionnaires, actively strives to provide customers with better products and services, and optimizes service processes and improves service quality and standards in a timely manner according to customer feedback. Moreover, technical experts are selected to answer, handle and follow up the questions involved in the feedback according to different types of problems.

#### In the reporting period

The Company collected a total of **525**  
customer satisfaction questionnaires

Customer  
satisfaction rate **97 %**

### 🕒 Customer privacy protection

The Company strictly and fully abides by the relevant legal provisions on personal data protection in the Civil Code of the People's Republic of China and the Personal Information Protection Law of the People's Republic of China, and strictly protects customer privacy. The Company requires all employees to sign the Letter of Commitment on the Use of IT Equipment, Network Security and Confidentiality by Employees, and promise not to disclose, steal or illegally use customer information. For business personnel who can access first-hand information of customers, the Company has formulated the Code of Conduct for Business Personnel, which provides multiple protections for customer information through authority setting and strict approval process.

#### During the reporting period

The Company did not have any incidents of infringing on customer privacy rights or losing customer information.

### Data and information security

The Company is fully committed to building a data and information security defense line by formulating a series of detailed management systems, clarifying the goals, principles, management responsibilities, and operating procedures of information security, in order to comprehensively carry out our data protection and information security work, and fully protect the information and privacy data security of all stakeholders.

#### During the reporting period

The Company did not experience any data leakage incidents, and there were no legal lawsuits related to information and data security against the Company or employees.

### Data security

Strengthen data control, implement strict access control, and adopt data transmission encryption technology, and critical data backup and recovery.

### Hardware security

Purchase high-end physical hardware equipment to enhance system physical security, and regularly conduct network security checks, security vulnerability scans, and risk assessments to proactively identify and fix potential security risks.

### Network security

By equipping firewalls, security servers and virus interception, regulating employee internet behavior, and taking other security control measures, ensure the stable operation of the system.

### System security

Continuously improve the safety management system, regularly revise and improve the internal control system.

### During the reporting period

The Company organized information security training to enhance employees' awareness of information security, thus fully safeguarding the information and privacy data security of the Company and its stakeholders.



Conduct information security training by the Company

## Sustainable supply chain

### Supplier code of conduct

The Company strictly adheres to the Company Law of the People's Republic of China, the Law of the People's Republic of China on Tenders and Bids, and other relevant laws and regulations. In line with its own situation, the Company has formulated and implemented the Supplier Management Measures, Procurement Standard Operating Procedures, Code of Conduct for Purchase Business, and Supplier Conduct Guidelines to standardize supply chain management. All suppliers are required to sign the Supplier Responsibility Declaration, follow the basic principles of honesty, integrity, and legal operation, and create a benign and fair competitive environment.

### Supplier management

Based on qualification confirmation, risk assessment, audit supervision, assessment, evaluation and other measures, the Company performs the whole life cycle control in the selection, access, use, maintenance, evaluation, audit, elimination and other stages of supplier management. In the reporting period, the Company reviewed 854 suppliers and found no violations of laws and regulations.

#### In the reporting period

The Company reviewed **854** suppliers and found no violations of laws and regulations.





• **Supplier eligibility mechanism**

Incorporate social responsibility and the development of comprehensive anti-corruption policies and plans into supplier selection criteria.

All supplier contracts are accompanied by Supplier Conduct Guidelines, which clearly stipulate anti-corruption and unfair competition practices.

• **Supplier evaluation mechanism**

**Evaluation method**

The Procurement Handling and Evaluation Group adopts methods such as on-site evaluation, sample or similar supply product testing, inspection record evaluation, and past performance review after considering risks.

**Process**

The evaluation work is initiated by the procurement department. According to suppliers of different types (material, project and raw material and fuel), the corresponding supplier evaluation form is filled out, and the relevant responsible departments sign off on the scoring. The system ultimately calculates the evaluation score by summing and averaging.

**Evaluation frequency**

Raw material suppliers are evaluated once every six months, and other types of suppliers are evaluated once a year. The evaluation covers factors related to sustainable development such as social responsibility and environment.

**Result**

Suppliers are classified into four grades: A, B, C and D after evaluation. Category-D suppliers shall undergo permanent suspension. Category-C suppliers shall accept in-depth investigation by the Company and correct the problems found within the time limit.

Indicator	Unit	2024
Total number of suppliers	Nos.	2,064
Number of suppliers in Chinese mainland	Nos.	2,056
Including: Western China	Nos.	363
Eastern China	Nos.	583
Central China	Nos.	700
Northeast China	Nos.	410
Number of suppliers in Hong Kong, Macao, Taiwan and overseas regions	Nos.	8



## 🕒 Supporting local procurement

The Company is committed to building a healthy, green, and sustainable supply chain. It actively collaborates with suppliers to address relevant product quality and safety issues, conducts supplier training, supports suppliers in self-improvement and certification acquisition, and promotes energy conservation and emission reduction in the supply chain to reduce the adverse environmental impact of logistics, production, and procurement. At the same time, the Company prioritizes local suppliers, fully considers solving local employment issues, and employs local personnel for labor and technical work.

### In 2024

the amount of local procurement of Asia Cement (China) was **RMB 1,311,978,099.92**.

## 🕒 Supply chain risk management

The Company adopts centralized supply chain management to maximize resource sharing within the Group. By carrying out business training, strengthening supplier communication, focusing on supplier information collection and analysis, creating the backup supply chain and taking other measures, we have reduced the systemic risk of the supply chain, thereby strengthening the stability of the Company's supply chain and avoiding risks caused by price fluctuations, changes in upstream and downstream enterprises, and the emergence of new products.

### During the reporting period

There were no risk events arising from the supply chain.

The Company adheres to the principles of project service scheme outsourcing, insists on fair trade and fair competition, strives to build a mutually beneficial and win-win situation, and is committed to creating a highly responsible and sustainable supply chain system.



## Building a harmonious team



Asia Cement (China) adheres to a people-oriented principle, fully builds a sound mechanism of equal employment, talent introduction, and training, respects and protects rights and interests of employees, builds a platform for employees to release their value, and joins hands with all employees for joint development and growth.

### Over the past three years

The Company has not experienced any strikes/work stoppages.

## Construction of talent team<sup>1</sup>

The company strictly complies with laws and regulations including the Constitution of the People's Republic of China, Civil Code of the People's Republic of China, Labor Law of the People's Republic of China, Labor Contract Law of the People's Republic of China, Employment Promotion Law of the People's Republic of China, Law on the Protection of Women's Rights and Interests of the People's Republic of China, Special Provisions on Labor Protection for Female Employees, Law of the People's Republic of China on the Protection of Minors, and Trade Union Law of the People's Republic of China, and is committed to safeguarding all legitimate rights and interests of employees.

### 🎯 Talent recruitment

The Company has established and implemented the Job Grade and Position Appointment Management Measures, which primarily recruit talents through various channels such as internal recruitment, campus recruitment, official website recruitment, and external recruitment websites.

### During the reporting period

There was no major layoff event.

**In 2024, the recruitment was mainly for local employees, with a local proportion of 71%.**

#### CASE

#### Best Employer Award

The parent company Asia Cement received the [Asia's Best Employer Award] from the professional human resources publication HR ASIA in 2021 and 2022.



<sup>1</sup> For employee-related data, refer to the Appendix - Key Performance.

🎯 Equality and diversity

The Company adheres to fair competition and open admission, and is committed to creating a diverse and inclusive environment for all employees. It never differentiates recruitment, remuneration, and career development by using factors such as employees' ethnicity, gender, age, nationality, religious belief, and marital status. It also resolutely prohibits any form of harassment, and employment of child labor and forced labor, takes into account gender ratio, and attaches importance to the principle of equality.



Protection of human rights

The Company has formulated the Policies for Human Rights, which includes: diversity, equality, and non-discrimination; prohibition of child labor; prohibition of harassment; personal freedom and security; prohibition of human trafficking; employment relationships; fair wages/compensation; prohibition of forced labor; freedom of association; health and safety; working conditions and hours; freedom of speech and expression; right to family life; right to privacy; protection of women; and indigenous rights.

The Company complies with relevant regulations in the locations where it operates and does not hire child laborers under the age of 16. Additionally, during employee recruitment, the Company carefully verifies relevant information such as employee identities, educational backgrounds and resignation certificates.

The Company adheres to labor laws and international standards. It is prohibited to force any unwilling person to engage in labor services through improper demands, violence or threats, withholding of salaries, labor in lieu of debt, etc. It is also prohibited to restrict the freedom of any person, for example, seizing identity documents.

During the reporting period

The Company did not experience any labor violations.

The participation rate in training of policies for human rights reached 100% The pass rate for tests 100%

The Company has established a mechanism of due diligence for human rights, regularly reviewed management status of human rights and listing it as one of the key initiatives for promoting sustainable management. The scope of the investigation covers employees and local residents at the operational headquarters and its subsidiaries. The Company plans to conduct due diligence for human rights every three years, which aims to promptly identify significant human rights issues, comprehensively assess the effectiveness of human rights management, and accordingly develop precise and effective improvement plans, and implement preventive measures.



## Protection of rights and interests of employees .....

The Company highly values the protection of employees' rights and interests, cares about their health, safety, salary and welfare, and works hard to create a humanistic, healthy and safe working environment for all employees.

### 🕒 Employee salary levels

Through market research, the Company understands the salary levels of peers and the market, and accordingly formulates a competitive salary and bonus system and implemented it effectively.

#### 100% of employees enjoy variable remuneration and long-term employee incentive measures

The Company has established and improved salary and bonus regulations. Employees enjoy monthly production/sales (production/operation) bonuses, full attendance bonuses to encourage attendance, annual attendance bonuses, year-end bonuses related to net operating profit, and employee reward bonuses (i.e., dividends) related to company profits, and other variable remunerations.

#### 100% of employees participate in performance evaluations

The Company has established a sound performance management system. All employees must participate in performance evaluations, which are linked to bonuses. An incentive system that connects bonus distribution with individual performance is implemented.

#### Salary levels for women and men

The Company is a traditional manufacturing enterprise, and male employees make up a large proportion. As a result, men are paid slightly more than women as a whole. However, there is no gender or ethnic difference in salary.

Average annual salary per employee (USD): about 16,000

Average annual salary per female employee (USD): about 15,000

Average annual salary per male employee (USD): about 17,000

## Welfare

The Company timely pays five social insurances and one housing fund for all employees and provides other non-cash benefits according to relevant employee welfare regulations, including but not limited to meal subsidies, holiday greetings, year-end dinners, travel and self-service benefits, birthday gifts, wedding, funeral, and childbirth gifts, and other subsidies and benefits.

## Working hours and holidays

The Company implements a standard working hour system in accordance with the Labor Law of the People's Republic of China. The daily working hours of employees will not exceed 8 hours and the average working hours per week will not exceed 44 hours<sup>2</sup>. Employees are entitled to paid annual leave, marriage leave, sick leave, bereavement leave, maternity leave, nursing leave, childcare leave, breastfeeding leave, etc. as per the law.

<sup>2</sup> In addition, the drivers of our transportation companies are subject to a comprehensive working hour system due to the special characteristics of their work.

## Talent training mechanism .....

The Company encourages employees to learn for life, establishes a complete talent training system, formulates and implements relevant training regulations, provides all-round and multi-level training programs to meet the career development needs of employees at all levels and in different positions, and steadily carries out talent training.

In order to improve the management skills of talents at each level and meet the needs of personal development, the Company has carried out "Elite" supervisor training, middle-level supervisor management training, grassroots supervisor management training and grassroots personnel professional quality training for many years, customized talent training programs, and helped employees with all-round development for higher training standards and more flexible teaching modes. In order to improve the overall quality of employees, the Company has added the requirements of business ethics and information security to all kinds of training, and carried out the training on mental pressure relief and the training on work safety to further enhance personal safety awareness.

The Company's training program covers all employees and some suppliers/contractors.



In addition, the Company has also built libraries to provide various types of publications and organized external training for employees to obtain relevant qualification certificates and improve their professional skills based on actual business requirements. The Company has also established a training database system to link training with performance evaluation, and all training data are recorded into the system to help the Company grasp the training situation in real time.

#### In 2024

Training will be conducted according to the annual training plan, which covers all employees. **9** categories and **40** courses are included in the training curriculum.

### Company Training System Diagram



### Classification of training courses

1 / <b>Observation training courses</b>	External observation and internal observation
2 / <b>Second language training courses</b>	Reading club and platform-based online courses
3 / <b>Courses of internal instructors</b>	Seeded coach certification, course instructor certification and development coach certification
4 / <b>Professional functional courses</b>	Civil engineering, machinery, electrical instruments, quality control, design, mining, finance, accounting, information, business, procurement, human resources, administration, auditing, transportation and products
5 / <b>Management system courses</b>	Quality management system, environmental management system, occupational health and safety management system, and energy management system
6 / <b>Class and level management courses</b>	Basic supervisors, middle-level supervisors and senior supervisors
7 / <b>General courses</b>	New employee training, department awareness training, grassroots personnel training, etc.
8 / <b>Occupational health/safety course</b>	Safety training, occupational health training, mental health and three-level occupational health and safety education
9 / <b>Company culture courses</b>	Company culture promotion activities, human rights policy training, anti-corruption policy training

### In terms of leadership development

Conduct sessions of intermediate and senior talent management training **3**

Cultivate intermediate **111**

Conduct session of basic management talent training **1**

Cultivate eligible basic management talents **38**

### In terms of skill development

Conduct session of presentation skills training for executives **1**

cultivate people **203**

Conduct sessions of on-the-job education and training for basic employee on professional qualities **3**

cultivate people **231**

Other professional function training covers all on-the-job employees.

In order to ensure the quality and effect of training courses, achieve the coordinated development of employees at all levels, and carry out all-round and multi-level employee training activities.

In 2024

The target training  
hours per employee **30** hours

The actual training  
hours per employee **60.22** hours

The employee training  
coverage rate **99.82** %

The total  
training cost **1,150,000** RMB

In 2024, employee were helped by the Company to obtain certificates from authoritative organizations through training, such as special operations, special equipment operators, safety managers, blasting personnel licenses, registered safety engineers, registered fire engineers, professional and technical qualification certificates (engineers), Red Cross first aiders and emergency rescuers.

Asia Cement (China) organized various trainings



## Occupational health and safety

The Company strictly complies with applicable laws and regulations such as the Work Safety Law of the People’s Republic of China, Law of the People’s Republic of China on Prevention and Control of Occupational Diseases, Mine Safety Law of the People’s Republic of China, Emergency Response Law of the People’s Republic of China, Safety Regulations for Limited Space Operations in Industrial and Trade Enterprises, Regulations on Penalties for Work Safety Accidents, Mine Rescue Regulations, Regulations on the Reporting and Investigation of Production Safety Accidents, Standards for Determining the Potential Risks of Major Accidents of Industry and Trade Enterprises, and Standards for Determining the Major Accident Hazards in Special Equipment, as well as the occupational health and safety management system issued by the International Organization for Standardization (ISO), to establish a sound management system.

The Company carefully carries out risk assessment for each operation, establishes operation procedures and post operation standards, encourages all employees to participate in education and training, develops the habit of “safety first”, prevents disasters from happening through management by wandering around, and constantly innovates and improves safety measures to ensure the safety and health of workers, creates a safety culture with the characteristics of Asia Cement (China), and establishes a healthy and safe working environment for employees.

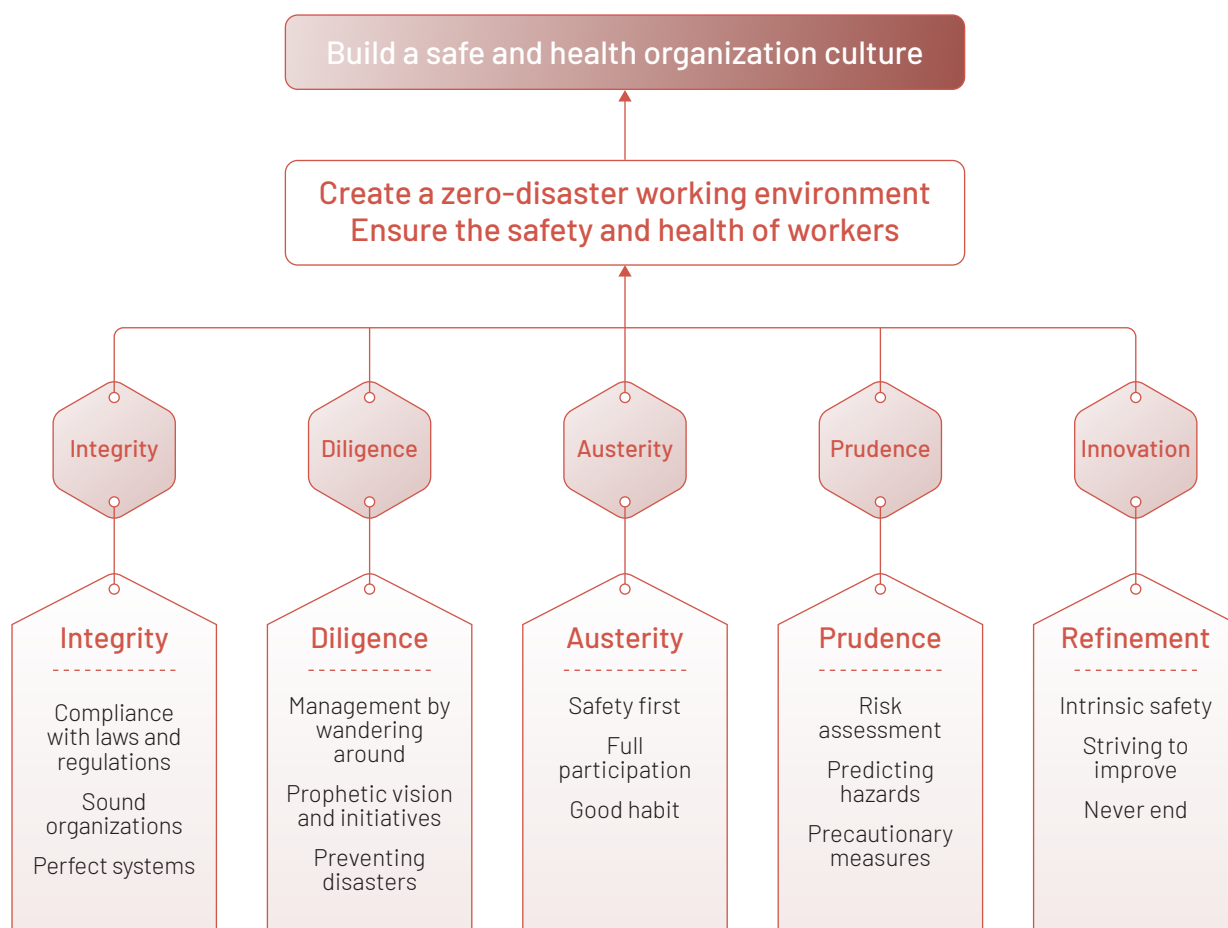
### Scope of application

Include **100%** of personnel and suppliers of Asia Cement (China).

### Occupational health and safety management level

The occupational safety and health management of Asia Cement (China) is centrally managed and tracked by the Corporate Sustainability Committee under the Board of Directors, under which a Corporate Sustainability Promotion Committee is established, with the CEO as the Chairman. An ESG Occupational Safety Team is set up to manage the occupational safety and health performance of Asia Cement (China) and its subsidiaries. The Corporate Sustainability Committee manages occupational safety and sustainability issues, fully implements occupational health and safety management, and reports to the Board of Directors.

## Occupational health and safety management policies of Asia Cement (China)



### 🎯 Occupational health and safety management system certification

All the subsidiaries of the Company have established corresponding occupational health and safety management systems according to their business attributes, and have obtained the qualification of their industry work safety standardization as secondary enterprises (building materials, open-pit mines, transportation, and other products similar to cement manufacturing). All integrated cement companies under the Company have passed ISO45001 occupational health and safety management system certification (certification rate **100%**).







## Occupational safety and health management

According to the occupational safety and health management system, the Company has set up occupational safety and health management units and personnel, and introduced appropriate management systems for implementation based on the nature and number of employees. For the Work Safety Committee of each organization, the General Manager serves as the Chairman. In addition to department supervisors and professionals, the committee members also include employee representatives (accounting for **33%**). The Work Safety Committee holds a monthly meeting to review the safety and health policies, operation behaviors and potential safety hazards, form complete opinions, and arrange corrective actions according to the resolution.

Furthermore, the Company regularly entrusts a third-party environmental monitoring agency to assess the operating environment and regularly organizes medical examinations for employees.

### During the reporting period

No occupational diseases occurred to the employees of the Company.



## 🎯 Occupational safety and health goals

According to the industry category, the Company sets the goals of occupational safety and health index based on the average of 2020-2022. In the industry of building materials, Asia Cement (China) has **6** cement companies, **3** grinding companies, **5** ready-mixed concrete companies and **3** transportation companies. It is aimed to reduce the occupational safety and health problems **by 10%** by the end of 2025.

### During the reporting period

The goals for the Company's occupational health and safety indicators all are achieved.

Asia Cement (China) in the industry of building materials		FR	SR	FSI
Employee	Reference value	1.47	51.03	0.27
	Actual value in 2022	1.34	46.30	0.25
	Actual value in 2023	0.97	46.47	0.21
	Actual value in 2024	1.34	43	0.24
	Achievement in 2024	√	√	√
	Goal for 2025	1.31	45.42	0.24
Contractors	Reference value	0.48	22.47	0.10
	Actual value in 2022	0.62	28.74	0.13
	Actual value in 2023	0.36	9.33	0.06
	Actual value in 2024	0.37	20	0.09
	Achievement in 2024	√	√	√
	Goal for 2025	0.43	20.23	0.09

Asia Cement (China) in the industry of transportation		FR	SR	FSI
Employee	Reference value	6.87	394.75	1.65
	Actual value in 2022	6.55	286.38	1.37
	Actual value in 2023	3.53	367.36	1.14
	Actual value in 2024	0.00	0.00	0.00
	Achievement in 2024	√	√	√
	Goal for 2025	6.18	355.28	1.48
Contractors	Reference value	0.00	0.00	0.00
	Actual value in 2022	0.00	0.00	0.00
	Actual value in 2023	0.00	0.00	0.00
	Actual value in 2024	0.00	0.00	0.00
	Achievement in 2024	√	√	√
	Goal for 2025	0.00	0.00	0.00

### 🎯 Work safety goal assessment

Each subsidiary of the Company promulgates work safety objectives and performance evaluation standards every year in accordance with work safety policies, objectives and index management operation procedures. The Company's Environmental Protection and Industrial Safety Office performs regular inspections on each unit, carries out evaluation once a month (including active performance and passive performance), and reports the implementation results of each unit to the work safety committee.

④ Occupational health and work safety training

The Company has a highly skilled occupational safety and health management team. It introduces high-quality talents from colleges and universities every year, establishes a perfect talent training and incentive system, implements on-the-job education and training regularly or irregularly, and selects excellent supervisors and colleagues as teachers to strengthen employees' safety awareness and production skills. The Company also requires suppliers to participate in "three-level safety education and training" and earnestly implement various safety management systems.

Asia Cement (China) has conducted relevant occupational health and safety training.



## Special training on work safety



## Workshop explosion emergency rescue drill

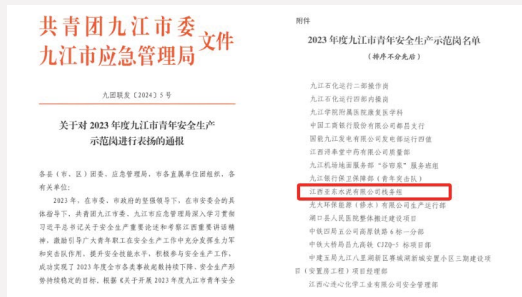


## Occupational disease prevention training



## Safety training of contractors

The stack group of Jiangxi Ya Dong Plant II has been awarded the title of "2023 Jiujiang City Youth Work Safety Demonstration Post".

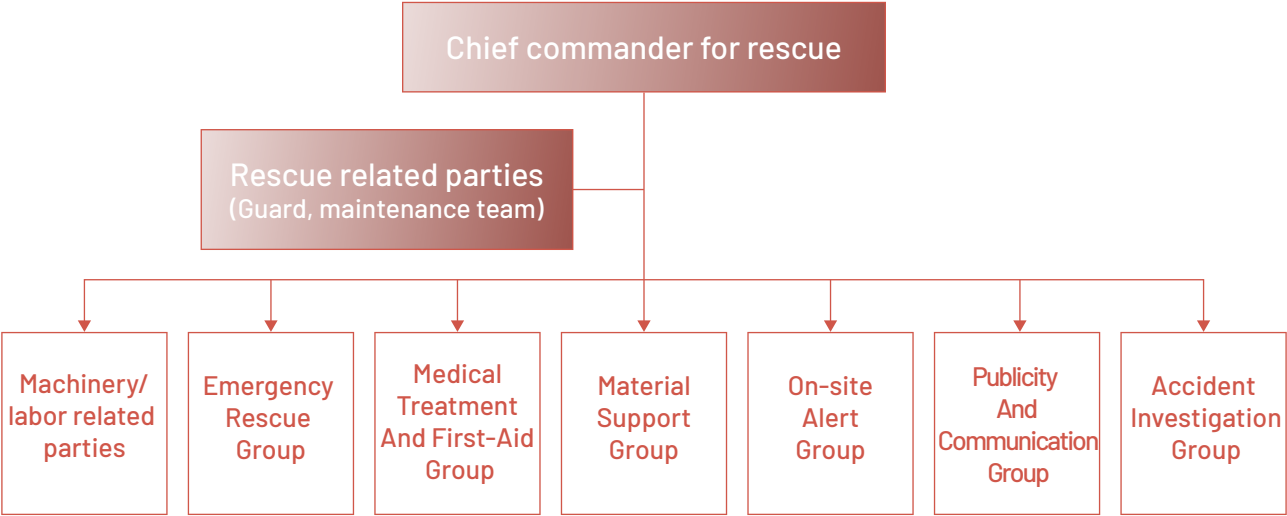


🕒 Emergency management of work safety

The Company formulates and implements internal management systems such as the Emergency Plan, the Special Plan and the Site Disposal Plan in accordance with the Regulations on Emergency Response to Work Safety Accidents and other applicable laws and regulations. According to the emergency drill plan, the emergency rescue team carries out various drills such as fire, heat stroke, reservoir collapse, chemical leakage, etc. every year to improve the self-rescue and mutual rescue capabilities of employees in the event of an emergency, and promote its actual combat capabilities of the emergency rescue team.

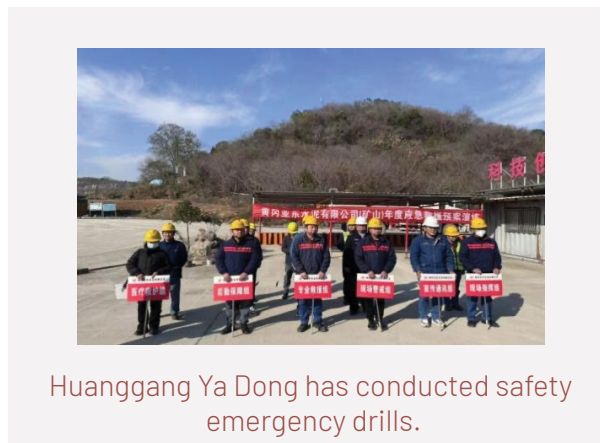
Indicator	Unit	2024
Safety training duration	Hour	104,177.34
Average safety training duration per employee	Hour	37.07
Work safety investment	RMB ten thousand	10,815.00
Proportion of R&D investment in work safety revenue	%	1.80
Number of safety accidents	Nos.	9
Times of training on work safety	Session	5,006

Emergency Rescue Organization Chart of Asia Cement (China)





The Company actively carries out special inspections for safety hazards. For identified safety hazards, detailed records are promptly established, to clarify responsible entities and rectification deadlines, and track the progress of rectification to ensure timely and thorough elimination of hazards, thus creating a safe and reliable working environment for employees and ensuring the smooth and orderly operation of the Company's production.



## Care for employees' lives .....

The Company always adheres to the philosophy of work-life balance, is committed to providing comprehensive and multi-aspect solid support and warm care for employees, to continuously enhance their sense of identity, satisfaction, and happiness.

### ① Smooth communication channels

The Company continues to strengthen democratic management, each of its subsidiaries has set up a labor union, the relevant personnel rules and regulations are in accordance with the provisions of democratic procedures. **100%** of employees participate in the union. The setup of the labor union has ensured smooth democratic communication channels for employees, listened to employees' voices at zero distance, actively encouraged employees to participate in the management and construction, and effectively helped employees solve practical problems they face. Some subsidiaries have signed labor union/collective agreements, to build a harmonious and orderly working environment.

### ① Employee satisfaction survey

In 2024, the Company conducted an employee satisfaction survey, which covers all its subsidiaries. During the reporting period, a sample survey showed that **94%** of employees were satisfied. Starting from 2024, the Company plans to conduct this survey annually to continuously gain an in-depth understanding of employees' satisfaction with various aspects of the Company, to provide strong evidence for optimizing management and enhancing employee experience.



## 🎯 Organizing cultural and sports activities

The Company pays attention to the demands of employees, cares about the lives of employees, and provides great care for employees.



Tennis Competition Event of Operation Headquarters and Jiangxi Ya Dong



Tug-of-war Competition Event Organized by Operation Headquarters and Jiangxi Ya Dong



Nanchang Ya Dong organized a team-building activity



Hubei Ya Dong organized a team-building activity



Jiangxi Ya Dong organized and carried out the third family parent-child activity





# Practising social responsibility

## Warmly giving back to society

With a strong sense of social responsibility, the Company deeply engages in community construction and public welfare, fully integrates and leverages its resources and advantages to serve society in all aspects, and contributes to social development and improvement.

### During the reporting period

The Company donated **RMB 7,753,486**, covering education, medical care, environmental protection and other fields.



On January 4, 2024, Asia Cement (China) Holdings Corporation (Jiangxi Ya Dong Cement Co., Ltd.) donated **RMB 5 million** in cash to the disaster-stricken area of Jishishan County, Gansu Province. The donation is intended to assist with earthquake relief and post-disaster reconstruction efforts in the areas affected by the earthquake that occurred on December 18 in Jishishan County, Gansu Province.

« « «



## Promoting regional connectivity

With excellent quality and performance, the Company's products are widely used in multiple key domestic projects, to assist in the construction of high-speed railways and bridges, shorten urban distances, optimize public transportation management, and promote regional collaborative development.

### Southeast Region

Nanchang Changbei International Airport, Nanchang Metro, Jiujiang Yangtze River Bridge, Wuxue Yangtze River Bridge, Anqing-Jiujiang High-speed Railway, Wuhan-Jiujiang Railway, Nanchang-Jiujiang Intercity Railway, Nanchang-Jiujiang Expressway, Xianning-Jiujiang Expressway, Tongcheng-Tonglu Expressway, Huanggang-Huangmei High-speed Railway, Nanchang-Jingdezhen-Huangshan High-speed Railway, Macheng-Wuxue Expressway, Qichun-Taihu East Expressway, Qipanzhou Bridge, Nanjing-Qidong Railway, Yangzhou Taizhou International Airport, Shouxihu Tunnel, Reconstruction and Expansion of national Highway 328.

### Central China Region

Hefei-Wuhan High-speed Railway, Qiaokou-Xiaogan Expressway, Northern Extension of Macheng-Yangxin Expressway, Urban Ring Expressway, Reconstruction and Expansion of Hankou-Yichang High-speed Expressway, Wuhan Railway Hub Line, Macheng-Ankang Expressway, Wuhan-Hongan Expressway, Wuhan-Dawu Expressway, Wuhan High-Speed Railway Station, Wuhan-Yangxin Expressway, Qiaokou-Xiaogan Expressway, Shuangliu Yangtze River Bridge, Tianxingzhou Bridge, Fuhe Bridge, Metro Line 12.

### Southwest Region

Chengdu Shuangliu International Airport, Chengdu Tianfu International Airport, Jianyang Airport, Jiuzhi-Maerkang Expressway, Chengdu Third Ring Expressway, Dusi Light Rail, Dadu River Flood Control Project, Expansion of Chengdu-Mianyang Expressway, Chengdu-Leshan Expressway, Shuangjiangkou Power Plant, Xi'an-Chengdu Railway, Tianfu New Area-Meishan-Leshan Expressway, Chengdu-Chongqing Central Line and Sichuan-Tibet Railway.

Qichun-Taihu East Expressway »



Xianning-Jiujiang Expressway »



Wuhan-Dawu Expressway »



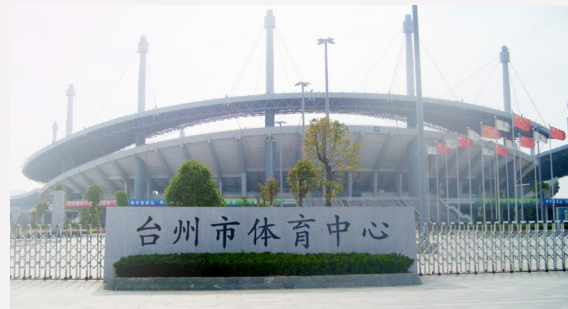
Jiuzhi-Maerkang Expressway »



Shanghai Maglev Station »



Taizhou Sports Center, Zhejiang Province »



Chengdu Global Center »



Tianxingzhou Yangtze River Bridge in Wuhan »





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Asia Cement (China) actively responds to the national "carbon peaking and carbon neutrality" call, implements the philosophy of green development, accelerates the construction of environmental management system and promotes certification, continuously promotes the efficient recycling of energy resources and low-carbon development ability, actively responds to climate change, and is committed to building a resource-saving and environment-friendly enterprise.





# GREEN ASIA CEMENT FOR PROTECTING THE GREEN MOUNTAINS AND CLEAR WATERS





# Standardizing environmental management

Asia Cement (China) strictly complies with applicable laws and regulations such as the Environmental Protection Law of the People’s Republic of China and the Law of the People’s Republic of China on Energy Conservation, and continuously improves its internal environmental management system by referring to the ISO 14001 environmental management system standards. Through planning, implementing, and operating environmental management projects, the Company systematically and standardly integrates environmental management practices into the entire process of production and business activities, which covers organizational structure, document control, operational control, supervision and management, personnel training, and improvement.

A number of subordinate enterprises of the Company have obtained ISO environmental management system certification, carried out cleaner production and applied for green factory certification to promote environmental management in a standardized and systematic manner, and comprehensively improve the level of environmental management within each enterprise.

### By the end of the reporting period

All integrated cement companies under the Company have passed GB/T 24001-2016/ISO 14001:2015 environmental management system certification (certification rate **100%**).

## Environmental management architecture .....

The Company has established an environmental management system with clear level and precisely defined responsibilities, and strictly adhered to the principle of local management. Each year, the Company sets environmental sustainability goals, which are submitted to the Board of Directors for approval. Through the Corporate Sustainability Committee and its implementation team, regular review meetings are held to continuously track execution and goal achievement, to ensure that every aspect of environmental management is accurately implemented in specific regions and by responsible individuals.

### 🎯 Efficient environmental management implementation team

Asia Cement (China)  
Operating Headquarters

The CEO of the Operating  
Headquarters takes primary  
responsibility



## Production Technology Department Main companies of each region

### General Manager of main companies of each region

Be responsible for the safety and environmental management, energy saving and consumption reduction management of the corresponding region

### Production Technology Department

Be responsible for innovation, R&D and providing technical support and supervision

## Subsidiaries and functional departments

### General Manager of subsidiaries

Be responsible for the safety and environmental management, energy saving and consumption reduction management of the subsidiaries

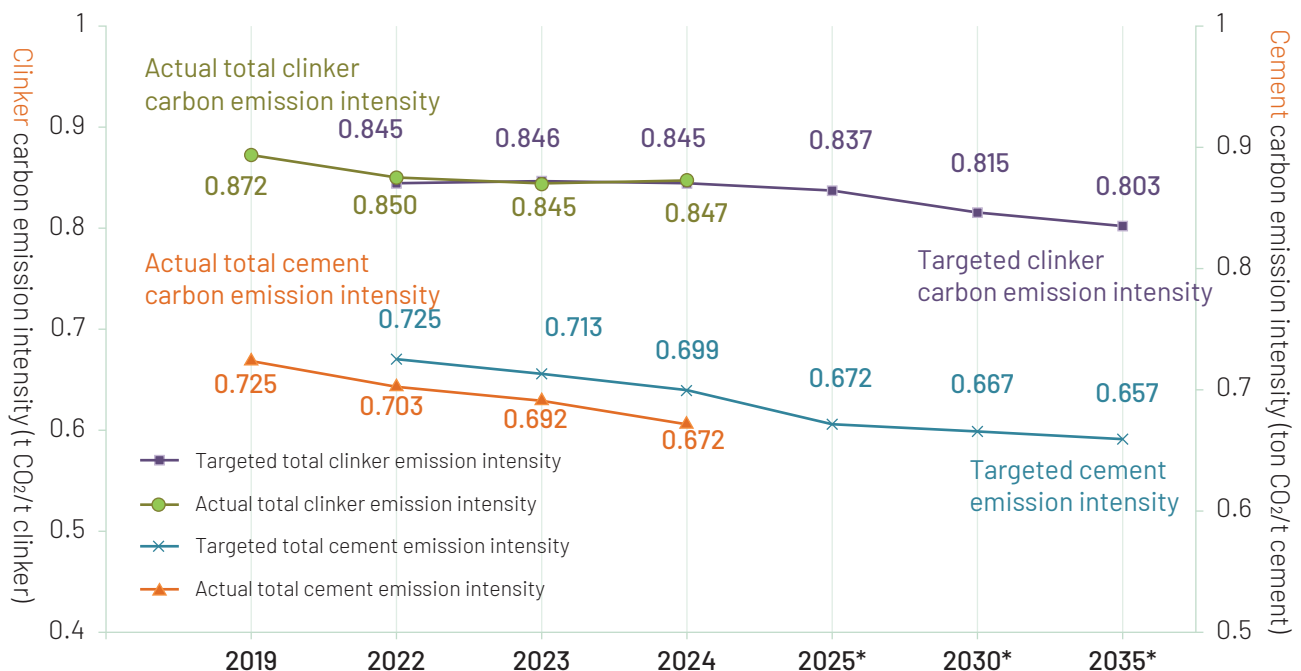
### Manufacturing Group and Environmental Protection and Industrial Safety Office

Be responsible for the implementation of safety and environmental management, energy saving and consumption management

## Carbon reduction goals

Taking 2019 as the base year, the Company has set annual emission reduction goals for its integrated cement plants (cement carbon emission intensity (ton CO<sub>2</sub>/t cement)), as detailed below:

The Overall Goal of Asia Cement (China)



Type	Company	2019	Goal for 2024	Completion in 2024	Goal for 2025	Goal for 2030	Goal for 2030
Integrated cement companies	Jiangxi Ya Dong	0.770	0.714	0.703	0.710	0.680	0.670
	Huanggang Ya Dong	0.743	0.701	0.675	0.676	0.655	0.640
	Hubei Ya Dong	0.665	0.636	0.655	0.636	-	-
	Sichuan Ya Dong	0.724	0.690	0.660	0.690	0.671	0.664
	Sichuan Lan Feng	0.671	0.675	0.675	0.675	0.668	0.665

Remarks: At that time, Hubei Ya Dong will be shut down, and the production capacity will be transferred to Huanggang Ya Dong.

Environmental control measures .....

⦿ Response to environmental emergencies

The Company has established and implemented internal management systems such as the Emergency Preparedness and Response Control Procedure and the Emergency Plan for Environmental Emergencies to prevent accidents such as explosions, fires, and leaks during the collection and storage of hazardous waste within the Company. The emergency plans are confirmed by the respective emergency command or hazardous waste management departments, signed and stamped, and then submitted to the local environmental protection bureau for filing. Meanwhile, regular emergency drills for environmental emergencies are conducted and internal supervision and management measures are taken.

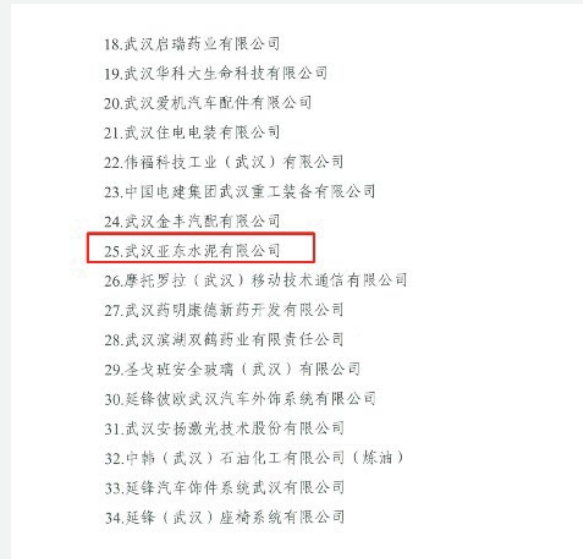
⦿ Clean production audit

The Company actively promotes all subsidiaries to accomplish clean production, and requires continuous improvement of production technology, promotion of energy-saving technology and utilization of renewable resources, thus reducing the environmental load.

By the end of the reporting period

One subsidiary has passed the clean production audit.

## Wuhan Ya Dong has passed the clean production audit in Wuhan



## 🎯 Green Factory certification

One subsidiary has passed the national Green Factory certification and 1 has passed the provincial Green Factory certification.



# Strengthening the management of three wastes



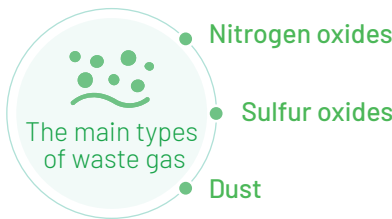
The Company strictly abides by the regulations on pollutant prevention and control, continuously improves the relevant internal system, and strictly controls waste gas, waste water, solid waste, air pollutants and so on to ensure that pollutants are treated in legal ways and discharged in accordance with relevant standards.

## Prevention and control of pollutants

The Company strictly complies with applicable laws and regulations such as the Law of the People’s Republic of China on Prevention and Control of Air Pollution, Emission Standard of Air Pollutants for Cement Industry, Technical Guidelines for Formulating Emergency Emission Reduction Measures for Key Industries in Heavy Pollution Weather, Law of the People’s Republic of China on the Prevention and Control of Water Pollution, Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant (GB18918-2002)(Class I Discharge Standard), Integrated Wastewater Discharge Standard GB 8978-1996 (Class I, II, and III Discharge Standard), and Wastewater Quality Standards for Discharge to Municipal Sewers GB 31962-2015 (Class B Standard). Each subsidiary has established and implemented internal management systems such as the Air Pollution Prevention and Control Management Operating Procedure and the Sewage Management Control Procedure to strengthen prevention and control of pollutants.

### Waste gas control

The main types of waste gas pollutants from the Company are nitrogen oxides, sulfur oxides, and dust. The Company is equipped with exhaust gas monitoring devices to detect emissions in real time and regularly entrusts qualified third-party testing agencies to monitor emissions, thus ensuring that waste gas emission meets standards.



#### During the reporting period

The SCR denitrification project for #4 kiln of Jiangxi Ya Dong was completed, which could control NOx emissions **below 50 mg/m<sup>3</sup>**; the wet desulfurization project for #1 kiln of Huanggang Ya Dong was completed, which could control SO<sub>2</sub> emissions **below 10 mg/m<sup>3</sup>**.



## 🕒 Exhaust emission goals

The Company has set overall exhaust emission goals for its integrated cement plants:

By 2025      Total NO<sub>x</sub> emissions **3,880<sub>t</sub>**      Total SO<sub>2</sub> emissions **770<sub>t</sub>**      Total particulate emissions **323<sub>t</sub>**

The emission goals for each subsidiary are as follows:

Company name	Exhaust emission goals		
	Nitrogen oxides (mg/m <sup>3</sup> )	Sulfur dioxide (mg/m <sup>3</sup> )	Dust (mg/m <sup>3</sup> )
Hubei Ya Dong	≤100	≤50	≤10
Jiangxi Ya Dong	≤ 200 (#1 and #2 kiln)		
	≤ 50 (#3 and #4 kiln)	≤200	≤30
	≤ 100 (#5 and #6 kiln)		
Huanggang Ya Dong	≤50	≤50	≤10
Sichuan Ya Dong Sichuan Lan Feng	≤50	≤35	≤10

During the reporting period, the Company's exhaust pollutant emissions were as follows:

Indicator	Unit	2024	Compared to 2023
Exhaust pollutant emission	t	4,995.32	Decreased by 11%
Particulate matter	t	338.89	Increased by 1%
Nitrogen oxides	t	3,884.49	Decreased by 15%
Sulfur oxides	t	771.94	Increased by 11%

The Company actively implements waste gas treatment and upgrading projects, through low nitrogen combustion technology, SCR denitration, SNCR denitration, wet desulfurization, slaked lime desulfurization, hot raw meal desulfurization, electric dust collection to bag dust collection machine and other measures to continuously reduce the emission of sulfur dioxide, nitrogen oxides, soot and other waste gas and finally emit exhaust gas in accordance with the relevant standards.

The emission reduction effects of various pollutant emission reduction measures are shown in the table below:

Item	Low nitrogen combustion + precise denitration	Wet desulfurization	SNCR	SCR	Slaked lime desulfurization	Hot raw meal desulfurization	Electric dust collection to bag dust collection machine
Concentration before renovation (mg/m <sup>3</sup> )	250	170	500	100	40	200	15
Concentration after renovation (mg/m <sup>3</sup> )	45	10	100	50	10	35	5
Emission reduction efficiency before renovation (%)	82	94.1	80	50	75.0	82.5	66.7

CASE

Mine road hardening and automatic spraying configuration

The Company reduces dust and pollution by installing automatic sprinklers, hardening roads, and using multi-functional dust suppression vehicles at its mines.



## 🕒 Waste water control

The Company's main types of waste water pollutants are production waste water and domestic sewage.

The Company strengthens daily waste water management, and sets the sewage sedimentation tank in the plant area. Production waste water and domestic sewage are treated by waste water treatment facilities and reused for road dust suppression and greening, with no external discharge. The Company continuously increases the proportion of waste water reuse to reduce fresh water consumption.

In 2024

Water recycling rate **97%**



Sewage sedimentation tank in the plant area



Wuhan Ya Dong was rated as a "Leading Enterprise" by the Department of Ecology and Environment of Hubei Province.



Nanchang Ya Dong was rated as one of the Top 20 Green Contributors in 2023 by the People's Government of Nanchang Municipality.

Waste control .....

The Company strictly abides by applicable laws, regulations and standards such as the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and Standard for Pollution Control on Hazardous Waste Storage (GB18597-2001). Each subsidiary has formulated special waste management systems such as the Hazardous Waste Management System,

Operation Procedure for Hazardous Waste Management, Control Procedure for Oil Product Management, Control Procedure for Chemical Substance Management, and Control Procedure for Resource Recycling based on their actual situation, and continuously strengthens standardized waste management and compliant disposal to avoid pollution to the soil and surrounding environment.



🕒 Waste discharge goals and completion status

Item	2022 Reference year	Targeted total emission t (reduction ratio %)			
		2023	2024	2025	2030
General industrial solid waste	530.3	406.5	400	391.8	375.2
	(0%)	(23.35%)	(24.57%)	(26.12%)	(29.25%)
Hazardous waste	2,467	2,344	2,319	2,295	2,260
	(0%)	(4.99%)	(6.00%)	(6.97%)	(8.39%)

Note: The general industrial solid waste in the above table only counts “domestic waste (handed over to the environmental sanitation station after leaving the factory)” as the reduction goal. Hazardous waste is 100% treated in compliance with harmless disposal. Waste chemicals and waste test solutions are treated by neutralization and precipitation. Other hazardous wastes are 100% outsourced to qualified companies for disposal.

Item	Actual total emission t	
	2022 Reference year	2024
General industrial solid waste	530.3	269.1
Hazardous waste	2,467	1,678

### 🕒 General industrial solid waste management

The general solid wastes of the Company mainly include domestic waste, waste belts, and waste metals.

The Company has formulated and implemented the Control Procedure for Resource Recycling to standardize waste recycling management and increase waste utilization ratio. The Company requires all manufacturers to send recyclable waste to the waste storage yard for management and storage. The Procurement Department handles the auction matters uniformly. Non-recyclable waste is incinerated in rotary kilns and energy is recovered to achieve the goals of “recycling and reduction” .

In addition to purchasing and digesting a large amount of industrial waste generated by other industries every year as raw materials for cement production, it also continuously advocates for the “reduction” of general solid waste in daily production and operation, such as recycling waste belts as alternative fuels after being crushed, recycling laboratory concrete test specimens, bricks and tiles as cement mixing materials, and recycling plastic and paper produced by daily office work.

### 🕒 Hazardous waste management

The hazardous wastes of the Company mainly include waste refractory bricks, waste lubricating oil, waste batteries, and waste oil packaging materials.

To standardize the management of hazardous waste, all manufacturers strictly follow the relevant provisions of the Hazardous Waste Management System and the Operation Procedure for Hazardous Waste Management. Hazardous waste is classified according to requirements and then stored uniformly in the hazardous waste storage room. The hazardous waste storage room is constructed in accordance with the Standard for Pollution Control on Hazardous Waste Storage, and the hazardous waste storage yard is equipped with concrete floors, anti-seepage paint, oil guide grooves, and sealing for “three-prevention” (leakage prevention, scattering prevention, and loss prevention) management. All hazardous wastes are treated and disposed of reasonably and effectively in accordance with requirements of laws and regulations.

The Company has established the Hazardous Waste Warehousing Entry and Ex-warehouse Ledger Management System. The transfer of hazardous waste strictly complies with the Hazardous Waste Transfer Sheet Management Measures. The Management Plan for Hazardous Waste is submitted annually as required by the government, signed and sealed by the Company’s hazardous waste management department, and filed with the local environmental protection bureau. At the same time, the Company signs the Entrusted Disposal Agreement with a third party institution that has the Hazardous Waste Business License to ensure compliant hazardous waste treatment.

Indicator	Unit	2024	2023	2022
Total hazardous wastes	t	1,677.98	2,302.10	2,467.21
Waste lubricating oil and waste engine oil	t	48.48	181.00	181.63
Waste refractory bricks	t	1,590.59	2,069.00	2,197.68
Waste chemicals and waste test solutions	t	5.08	5.00	5.96
Other	t	33.82	47.00	81.93
Percentage of hazardous waste	%	11.45	10.83	15.26
Percentage of waste recovery	%	86.79	87.72	85.81
Hazardous waste density	t/km <sup>2</sup>	363.81	493.00	528.73



Huanggang Ya Dong was awarded the “Outstanding Organization” for pollution prevention and control in 2023 by the Wuxue Ecological Environmental Protection Committee.





# Efficient resource utilization

Asia Cement (China) incorporates the concept of sustainable development into the entire production and operation process, continuously strengthens resource usage management, practices the philosophy of green development, and promotes the green and low-carbon transformation of energy.

## Water resource management .....

The Company strictly complies with the Water Law of the People's Republic of China, the Law of the People's Republic of China on the Promotion of Clean Production, the General Rules for Enterprise Water Balance and Testing GB/T 12452-2022, and other relevant laws and regulations. It has formulated internal management systems such as the Planned Water Utilization Management System, Water Conservation and Utilization Management System, Water Utilization Equipment Inspection System, Sewage Management Control Procedure, and Water Conservation Reward and Punishment System to strengthen water resource management.

The Company mainly uses water provided by a third party, surface water, and collected rainwater (mining reservoirs).



## 🕒 Water conservation actions

### • Strengthening internal management

Develop the Company's annual water utilization plan, water conservation plan, and long-term plan, supervise reasonable water utilization, and assess water utilization and water conservation indicators for subsidiaries; carry out water conservation technology transformation plans and promote the application of new water conservation technologies and products.

### • Regular monitoring and analysis

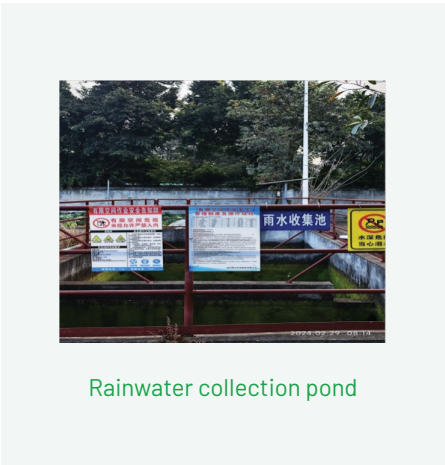
Regularly monitor the water consumption of the Company's key equipment, devices, and systems, conduct statistical analysis on water utilization, and submit statistical reports of water conservation, water resource utilization status reports, and water conservation work situation.

• Resource recycling

A reservoir is set up to collect rainwater for secondary utilization.

• Publicity and education

Strengthen employees' water conservation awareness through water conservation promotion training and posting water conservation slogans.



Rainwater collection pond

Indicator	Unit	2024
Total water intake	m <sup>3</sup>	7,112,692.03
Total circulating water	m <sup>3</sup>	201,333,681.90
Water recovery rate	%	96.90
Surface water	m <sup>3</sup>	6,383,789.00
Groundwater	m <sup>3</sup>	4,447.03
Municipal water supply	m <sup>3</sup>	165,713.00
Rainwater	m <sup>3</sup>	558,743.00
Total water consumption	m <sup>3</sup>	208,446,373.90
Water consumption density	m <sup>3</sup> /km <sup>2</sup>	45,196,525.14

Energy management .....

The Company continuously strengthens its energy management system and institutional construction. By the end of the reporting period, 10 subsidiaries of the Company have obtained energy management system certification, with a certification rate of 77%. Among them, the certification rate of the integrated cement plants has reached 100%.

## 🎯 Energy conservation goal

The Company attaches great importance to energy conservation and consumption reduction, sets energy consumption goals for its products, and has an energy management center to regularly supervise and inspect the energy consumption of each production line on a monthly basis.

### The energy consumption goal of the product

To meet the first level energy consumption limit level of the following five national standards in the Norm of Energy Consumption Per Unit Product of Cement GB 16780-2021:

- Comprehensive electricity consumption of per unit product of clinker
- Comprehensive coal consumption of per unit product of clinker
- Comprehensive energy consumption of per unit product of clinker
- Comprehensive energy consumption of per unit product of cement
- Electricity consumption in the cement preparation section



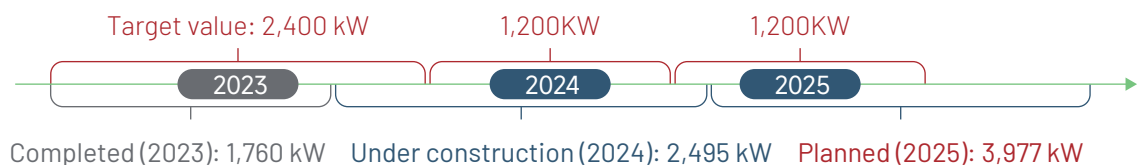
Asia Cement (China) Energy Management Center

### Asia Cement (China) new energy construction goals

#### Construction goals

By 2025, the goals are 1,200 kW for PV power generation construction, 4,800 kW for cumulative installed capacity, 3,350 kW for installed capacity of wind power, and 8,150 kW for new energy construction.

#### PV power generation rules



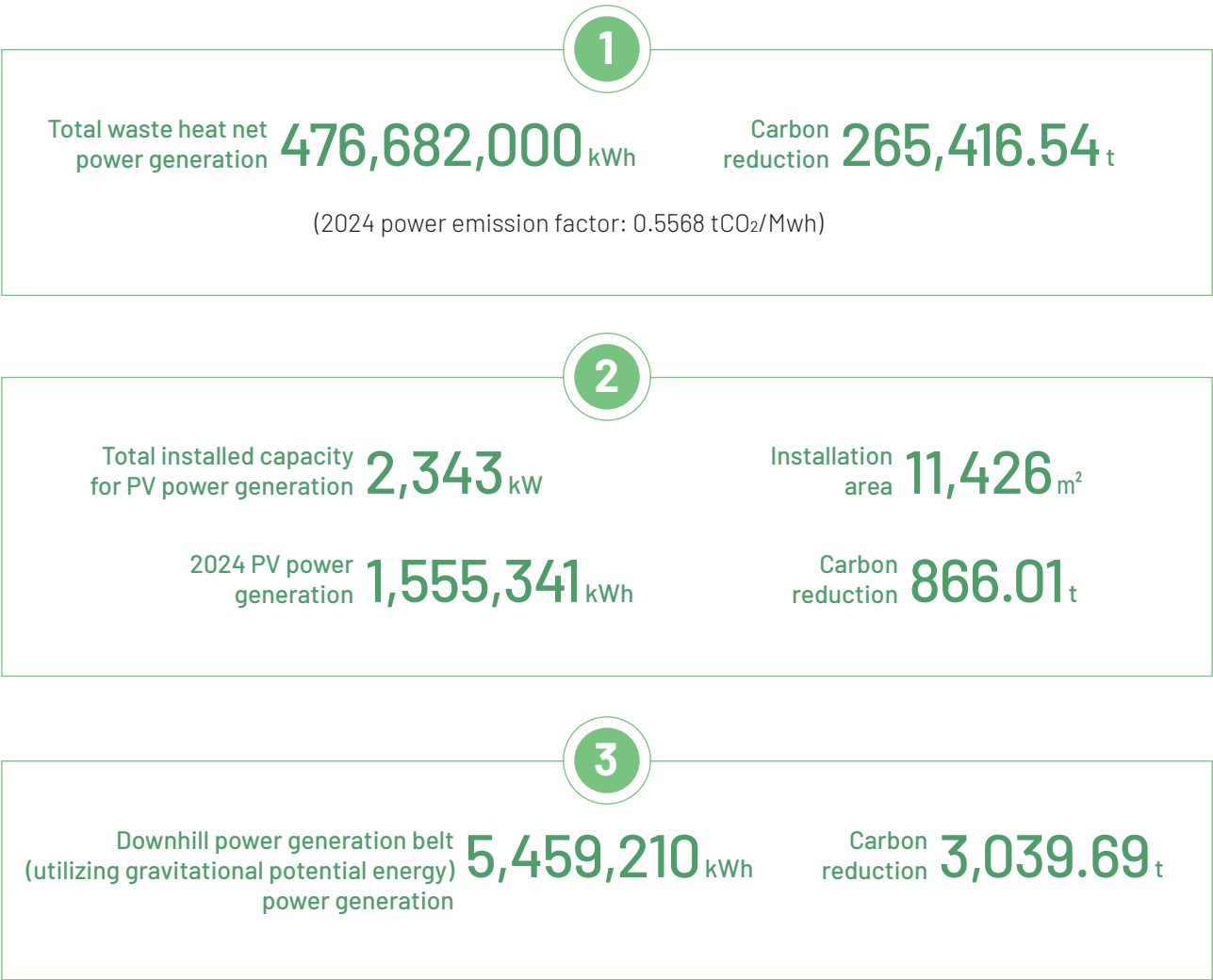
Note: By the end of 2024, the targeted installed capacity for PV power generation of Asia Cement (China) is 3,600 kW, the installed capacity for PV power generation of those completed/under construction is 4,255 kW, which exceeds the targeted installed capacity by 655 kW. The annual power generation is 3.91 million kWh, the annual carbon reduction is 2,323 t, the estimated investment is approximately 17.13 million, and the investment payback period of 9.3 years;

With the trial implementation of carbon tax policies, each plant will accelerate the construction progress of PV power generation in 2025. The installed capacity is 3,977 kW in 2025, and the year-end budget has been prepared, which is to be approved to promote construction.

Energy management measures

The Company carries out technological transformation, product optimization and equipment updates through management enhancement and technical improvement, to continuously optimize energy use. We track and review monthly energy conservation and carbon emission to carry out targeted energy conservation improvements, and comprehensively improve energy utilization rate. At the same time, the Company vigorously promotes the optimization of the energy structure, actively adopts clean energy, strives to increase the proportion of clean energy use, uses more industrial waste and less natural resources, and formulates application plans for alternative raw materials such as copper slag, phosphorus slag, tailings, coal slag, slag, papermaking white mud, and industrial by-product gypsum.

Performance in 2024



CASE

Replacement of transportation equipment by Sichuan Ya Dong

Sichuan Ya Dong replaced its transportation equipment with XCMG 105 diesel wide-body vehicles, which have an average fuel consumption reduction of **0.070 L/T** compared to the original CAT mining trucks. In 2024, diesel consumption was reduced by **417,731 L**, which was equivalent to a reduction of **1,292 t** carbon dioxide emissions.



CASE

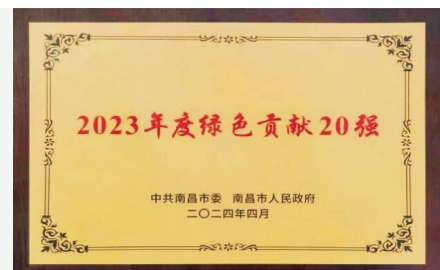
Construction of PV Panel



The Company has built **485 m<sup>2</sup>** PV panels in the employee parking lot, which generates **439,093 kWh** electricity in 2024 and is equivalent to reducing carbon dioxide emissions by **250 t**.

## Circular economy

In response to the requirements of green packaging cycle in Sacks for Packing Cement GB/T 9774-2020, the Company strictly manages the classification, specifications, labeling, layout printing and bag-making materials of sacks for packing cement. The sacks for packing cement is made of native polypropylene material with inside film to ensure the tightness of the sack body, reduce the possibility of cement leakage, lower unorganized emission, and decrease environmental pollution. Waste packaging materials generated during production are generally used as garbage bags, incinerated as alternative fuels in kilns, or sold to packaging bag manufacturers for reuse.



Nanchang Ya Dong was rated as one of the "Top 20 Green Contributors" in 2023 by Nanchang City.

## Combat with climate change

Asia Cement (China) actively responds to the “carbon peaking and carbon neutrality” strategy, which is committed to providing solutions for health needs caused by climate change, and contributing to mitigating global climate change and reducing its impact on the environment and human health.

Indicator	Unit	2024
Total greenhouse gas emission	t CO <sub>2</sub> e	17,201,529.00
Direct greenhouse gas emission (scope 1)	t CO <sub>2</sub> e	16,455,924.98
Scope - percentage of regulate emission	%	56.5
Indirect greenhouse gas emission (scope 2)	t CO <sub>2</sub> e	690,569.36
Total greenhouse gas emissions per million revenue (Scope 1 and Scope 2)	t CO <sub>2</sub> e/RMB million	2,315.95
Other indirect greenhouse gas emissions (scope 3)	t CO <sub>2</sub> e	55,034.75
Other indirect greenhouse gas emissions per million revenue (scope 3)	t CO <sub>2</sub> e/RMB million	7.43
Greenhouse gas emission reduction (scope 1)	t CO <sub>2</sub> e	1,187,800.00
Greenhouse gas emission reduction (scope 2)	t CO <sub>2</sub> e	135,833.00

## Governance

The Company formulates and implements the Corporate Social Responsibility Practice Policy. The Board of Directors is the highest decision-making and primary responsibility organization for climate change governance, being responsible for reviewing and supervising the Company’s environmental performance, climate change issues, including climate change risk identification and response, and climate change goal management. Specific work results are disclosed in the annual Environmental, Social, and Governance (ESG) report.



The Company does not have an independent climate change governance group. The work related to climate change is managed by the Corporate Sustainability Committee, executed by the Corporate Sustainability Promotion Committee under it. The environmental and safety offices of each subsidiary of the Company are responsible for green power trading and carbon verification-related work. Relevant personnel possess professional backgrounds and knowledge in carbon emission management, energy, and environmental protection, and are capable of organizing and advancing the Company's climate change work diligently.



## Strategy

The Company actively engages in climate-related risk identification and management, seizes opportunities brought by climate change, and adjusts strategies and business models to reduce the impact of environmental and natural resource changes on production and operation.

In order to reduce the significant impact of changes in the environment and natural resources on the operation, the Company actively identifies and responds to major climate-related events that may have an impact on the Company, such as floods, fires, snowstorms, earthquakes, closure of the Yangtze River, thunder, lightning and strong winds, which are listed in the relevant regulations and implementation procedures of ISO 14001 environmental management system of various production enterprises. In addition, the environmental protection and industrial safety office of each production enterprise formulates relevant emergency management plans and exercises according to regulations to implement various control measures.

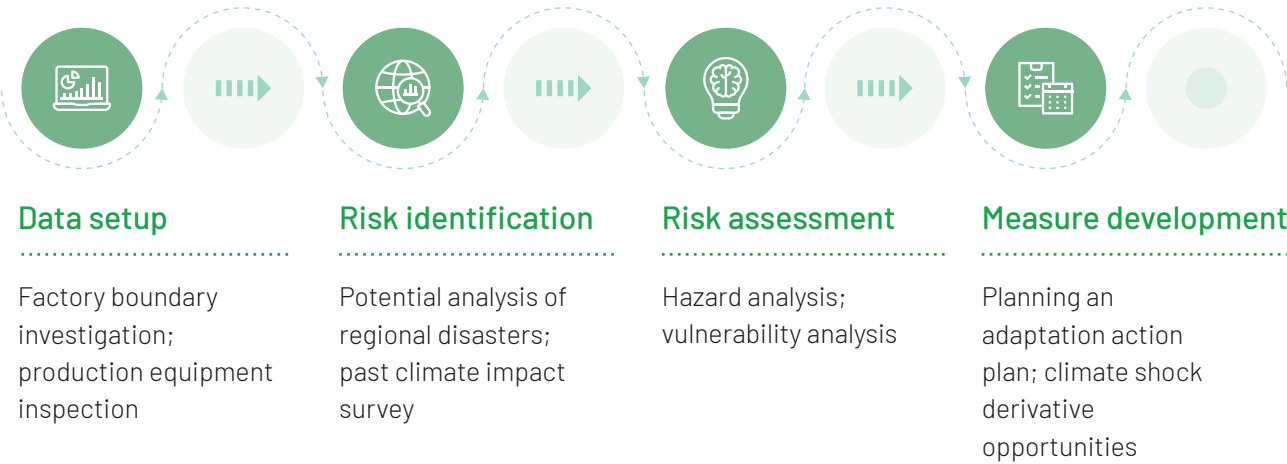
In response to the phased inclusion of the cement industry in the national carbon market control scope as proposed in the Work Plan for the National Carbon Emissions Trading Market to Cover the Cement, Steel, and Electrolytic Aluminum Industries, the Company is currently conducting carbon emission accounting and carbon asset management planning, familiarizing itself with the trading process, and reasonably arranging production plans to control product carbon emission intensity. The Company has already conducted a budget assessment of the potential costs of carbon trading and reported the progress of low-carbon technology transformation capital expenditures to the Sustainability Promotion Committee in accordance with management regulations.



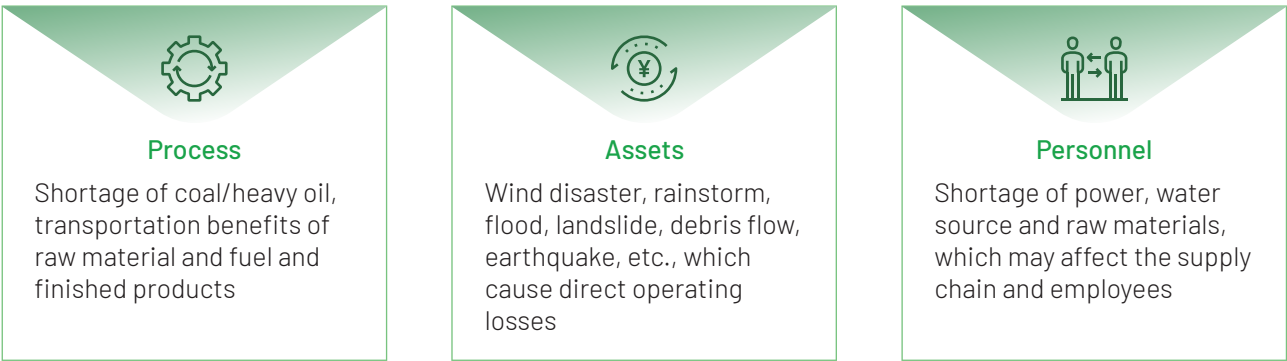
Combat with climate change strategy	Product	Creation and development of new low-emission products and services
	Supply chain	Substitution of recycling economy for raw material and fuel
	Accommodation and slowdown	Advancing the construction of renewable energy and cement kiln for the collaborative disposal of hazardous waste
	Low-carbon investment	Low-carbon transformation solution for the goal of carbon peaking and carbon neutrality
	Operation activities	Energy saving, carbon reduction and energy efficiency as the important operational goals and strategies of Asia Cement (China) Coping strategies for the impact of physical risks of climate change on operational impact

Risk assessment

Process of climate change risk assessment



Climate change risks



## Climate change risk action plan

Risk type	Item	Climate-related risks	Risk management and action plan
Transformation risk	Laws and regulations	Carbon peaking, carbon neutrality policy, and the Climate Change Response Act	Implement energy conservation and carbon reduction; purchase renewable energy vouchers
	Technology	Rising cost of technological transformation and raw materials	Energy-saving and intelligent "two-energy integration" development promotes cement low-carbon process and fuel conversion; Use renewable energy and low-carbon footprint energy
	Market	New product development and customer demand change	Analyze the substitution risk of products and the competitive advantages and disadvantages of other materials
	Goodwill	Changes in customers' or society's impression of enterprises	Double control of energy consumption, water conservation, green mine construction, humanistic care and charity work
Physical risks	Immediate	Extreme weather, such as floods and typhoons, affects production facilities or transportation, and leads to operational losses	Make contingency plans for emergency disasters
	Long-term	There are potential safety hazards in the working environment, which affect the safety and health of employees	Continuous monitoring of related climate risks

## Indicators and goals

The key performance indicators of climate change formulated by the Company include: energy, waste management, greenhouse gas emissions, etc., and related indicators and targets are established according to the guidelines of TCFD building materials department.

Type	Raw material substitution	Fuel substitution	Waste recovery	Waste heat power generation
Goal	As high as 14.84% substitution ratio of cement raw materials	As high as 1% ratio of alternative fuels	Over 80% waste recovery ratio annually	Waste heat power generation accounts for more than 30% of the power consumption of the whole plant
Completion	20.73%	1%	86.79%	Completed

# Development of green mine

Asia (Cement) carries out green mine construction in accordance with relevant documents and standards, actively participates in green mine construction, and follows the principle of simultaneous mining, management, and restoration, to actively engage in mine ecological restoration, thus protecting biodiversity in mining areas.

## Digital empowerment upgrade

The Company earnestly implements the new development philosophies, carries out green mine construction in accordance with the spirit of the document Implementation Opinions on Accelerating the Construction of Green Mines and the implementation standard of Code for the Construction of Green Mines with Cement Limestone, and achieves comprehensive development in resource utilization, energy conservation, environmental protection, land reclamation, and harmonious enterprise-local relations throughout the mining process.

### During the reporting period

the Company has invested a total of **RMB 53.42** million in mine construction and management, including 120 projects such as mining area environment, mining development mode, comprehensive utilization of resources, energy conservation and emission reduction, scientific and science and technology innovation and digital mining, and enterprise management and image.

### As of the end of the reporting period

The Company have been certified as green mines **8**

Including National level green mines **6**

Provincial level green mines **2**

The Company is fully promoting the mechanization, automation, informatization, and intelligent construction of mines, utilizing various digital management tools such as remote monitoring systems for open-pit mining equipment, 3D mine reality systems, remote mine production monitoring systems, remote mine video monitoring systems, and mine reserve management systems, to achieve real-time control of key mining, processing, and production processes. This enables remote command, promotes mine work safety, and real-time monitoring of mine dust, water quality, noise, and reclamation greening. Combine measures such as safety hazard inspections, safety emergency drills, and energy conservation and carbon reduction applications to ensure the safe, environmentally friendly, and stable operation of green mines.

During the reporting period, the Company continuously monitors green mines, as shown below:

Monitoring item	Indicator	Completion in 2024
<b>Mining methods</b>	Carry out the policy of “stripping before mining both rich and poor mines” to achieve more than 95% ore recovery rate	In the bench mining adopted from top to bottom, the bench is designed as an inward-tilting storage platform to guide the surface runoff to the mine drainage system inside the bench. In addition, the manufacturing parameters of the cement plant are optimized and more waste rocks with high magnesium oxide are used to reduce the waste discharge. 2024 saw the ore recovery rate of more than 98%
<b>Mine blasting vibration</b>	Comply with GB6722-2014 Safety Regulations for Blasting, namely the safe allowable particle vibration speed of the protection object is 2.5 cm/sec, below the standard limit	In 2024, digital electronic detonators were used for deep-hole single-hole blasting, which more effectively reduces blasting vibrations
<b>Soil and water conservation in mining area</b>	Conforming to the first-class standard in Table IV of GB8978-1996 Integrated Wastewater Discharge Standard	2024 saw the quarterly sampling and testing of all mines below the first-class standard limit
<b>Safety monitoring in mining area</b>	Perform slope stability monitoring according to the Technical Code for Non-coal Open-pit Mine Slope Engineering (GB51016-2014)	2024 saw less than 1 mm mean square error of displacement points of monitoring points in the slope displacement observation piles distributed monthly
<b>Environment monitoring in mining area</b>	The noise meets the Class II limit of GB 12348 Emission Standard for Industrial Enterprise Noise at Boundary; The exhaust gas meets the limit value in Table 2 of GB 4915 Emission Standard of Air Pollutants for Cement Industry.	In 2024, the observed noise and particulate matter emissions were lower than the standard limit
<b>Green coverage rate in mining area</b>	In line with DZ/T 0318-2018 Code for the Construction of Green Mines with Cement Limestone, the green coverage rate of the mining area should as high as 100%	2024 saw full afforestation of the afforestable area, and as high as 20.94 ha of total afforestation area (plane and slope) in the whole mining area
<b>List of green mines evaluated</b>	List of evaluated green mines above the provincial level before 2024	There is no newly added list of appraised green mines in this year
<b>Employment ratio of local residents in the mine</b>	At least 60% employment ratio of local residents in the workers in factories and mines	70.9% employment ratio of local residents

CASE

Asia Cement (China) Restructures Mine Logistics Ecology

In 2024, the Company put into operation **21** electric heavy-duty trucks equipped with an Energy Management System, achieving a **38%** reduction in transportation energy consumption through dynamically optimizing charging and discharging strategies. Concurrently, it advanced the “fuel-to-electricity” conversion project, constructing **2** intelligent charging stations at Xiazhang Mine and Xinwutian Mine, resulting in annual diesel savings of **857,363** liters. According to the plan, the company will continue to add **19 more** electric heavy-duty trucks, expecting annual carbon reduction of **over 8,000 tons** and savings of **2,800 tce**.

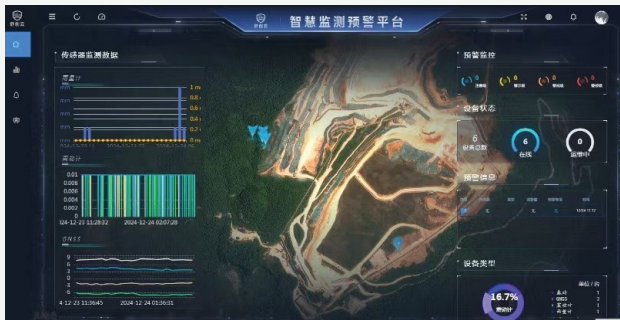
Mine production data management platform



Mine production data management platform



Online monitoring of mine dust and water quality



Intelligent monitoring and early warning platform





## Biodiversity protection

The Company strictly adheres to Biodiversity Mining Standards and other applicable laws and regulations. Based on the effective protection of biodiversity, it formulates and vigorously promotes relevant measures for biodiversity conservation. The Company's Corporate Sustainability Committee is responsible for handling biodiversity conservation matters in mining areas.

### 🕒 Committee to biodiversity protection

Biodiversity assessment and environmental impact assessment before mining are carried out before new mining points are added.

All mining strongholds shall formulate plans for the development and utilization of mineral resources, the restoration of geological environment in mining areas and the management of land reclamation, and adhere to the principle of "paying attention to both production and ecology" and zoning management.

As per the principle of "management while mining", in the mining activities, the Company has achieved the whole process of green mining and environmental governance, and carry out regular biodiversity monitoring and environmental dynamic monitoring and disclosure.

Promise that various regions restored and managed after mine closure shall reach a safe and stable state, to promote the effective protection and restoration of the overall ecological function and biodiversity.

Promise not to destroy forests, and abide by the requirements of local laws and regulations. The mining area is only within the scope permitted by laws and regulations. No logging is ensured outside the mining area to prevent any damage to the original forests.

Achieve "carbon peaking and carbon neutrality" goals with the efficient utilization and recycling of resources as the core and the principle of "reduction, reuse and recycling".

**Biodiversity protection actions**

The Company strictly follows the principle of simultaneous mining, management, and restoration, actively carries out ecological restoration work in mining areas, covers soil and sows grass seeds in areas not currently being mined, achieves three-dimensional, comprehensive, and biodiversity-based greening, continuously monitors biodiversity in various mining areas, formulates and implements geological environment restoration plans and land reclamation plans, promotes environmental management in mining areas, and provides favorable conditions for simultaneous mining and restoration by constructing greenhouse nurseries and large-scale greening sites.



**As of the end of the reporting period**

The Company's cumulative greening area **101.82 hectares**

The mining operation area **369.5 hectares**

The cumulative greening ratio **21.60 %**

The planned restoration area for 2024 **23.69 hectares**

The actual reclamation area **20.94 hectares**

The restoration completion rate **88.39 %**

The planned reclamation area for 2025 **18.67 hectares**

planned to plant trees of various types **13,955 trees**

## During the reporting period

Jiangxi Ya Dong covered soil and sowed grass seeds in areas not currently being mined, transplanted **6,200** saplings of various types, sowed **1,800 kg** of various grass seeds (trifolium repens, Lespedeza, Bermuda grass, pigeonpea, broadleaf pennisetum, etc.), and achieved a total greening area of **11.42** hectares;

Huanggang Ya Dong comprehensively covered soil and planted saplings in the completed mining areas, transplanted **2,361** saplings of various types, sowed **200 kg** of various grass seeds, and achieved a total greening area of **1.78** hectares;

Sichuan Ya Dong cumulatively transplanted **2,080** saplings of various types, planted about **600** Mucuna vines on the top platform of the final slope, sowed nearly **1,159 kg** of grass seeds, and achieved a total greening area of **7.74** hectares.



Dawuchen Mine of Jiangxi Ya Dong was awarded the honorary title of "Top Ten Mines" by the China Cement Association in 2024.





# Future prospects

## In terms of environmental protection

Asia Cement (China) will be committed to reducing carbon emissions and waste during the production, and promoting sustainable development of the cement industry through technological innovation, upgrading, reconstruction and green production. Actively participate in environmental protection projects, assist in the construction of national ecological civilization, and realize the harmonious coexistence with nature. Improve resource utilization efficiency and promote the transformation of enterprises towards green production. At the same time, the Company will actively participate in environmental protection and public welfare and improve the local ecological environment.

## In terms of social responsibility

Asia Cement (China) will adhere to the people-oriented principle, pay attention to employee welfare, health and safety, improve employee benefits, provide a safe and comfortable working environment, and cultivate a high-quality and diversified workforce. Foster harmonious industrial relations. In addition, the Company will actively participate in social welfare and community construction, give back to society, and make contributions to local economic development and social progress.





## In terms of corporate governance

Asia Cement (China) will continuously improve the governance structure, enhance the governance level, strengthen information disclosure and transparency, and safeguard shareholder rights. At the same time, the Company will actively communicate and cooperate with various stakeholders to jointly promote the stable, standardized and sustainable development of the enterprise, and create long-term value for shareholders.

## Looking ahead to the future

Asia Cement (China) will continuously enhance its competitiveness with ESG concept, excellent product quality, innovative technological strength and a good corporate image, unremitting efforts to realize the sustainable development of green, low-carbon and recycling economy!





# Statement of independent verification



## Independent Assurance Statement

### To: stakeholders of Asia Cement (China) Holdings Corporation

China Quality Certification Centre Co., Ltd. (CQC), commissioned by Asia Cement (China) Holdings Corporation (hereinafter referred to as Asia Cement (China)), conducted the independent assurance of 2024 Environmental, Social and Governance Report of Asia Cement (China) Holdings Corporation (hereinafter referred to as the ESG Report).

Asia Cement (China) was responsible for collecting, summarizing, analyzing, and disclosing the information and data mentioned in the ESG report. CQC implemented report verification within the scope specified in the agreement with Asia Cement (China). Asia Cement (China) is the designated user of this statement.

This statement was based on the assurance activities conducted on the ESG report prepared by Asia Cement (China) with reference to Hong Kong Stock Exchange's Environmental, Social and Governance Reporting Guidelines (HK ESG), GRI 2021 Standards, SDG Compass: The Guide for Business Action on the SDGs, Global Cement Association (GCCA) Cement Industry Standards, and Building Materials Industry Standards released by Sustainability Accounting Standards Board (SASB). Asia Cement (China) guarantees that the ESG report does not contain false records, misleading statements, or significant omissions, and assumes individual and joint responsibility for the authenticity, accuracy, and completeness of its content.

### Scope of Assurance

The key data and information disclosed in the ESG report of Asia Cement (China).

### Basis for Assurance

AA1000 v3, Type 2, Moderate Assurance

### Assurance Methods

The methods used in this assurance include but are not limited to::

- a) Report review;
- b) Interviews;
- c) Verification of documents, records, certificates, bills, and other materials;
- d) Trusted information source verification;
- e) Verification against disclosure basis;
- f) Recalculation/estimation;
- g) Confirmation of statistical, calculation/estimation processes.

### Limitations

- This assurance was conducted using sampling methods based on quantitative and qualitative risk analysis and the sampling scope was limited to the data and information selected in the ESG report, not fully tracing or independently recalculating all raw data of Asia Cement (China).
- This assurance only covered interviews and/or document review with Asia Cement (China) and its subsidiaries, and did not involve external stakeholders.
- The data and information audited/verified by a third party in the ESG report were not subject to repeated verification during this assurance process.
- Some of the data and information in the ESG report cannot be compared and verified through independent sources. This assurance only evaluated their reasonableness.
- Activities outside the scope of information disclosure were not included in this assurance.
- The statement regarding the position, viewpoints, beliefs, goals, future development directions, and commitments of Asia Cement (China) was not included in this assurance.

### Statement on Independence and Verification Capability

China Quality Certification Centre Co., Ltd. (CQC) is a third-party certification body with independent legal status, possessing professional qualifications and experience in providing assurance services related to sustainable development. CQC maintains independence and impartiality in this assurance process, possesses the technical capabilities and industry-specific knowledge required to conduct ESG report assurance, in compliance with the requirements of AA1000 assurance standard v3 for an assurance provider. The assurance team is composed of experienced AA1000

practicing certified sustainability assurance practitioner (PCSAP), CCAA (China Certification and Accreditation Association) registered quality, environmental, occupational health and safety, compliance, anti-bribery and other management system auditors, and APSCA (Association of Professional Social Compliance Auditors) registered auditors.

CQC ensured that there were no conflicts of interest with Asia Cement (China) and its stakeholders during the assurance process of this report. All information in the ESG report was provided by Asia Cement (China). CQC and the personnel conducting this assurance of the ESG report were not involved in the preparation process of the ESG report.

#### **Assurance Conclusions**

The ESG report reflects the ESG performance of Asia Cement (China) in 2024, which meets the requirements of AA1000 v3 and AA1000AP:

**Inclusivity:** Asia Cement (China) has identified both internal and external stakeholders, including employees, shareholders/investors, customers and partners, suppliers and contractors, government and regulatory agencies, non-governmental organizations, industry associations and peer companies, communities and public media. In the report preparation process, the expectations and needs of stakeholders have been considered.

**Materiality:** Based on the principle of impact materiality and financial materiality, Asia Cement (China) has identified material ESG issues to reflect the actual and potential impacts, risks, and opportunities of the company, and determined priorities through scientific methods (including comprehensive consideration of various internal and external factors, questionnaires, in-depth interviews, daily feedback, etc.).

**Responsiveness:** Asia Cement (China) has established a governance structure, management system and processes, as well as a communication mechanism with stakeholders, capable of taking action to respond to the demands of various stakeholders.

**Impact:** Through quantitative or qualitative methods, or a combination of both, Asia Cement (China) has disclosed the main impacts on itself and its stakeholders in terms of ESG.

**Specific performance information:** Based on the process and results of this assurance, we have not found any deficiencies in the reliability and quality of key data and information in the ESG report.

#### **Recommendations**

Based on the assurance findings, it is recommended that:

- Asia Cement (China) further optimize the cross-departmental and cross-level collection process of ESG data, thus enhancing the traceability of ESG data.



**AA1000**  
Licensed Report  
000-366/V3-513QA

President of CQC: 谢肇熙  
April 21, 2025  
Beijing, China

Note: In case of any inconsistency or discrepancy, the Chinese version of this assurance statement shall prevail, while the English translation is used for reference only.

# Annex

## List of laws, regulations, and internal policies

ESG indicator	Compliance with laws and regulations	Internal system
<b>A1 Emissions</b>	Law of the Peoples Republic of China on Prevention and Control of Air Pollution Emission Standard of Air Pollutants for Cement Industry Technical Guidelines for Formulating Emergency Emission Reduction Measures for Key Industries in Heavy Pollution Weather Law of the People's Republic of China on the Prevention and Control of Water Pollution Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant (GB18918-2002)(Class I Discharge Standard) Integrated Wastewater Discharge Standard GB 8978-1996 (Class I, II, and III Discharge Standard) Wastewater Quality Standards for Discharge to Municipal Sewers GB 31962-2015 (Class B Standard) Law of the People's Republic of China on the Promotion of Clean Production	Air Pollution Prevention and Control Management Operating Procedure and Sewage Management Control Procedure
<b>A2 Use of resources</b>	General Rules for Enterprise Water Balance and Testing GB/T 12452-2008 Code for the Construction of Green Mines with Cement Limestone	Planned Water Utilization Management System Water Conservation and Utilization Management System
<b>A3 Environment and natural resources</b>	Implementation Opinions on Accelerating the Construction of Green Mines and Work Plan for the National Carbon Emissions Trading Market to Cover the Cement, Steel, and Electrolytic Aluminum Industries	Water Utilization Equipment Inspection System Sewage Management Control Procedure Water Conservation Reward and Punishment System
<b>A4 Climate change</b>	Climate Change Response Act	
<b>B1 Employment</b>	Labor Law of the People's Republic of China Labor Contract Law of the People's Republic of China Law of the People's Republic of China on the Protection of the Minors Special Rules on the Labor Protection of Female Employees	Corporate Social Responsibility Practice Policy Job Grade and Position Appointment Management Measures Salary Management Measures Bonus Distribution Management Measures Operation Management Measures of the Employee Welfare Committee
<b>B3 Development and training</b>	Labor Law of the People's Republic of China	Training and Internal Instructor Management Measures
<b>B4 Labor standards</b>	Labor Law of the People's Republic of China Labor Contract Law of the People's Republic of China Law of the People's Republic of China on the Protection of the Minors	Human Rights Policy

ESG indicator	Compliance with laws and regulations	Internal system
	Special Rules on the Labor Protection of Female Employees	
<b>B2 Occupational health and safety</b>	<p>Work Safety Law of the People's Republic of China</p> <p>Law of the People's Republic of China on Prevention and Control of Occupational Diseases</p> <p>Mine Safety Law of the People's Republic of China</p> <p>Emergency Response Law of the People's Republic of China</p> <p>Safety Regulations for Limited Space Operations in Industrial and Trade Enterprises</p> <p>Regulations on Penalties for Work Safety Accidents</p> <p>Mine Rescue Regulations</p> <p>Regulations on the Reporting and Investigation of Production Safety Accidents</p> <p>Standards for Determining the Potential Risks of Major Accidents of Industry and Trade Enterprises</p> <p>Standards for Determining the Major Accident Hazards in Special Equipment</p> <p>Regulations on Emergency Response to Work Safety Accidents</p>	<p>Emergency Plan</p> <p>Special Plan</p> <p>Site Disposal Plan</p>
<b>B5 Supply chain management</b>	<p>Company Law of the People's Republic of China</p> <p>Law of the People's Republic of China on Tenders and Bids</p>	<p>Supplier Management Measures</p> <p>Procurement Standard Operating Procedures</p> <p>Code of Conduct for Purchase Business</p>
<b>B6 Product responsibility</b>	<p>Product Quality Law of the People's Republic of China</p> <p>Implementation Rules for Cement Product Certification</p> <p>Implementation Rules for Portland Cement Clinker Product Certification</p> <p>Civil Code of the People's Republic of China</p> <p>Personal Information Protection Law of the People's Republic of China</p>	<p>Supplier Conduct Guidelines</p> <p>Service Management Operation Procedure</p> <p>Customer Satisfaction Survey Management Operation Procedure</p> <p>Code of Conduct for Business Personnel</p>
<b>B7 Anti-corruption</b>	<p>Company Law of the People's Republic of China</p> <p>Securities Law of the People's Republic of China</p> <p>Hong Kong Listing Rules</p>	<p>Articles of Association</p> <p>Rules of Procedure for Board of Shareholders</p>
<b>B8 Community investment</b>		<p>Rules of Procedure for Board of Directors</p> <p>Policy on Diverseness in the Board of Directors</p>

## Key performance indicators<sup>3</sup>

Indicator	Unit	2024	2023	2022
Number of green factories	Item	5	5	5
Quantity of national green factories	Item	1	1	1
Number of provincial green factories	Item	4	4	4
Environmental management system certification coverage	%	56.25	56.25	56.25
Environmental investment	RMB	233,515,447.50	266,736,156.10	216,910,277.80
Proportion of environmental protection investment to operating revenue	%	0.03	0.03	0.02
Ecological restoration area of mines	m <sup>2</sup>	20,940,000.00	12,155,000.00	8,261,000.00
Land area affected by disturbance	Ha	369.50	375.13	367.28
Percentage of restoration of land area affected by disturbance	%	21.60	17.74	15.76
Total energy consumption	GJ	72,235,732.79	78,437,593.66	80,832,431.85
Coal	GJ	61,503,582.70	66,584,877.51	72,745,864.31
Diesel	GJ	3,967,269.25	6,425,226.10	5,858,762.12
Fuel oil	GJ	155,271.60	184,731.82	181,450.44
Gasoline	GJ	2,280.26	2,055.13	1,741.18
Natural gas	GJ	18,607.07	123,281.08	13,9070.35
Total calorific value of alternative fuels for rotary kilns	GJ	647,847.62	1,201,398.19	197,647.35
Outsourced electricity	GJ	5,029,186.75	5,565,596.78	/
Self-generated and self-consumed electricity of renewable energy	GJ	2,363,901.88	3,051,750.59	/
Waste heat power generation	GJ	1716054.26	1,850,352.588	/

<sup>3</sup> Due to changes in the statistical scope of this annual report, some data have been retrospectively adjusted.



Indicator	Unit	2024	2023	2022
Direct energy consumption	GJ	58,244,118.33	60,503,010.54	62,327,996.65
Indirect energy consumption	GJ	3,831,422.64	4,011,599.03	3,950,966.179
Energy emission density	GJ/km <sup>2</sup>	15,480,263.17	16,809,334.45	17,322,553.11
Proportion of PV electricity	%	0.01	/	/
Percentage of grid electricity	%	6.92	7.28	/
Percentage of alternative energy	%	0.009	/	0.002
Total greenhouse gas emission	t CO <sub>2</sub> e	17,201,529.00	18,539,053.00	20,324,975.00
Direct greenhouse gas emission (scope 1)	t CO <sub>2</sub> e	16,455,924.98	17,643,725.07	19,353,695.24
Scope - percentage of regulate emission	%	56.5	56.5	56.5
Indirect greenhouse gas emission (scope 2)	t CO <sub>2</sub> e	690,569.36	826,401.86	897,696.61
Total greenhouse gas emissions per million revenue (Scope 1 and Scope 2)	t CO <sub>2</sub> e/RMB million	2,315.95	2,150.81	1985.71
Other indirect greenhouse gas emissions (scope 3)	t CO <sub>2</sub> e	55,034.75	68,926.50	73,582.84
Other indirect greenhouse gas emissions per million revenue (scope 3)	t CO <sub>2</sub> e/RMB million	7.43	8.03	7.22
Greenhouse gas emission reduction (scope 1)	t CO <sub>2</sub> e	1,187,800.00	1,709,970.00	-340,240.87
Greenhouse gas emission reduction (scope 2)	t CO <sub>2</sub> e	135,833.00	71,295.00	-6,895.87
General waste generation	t	12,979.18	18960.45	13702.38
Domestic waste	t	1,562.30	2149.00	2145.30
Waste metals	t	5,156.84	6,285.00	6016.38
Industrial waste residues	t	4,565.81	4,359.00	5,151.78
Others (waste belts, waste tires, waste air conditioners, etc.)	t	1,694.23	6,167.00	388.92
Total hazardous wastes	t	1,677.98	2,302.10	2,467.21
Waste lubricating oil and waste engine oil	t	48.48	181.00	181.63

Indicator	Unit	2024	2023	2022
Waste refractory bricks	t	1,590.59	2,069.00	2,197.68
Waste chemicals and waste test solutions	t	5.08	5.00	5.96
Other	t	33.82	47.00	81.93
Percentage of hazardous waste	%	11.45	10.83	15.26
Percentage of waste recovery	%	86.79	87.72	85.81
Hazardous waste density	t/km <sup>2</sup>	363.81	493.00	528.73
General industrial solid waste density	t/km <sup>2</sup>	2,814.05	4,063.28	2,936.46
Exhaust pollutant emission	t	4,995.32	5,613.21	7,563.17
Particulate matter	t	338.89	334.47	310.93
Nitrogen oxides	t	3,884.49	4,582.84	6,625.82
Sulfur oxides	t	771.94	695.90	626.42
Total water intake	m <sup>3</sup>	7,112,692.03	7,174,119.00	8,026,757.00
Total circulating water	m <sup>3</sup>	201,333,681.90	210,312,764.00	221,808,116.00
Water recovery rate	%	96.90	96.90	96.70
Surface water	m <sup>3</sup>	6,383,789.00	6496993.00	7134435.00
Groundwater	m <sup>3</sup>	4,447.03	18,512.00	50,263.00
Municipal water supply	m <sup>3</sup>	165,713.00	121,188.00	381,113.00
Rainwater	m <sup>3</sup>	558,743.00	537,426.00	460,946.00
Total water consumption	m <sup>3</sup>	208,446,373.90	217,486,883.00	229,834,873.00
Water consumption density	m <sup>3</sup> /km <sup>2</sup>	45,196,525.14	46,610,991.00	/
Consumption of packaging materials	t	3,510.88	3,638.86	2,960.57
Density of packaging material	t/km <sup>2</sup>	782.57	811.09	659.90

Indicator	Unit	2024	2023	2022
Total number of employees	Person	2,810	2,948	3,452
Number of local employees (within prefecture-level cities)	Person	1992	2040	2,475
By type of labor				
Number of full-time employees	Person	2,810	2,948	3,452
Number of part-time employees	Person	0	0	0
By regions				
Number of employees in Chinese mainland	Person	2,772	2,906	3,406
Number of employees from Hong Kong, Macao, Taiwan and overseas	Person	38	42	46
By gender				
Proportion of male employees to total employees	%	88.29	88.43	88.50
Proportion of female employees to total employees	%	11.71	11.57	11.50
Proportion of employees by age				
Proportion of employees aged below 30	%	5.94	7.73	11.50
Proportion of employees aged 30 - 50	%	85.34	84.50	80.65
Proportion of employees aged 50 and above	%	8.72	7.77	7.85

<sup>4</sup> Water resource recycling rate = (total circulating water + rainwater)/(total water intake + total circulating water)

<sup>5</sup> In 2024, we reduced groundwater extraction and switched to purchasing municipal water supply.

<sup>6</sup> In 2024, the calculation formula was adjusted to: Total water consumption = fresh water consumption + total reused water; the original formula was total water consumption = fresh water - waste water discharge

Indicator	Unit	2024	2023	2022
Human resource structure by department				
Number of management employee	Person	539	527	537
Number of business employee	Person	97	104	126
Number of administrative employees	Person	353	372	475
Number of factory affairs employee	Person	1,821	1,945	2,314
Number of employees from minority groups	Person	11	11	11
Number of employee turnovers	Person	151	518	113
Turnover rate of employees	%	5.37	17.57	3.27
Employee turnover rate (voluntary resignation)	%	0.8	14.7	2.0
By gender				
Turnover rate of male employees	%	4.70	15.64	2.87
Turnover rate of female employees	%	0.68	1.93	0.41
Proportion of employees by age				
Turnover rate of employees aged 30 and below	%	0.75	2.10	0.87
Turnover rate of employees aged 30-50	%	3.49	12.31	1.74
Turnover rate of employees aged 50 and above	%	1.14	3.15	0.67
By regions				
Employee turnover rate in mainland China	%	5.20	17.37	3.19
Turnover rate of employees from Hong Kong, Macao, Taiwan and overseas	%	0.18	0.20	0.09
Number of work-related injures	Person	9	7	11
Number of work-related deaths	Person	0	0	0
Proportion of work-related deaths	%	0	0	0

Indicator	Unit	2024	2023	2022
Number of working days lost due to work-related injuries	Day	286	336	380
Coverage rate of occupational health and safety management system certification	%	52.94	52.94	52.94
Occupational health and safety training person-times - employees	Person-time	74,861	68,056	50,248
Occupational health and safety training person-times - non-employees (including labor dispatchers, contractors, part-time employee)	Person-time	10,786	-	-
Safety training duration	Hour	104,177.34	87,796.71	63,163.37
Average safety training duration per employee	Hour	37.07	29.78	18.30
Work safety investment	RMB ten thousand	10,815.00	14,072.57	9,590.00
Proportion of R&D investment in work safety revenue	%	1.80	1.90	1.00
Number of safety accidents	Nos.	9	7	11
Times of training on work safety	Session	5,006	1,986	2,808
Total investment in insurance against occupational injury	RMB ten thousand	245.49	296.47	197.00
Total number of employees covered by insurance against occupational injury	Person	2,775	2,957	3,472
Times of employees receiving aids in mental health	Times	113	174	169
Coverage rate of physical examinations and health records	%	100	100	100
Number of person-times involved in employee care and assistance	Person-time	126	158	135
Employee training and development expenses	RMB ten thousand	115.32	154.10	65.95
Average employee training and development expenses	RMB ten thousand	0.04	0.05	0.02
Total hours of employee training and development training	Hour	169,246	149,058	115,240
Average hours of employee training and development training	Time/person/year	60.22	50.56	33.39
Proportion of male employees receiving training	%	99.80	99.77	99.64
Proportion of female employees receiving training	%	100	99.71	99.75
Average training duration of male employees	Hour	60.42	51.45	34.70



Indicator	Unit	2024	2023	2022
Average training duration of female employees	Hour	58.74	46.48	21.85
Average annual training hours - executives - male	Hour	88.21	73.13	48.51
Average annual training hours - executives - female	Hour	87.00	60.46	26.51
Average annual training hours - administrative employees- male	Hour	39.84	29.27	18.61
Average annual training hours - administrative employees- female	Hour	57.40	41.90	16.00
Average annual training hours - business employees- male	Hour	29.37	26.18	4.57
Average annual training hours - business employees - female	Hour	32.67	26.49	7.39
Average annual training hours - factory affair employees - male	Hour	56.22	46.99	34.11
Average annual training hours - factory affair employees - female	Hour	57.02	44.17	26.14
Executives receiving training - male - percentage	%	100	99.62	99.29
Executives receiving training - female - percentage	%	100	98.82	100
Administrative employees receiving training - male - percentage	%	100	100	98.58
Administrative employees receiving training - female - percentage	%	100	100	99.17
Business employees receiving training - male - percentage	%	100	100	100
Business employees receiving training - female - percentage	%	100	100	100
Factory affair employees receiving training - male - percentage	%	99.70	99.80	99.86
Factory affair employees receiving training - female - percentage	%	100	100	100
Proportion of senior management employees receiving training	%	100	97.59	93.83
Proportion of middle management employees receiving training	%	100	99.81	100
Proportion of basic employees receiving training	%	99.77	99.83	99.75
Average training duration of senior management employees	Hour	72.39	109.21	60.99
Average training duration of middle management employees	Hour	83.83	65.49	43.38

Indicator		Unit	2024	2023	2022
Training duration of basic employees		Hour	53.82	45.46	30.52
Total number of valid patents		Item	69	10	10
Number of valid patents per RMB million revenue		Piece/RMB million	0.01	0.00	0.00
Number of software copyrights		Item	12	0	0
Number of software copyrights per million revenue		Piece/RMB million	0.00	0.00	0.00
Number of R&D employees		Person	234	255	296
Proportion of R&D employees		%	8.33	8.65	8.57
R&D investment		RMB ten thousand	133,601,000.00	78,249,000.00	39,593,000.00
Proportion of R&D investment in business revenue		%	0.02	0.01	0.00
Total number of suppliers		Nos.	2,064	1,624	/
Number of suppliers in Chinese mainland		Nos.	2,056	1,617	/
Including:	Western China	Nos.	363	242	/
	Eastern China	Nos.	583	485	/
	Central China	Nos.	700	485	/
	Northeast China	Nos.	410	405	/
Number of suppliers in Hong Kong, Macao, Taiwan and overseas regions		Nos.	8	7	/
Statistics of supply chain risk events		Nos.	0	0	/
Number of suppliers reviewed		Nos.	854	589	/
Number of suppliers with whom the cooperation suspended for non-compliance		Nos.	26	17	/
Recalls or violations caused by product quality and safety problems		Item	0	0	/
Number of customer complaints		Times	58	46	/
Number of complaints handled		Times	58	46	/

Indicator		Unit	2024	2023	2022
Rate of response to complaints after completion of handling		%	100	100	/
Number of customers participating in satisfaction surveys		Item	525	442	/
Customer satisfaction		%	97	97	/
Number of corruption lawsuits filed against the Company and its employees that were concluded during the reporting period		Item	0	0	0
Number of directors participating in anti-corruption training		Person	10	0	0
Total hours of anti-corruption training provided for directors		Hour	2	0	0
Number of employees participating in anti-corruption training		Person	2,881	0	0
Total hours of anti-corruption training provided for employees		Hour	2,881.00	0	0
Total community investment		RMB	7,753,486	2,590,696	9,813,109
Giving back/participation in community activities		RMB	1,444,954	639,481	6,990,741
Volunteer service		RMB	293,692	150,165	170,541
In-kind donations		RMB	1,014,840	1,801,050	2,651,827
Donation/participation in disadvantaged groups		RMB	5,000,000	-	-
Investment in health, education, and skills training		RMB	1,051,182.09	1,476,816.3	641,252
Ecological environment education		RMB	102,033	64,144	18,232
Provide schools owned or sponsored and make them open to community members		Set	2	2	2
Volunteer service hours		Hour	1,799	699	598
Members on the Board of Directors		Person	11	11	11
Including:	Male directors	Person	10	10	10
	Female director	Person	1	1	1
	Independent directors	Person	4	4	4
	Executive directors	Person	3	6	6

Indicator	Unit	2024	2023	2022
Non-executive directors	Person	4	1	1
Number of meetings of Board of Shareholders	Times	2	1	1
Attendance rate of directors at shareholders' meetings	%	82	100	100
Number of meetings of Board of Directors	Times	5	4	4
Attendance rate of directors at meetings of Board of Directors	%	100	95.25	100
Number of meetings of functional committees	Times	9	9	9
Attendance rate of directors of functional committees	%	100	96.2	100
Clinker	1,000 t	2,391	2,039	3,940
Cement	1,000 t	21,561	24,054	24,037
Ready-mixed concrete	m <sup>3</sup>	471	459	525
Slag powder	1,000 t	209	135	262
Aggregate	1,000 t	9,069	7,881	5,889
Total assets	RMB ten thousand	1,967,755.00	2,028,290.00	2,114,628.00
Total operating revenue	RMB ten thousand	588,549.00	742,701.00	961,433.00
Total profits	RMB ten thousand	5,444.00	47,163.00	68,900.00
Gross profit margin	%	0.10	0.14	0.13
Total tax	RMB ten thousand	53,893.55	73,310.57	118,943.73

## Index of indicators

### Environmental, Social and Governance Reporting Guide issued by the Stock Exchange of Hong Kong Limited

Main categories, levels, general disclosure and key performance indicators		Section
<b>A. Environment</b>		
A1: Emissions		
General disclosure	For the emission of waste gas and greenhouse gases, the discharge of pollutants into water and land, the generation of harmful and harmless wastes, etc.: (a) Policies; and (b) The information about the compliance with relevant laws and regulations that have a significant impact on the issuer.	Strengthening the management of three wastes  Key performance indicators
A1.1	Types of emissions and related emission data.	
A1.2	Direct (scope 1) and indirect (scope 2) greenhouse gas emissions (calculated in tons) and (if applicable) density (e.g. calculated per production unit and per facility).	
A1.3	Total amount of harmful wastes generated (calculated in tons) and (if applicable) density (e.g. calculated per production unit and per facility).	
A1.4	Total amount of harmless wastes generated (calculated in tons) and (if applicable) density (e.g. calculated per production unit and per facility).	
A1.5	Describe the emission goals set and the steps taken to achieve such goals.	
A1.6	Describe the methods for treating harmful and harmless wastes, the measures to reduce the output and their results.	
A2: Use of resources		
General disclosure	Policies for the effective use of resources (including energy, water and other raw materials).	Efficient resource utilization
tA2.1	Total direct and/or indirect energy consumption and density by type.	Key performance indicators
A2.2	Total water consumption and density.	
A2.3	Describe the energy efficiency plan and its results.	
A2.4	Describe any problems in finding suitable water sources, the plan to improve water use efficiency and its results.	
A2.5	Total packaging material used for finished products, and proportion of per production unit.	



Main categories, levels, general disclosure and key performance indicators			Section
A3: Environment and natural resources			
General disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.		Development of green mine
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.		Key performance indicators
A4: Climate change			
General disclosure	Policies to identify and respond to major climate-related issues that have and may have an impact on the issuer.		Combat with climate change
A4.1	Description of major climate-related issues that have and may have an impact on the issuer and actions.		Key performance indicators
<b>B. Society</b>			
B1: Employment			
General disclosure	For remuneration and dismissal, recruitment and promotion, working hours, holidays, equal opportunities, diversity, anti-discrimination and other salaries and welfare: (a) Policies; and (b) The information about the compliance with relevant laws and regulations that have a significant impact on the issuer.		Building a harmonious team  Key performance indicators
B1.1	Total employees by gender, employment type, age group and region.		
B1.2	Turnover rate of employees by gender, age group and region.		
B2 Occupational health and safety			
General disclosure	For providing a safe working environment and protecting employees from occupational hazards: (a) Policies; and (b) The information about the compliance with relevant laws and regulations that have a significant impact on the issuer.		Building a harmonious team  Key performance indicators
B2.1	Number and proportion of occupational deaths in each of the past three years (including the reporting year).		
B2.2	Number of working days lost due to work-related injuries.		
B2.3	Describe occupational health and safety measures adopted, how they are implemented and monitored		
B3 Development and training			
General disclosure	Policies on improving employees' knowledge and skills in performing their responsibilities. Description of training activities.		Building a harmonious team
B3.1	Percentage of trained employees by gender and category (such as senior management and middle management)		Key performance indicators

Main categories, levels, general disclosure and key performance indicators		Section
B3.2	Average training hours of employees by gender and category.	
B4 Labor standards		
General disclosure	For the prevention of child or forced labor: (a) Policies; and (b) The information about the compliance with relevant laws and regulations that have a significant impact on the issuer.	Building a harmonious team  Key performance indicators
B4.1	Description of measures to review employment practices to avoid child and forced labor	
B4.2	Description of the steps taken to eliminate violations when they are found.	
B5: Supply chain management		
General disclosure	Manage environmental and social risk policies of supply chain.	Serving customers with quality
B5.1	Number of suppliers by region.	
B5.2	Describe practices relating to engaged suppliers, number of suppliers where the practices are being implemented and how they are implemented and monitored.	Key performance indicators
B5.3	Describe the practices of identifying environmental and social risks in each link of the supply chain and the implementation and monitoring methods.	
B5.4	Describe practices of promoting the use of environment-friendly products and services during the selection of suppliers, and relevant implementation and monitoring methods.	
B6: Product responsibility		
General disclosure	For the health and safety, advertising, labeling and privacy matters of the products and services provided and the remedies: (a) Policies; and (b) The information about the compliance with relevant laws and regulations that have a significant impact on the issuer.	Serving customers with quality  Key performance indicators
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	
B6.2	Number of complaints about products and services received and countermeasures.	
B6.3	Description of practices relating to observing and protecting intellectual property rights.	
B6.4	Description of quality assurance process and recall procedures.	
B6.5	Describe consumer data protection and privacy policies, how they are implemented and monitored.	

Main categories, levels, general disclosure and key performance indicators		Section
B7: Anti-corruption		
General disclosure	For the prevention of bribery, extortion, fraud and money laundering: (a) Policies; and (b) The information about the compliance with relevant laws and regulations that have a significant impact on the issuer.	Standardizing the operation of the three meetings
B7.1	Number of corruption litigation cases filed against the issuer or its employees and concluded during the reporting period and litigation results.	Key performance indicators
B7.2	Describe preventive measures and whistle-blowing procedures, how they are implemented and monitored.	
B7.3	Description of the anti-corruption training provided to the board of directors and employees.	
B8: Community investment		
General disclosure	Policies on community participation to understand the needs of the community in which it operates and ensure that business activities consider the interests of the community.	Practising social responsibility
B8.1	Focus on contribution categories (such as education, environmental matters, labor needs, health, culture and sports).	
B8.2	Resources (such as money or time) contributed to focusing categories.	

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## SASB Disclosure Guidelines for Building Materials Industry

Subject	Indicator	Value or description
Greenhouse gas emission	Scope - emissions (tCO <sub>2</sub> e)	16,455,924.98
	Scope - percentage of regulate emission (%)	56.5
	Management scope - long-term and short-term strategies and plans for emissions, reduction goals, and performance analysis	Please see the chapter on responding to climate change for details.
Air quality	NO <sub>x</sub> (t)	3,884.49
	SO <sub>x</sub> (t)	771.94
	PM <sub>10</sub> (t)	/
	Dioxin/furan (ngTEQ/m <sup>3</sup> )	/
	Volatile organic compounds (VOCs)(t)	/
	Polycyclic aromatic hydrocarbons (PAHS)(t)	/
	Heavy metals (total TI, Cd and Pb)(mg/m <sup>3</sup> )	/
Energy management	Total energy consumption (GJ)	72,235,732.79
	Proportion of electricity in power grid (%)	6.92
	Proportion of renewable energy sources (%)	/
Water resources management	Total amount of fresh water intake (t)	7,112,692.03
	Percentage of water recovery (%)	96.9
	Percentage of high/extremely high water risk areas (%)	/
Waste management	Waste generation (t)	14,657.16
	Percentage of hazardous waste (%)	11.45
	Percentage of waste recovery (%)	86.79
Biodiversity effect	Environmental management policies and measures for activity places	Please see the chapter on development of green mine.
	Land area (ha) affected by disturbance and restored	21.6
	Percentage (%)	
Employee health and safety	Injury frequency rate (FR) for full-time employees and dispatching workers	1.24
	Near miss accident rate (%) (NMFR) for full-time employees and dispatching workers	0
	Confirmed accidents (incidents) of pneumoconiosis	0
Product innovation	Percentage of products eligible for sustainable building design and certification	/
	Sales amount and market share of innovative products (reducing water, energy and/or material impacts)	/
Pricing integrity and transparency	Total amount of pecuniary losses caused by legal proceedings related to cartel activities, pricing and antitrust activities	0

## Reader feedback form

Dear readers:

Thank you for reading the 2024 Environmental, Social and Governance (ESG) Report of Asia Cement (China) Holdings Corporation. If you have any comments or suggestions during the report reading, please provide correction to help us further improve sustainable development management in the future!

### 1. For Asia Cement (China), your identity is

- ☐ Government
 ☐ Investor
 ☐ Employee
 ☐ Customer  
☐ Supplier/contractor
 ☐ Partner
 ☐ Peer
 ☐ Community and public  
☐ Media
 ☐ Non-governmental organization
 ☐ Others (please specify)

### 2. Your opinion on this report

- ☐ Very good
 ☐ Good
 ☐ General
 ☐ Poorer
 ☐ Poor

### 3. Do you think the report structure is reasonable?

- ☐ Very reasonable
 ☐ Reasonable
 ☐ General
 ☐ Less reasonable
 ☐ Unreasonable

### 4. How much information you are concerned about is disclosed in the report?

- ☐ Very comprehensive
 ☐ Relatively comprehensive
 ☐ Involved
 ☐ Rarely involved
 ☐ Not involved

### 5. What other information do you think you are concerned about that has not been reflected in the report?

### 6. What other opinions or suggestions on this report do you have?

**Disclaimer** .....

The information contained in this report does not constitute any investment advice. Investors shall not replace their independent judgment with such information or make decisions solely based on such information. The Company also does not assume any responsibility for any losses that may arise or be caused by using the information in this report. The information published by the Company is true and accurate. If there is any inconsistency with the statutory disclosure documents, the statutory disclosure documents shall prevail.

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**洋房牌水泥**

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