

Environmental, Social and Governance (ESG) Reporting 2024



CHINA SHANSHUI CEMENT GROUP LIMITED 中國山水水泥集團有限公司 (於問曼群島註冊成立的有限公司) (股份代號:691)

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About the Report

This Environmental, Social and Governance Report ("**the Report**") is the eighth Environmental, Social and Governance Report of China Shanshui Cement Group Limited (the "**Company**"), which mainly discloses the performance relating to Environmental, Social and Governance ("**ESG**") of the Company and its subsidiaries (collectively referred to as the "**Group**", "**Shanshui Group**" or "**China Shanshui Group**") in 2024, so as to enable each stakeholder to have a better understanding of the Group's sustainability philosophy, management approach, measures, relevant performances, etc. The Report is to be read in conjunction with the "Corporate Governance Report" section of China Shanshui Cement Group Limited 2024 Annual Report ("**2024 Annual Report**"), so as to have a holistic view on the Group's ESG performance.

Reporting Period

Unless otherwise stated, the Report's reporting period is consistent with the 2024 Annual Report of the Group, which is from 1 January 2024 to 31 December 2024 (the "**Reporting Period**"). Where necessary, some of the content goes beyond the aforesaid period so as to enhance the comparability of the Report.

Reporting Organizational Scope

Unless otherwise stated, the Report covers the Company and its subsidiaries, and the reporting scope of the Report remains the same as the previous reporting scope. Unless otherwise stated, all information disclosed in the Report was sourced from the Group's documents and statistical reports, and the currency mentioned was Renminbi ("**RMB**").

Reporting Guideline

The Report was prepared based on the ESG Reporting Guide under Appendix C2 to the Rules Governing the Listing of Securities ("Listing Rules") issued by the Stock Exchange of Hong Kong Limited ("SEHK"). Moreover, it was prepared based on the principles of materiality, quantitative, balance and consistency to determine and disclose its contents. The Report was prepared in accordance with the "mandatory disclosure requirements" and "comply or explain" provision set out in the ESG Reporting Guide issued by SEHK.

In the process of preparing the Report, the Group's application of the above reporting principles was as follows:

Materiality

Identify the material issues related to the Group during the Reporting Period through materiality assessment, and then prepare the Report with the focus on the identified material issues;

Balance

The Report presents the Group's performance during the Reporting Period in an impartial manner, avoiding choices, omissions or presentation formats that may unduly influence the decisions or judgments of the readers of the Report; and

Access to the Report

The Report is published in two languages - Traditional Chinese and English. If there is any inconsistency between the two versions, the Traditional Chinese version shall prevail. You are welcome to obtain the Traditional Chinese and English versions of the Report in a PDF format at the Company's website, www.sdsunnsygroup.com, and SEHK's HKEX news website, www.hkexnews.hk.

Comments and Feedbacks

If there are any comments or feedbacks for the Group's ESG report, you are welcome to contact the Group by email at sdssdshbgs@sdshanshuigroup.com.

Quantitative

Disclose the standards and methods used in the relevant data calculation in the Report and disclose the applicable assumptions or calculation tools;

Consistency

The preparation method of the Report is basically the same as that in previous years. Explanations are made for the data where there are changes in scope of disclosure and calculation methodology.

Chairman' s Statement

In the past year, in the face of multiple challenges such as increasing pressure from the economic environment and growing difficulties within the cement industry, the Group has always adhered to the overall theme of seeking progress while maintaining stability and promoting stability through progress, continuously consolidated its competitive strengths, deepened its work on cost reduction and efficiency enhancement, and significantly improved its quality and efficiency. While promoting economic development, the Group has also deeply integrated environmental responsibilities, social values, and governance efficiency into the core of our main business, and vigorously developed "New Quality Productive Forces" to make the underlining color of high-quality development more vivid.

Shanshui Group insists on focusing on its main business and developing the vitality of its main business through integrity and innovation. The Group has continuously strengthened the strategic leadership of "Cement +" and steadily pushed forward the construction and upgrading of key production lines in Yantai, Zhangqiu and Chifeng Shanshui, making the industrial chain more resilient and dynamic. Meanwhile, the Group has made integrated innovations in the management model and achieved optimal allocation of resources through the management and operation of "Operation Area + Unitization", so as to continuously enhance its regional competitiveness. The Group has also built a diversified marketing service system and established the "Shanshui Dongyue" e-commerce service platform, which integrates online and offline channels to activate new momentum in the supply chain with value-added services. In terms of product research and development, the Group has strengthened the innovation drive, specialized in niche areas and enhanced the research and development of new high value-added products, with the number of specialized cements expanded to eight, thus gradually demonstrating its differentiated competitive advantages. The Group has proactively stepped out of the "Zero-sum Game" situation, actively practiced self-discipline in the industry, focused on the co-creation of industry values, and joined hands with regional peers to reshape a good ecology and avoid vicious competition.

Shanshui Group adheres to ecological priority and builds a sustainable future through green transformation. With the "Action Plan for Carbon Peaking" as the benchmark, the Group has actively fulfilled its commitment to energy saving and emission reduction by investing nearly RMB 90 million in environmental protection technologies, resulting in a significant year-on-year reduction in emissions of air pollutants and greenhouse gases. The Group coordinated and promoted the management of carbon emissions, established a carbon emission management inventory for the entire production line, and actively responded to the carbon market compliance. The Group has also conducted in-depth pilot studies on alternative fuels, which have been rolled out to half of its production lines, and pioneered the use of cotton straws as a substitute for fossil fuels in Xinjiang to capture the "New Fuel" market. Meanwhile, the Group has also explored the potential of energy saving and implemented the pilot project of oxygen-enriched combustion to accelerate the application of energy saving technologies. During the Reporting Period, the Shanshui Group actively promoted the creation of green benchmarking projects. The proportion of provincial-level and above green factories and green mine enterprises continued to increase, and the treatment area of mine greening projects was nearly 300 acres. The development of recycling economy made a great start, and the synergistic disposal projects steadily increased revenues and created efficiencies.

Shanshui Group adheres to ecological priority and builds a sustainable future through green transformation. With compliance management as the main line of action, the Group launched the "Year of Management Enhancement" action to enhance the capabilities of governance in accordance with the law and risk prevention in an all-round manner. During the Reporting Period, the Group actively explored new models of corporate governance via diversification of shareholdings and pursuant to amendments to the *Company Law*, further optimized its corporate governance structure and continued to refine the relevant systems. Meanwhile, the Group also actively promoted the upgrading of risk control management, deepened the integration of "Discipline Inspection +", and facilitated the formation of efficient synergy and coordination between functional departments such as audit, legal affairs, finance and other business departments, with the emerged "Integrated Supervision System". In terms of supplier management, the Group adheres to dynamic supplier management and transparent procurement, strictly regulates connected transactions and safeguards the interests of shareholders and the enterprise.

Shanshui Group adheres to the principle of shared responsibility and demonstrates corporate warmth in its development practices. The Group has deepened the construction of the employee destiny community and continuously improved its human resources management system, gradually moving towards a management system with "More Reasonable Position Allocation", "Better Promotion Mechanism" and "More Attractive Incentives". The Group has also actively created a platform for the sustainable development of talents by implementing the "Dreams of Learning and Education" action for four consecutive years, organizing various skills competitions and internal/external trainings to effectively promote the growth of individuals and the Company. Meanwhile, the Group has always been committed to the country, and has been actively involved in various public welfare projects such as village revitalization, targeted assistance, and relief of difficulties, and has strongly supported community building, in order to benefit a wider group of people through donations and voluntary services.

At present, the market environment has undergone profound changes, and the supply-side structural reform in the cement industry has reached a critical and deeper stage. On the journey of new development, Shanshui Group is facing unprecedented challenges and opportunities. The Group will steadfastly build a first-class modernized enterprise, focus on the key tasks of grasping development, stabilizing operation, strengthening internal control, promoting compliance and preventing risks, comprehensively improving work efficiency and accelerating the pace of reform and innovation, so as to ensure the completion of the "14th Five-Year Plan" in a high quality, and to lay a solid foundation for the development of the "15th Five-Year Plan" and even in the longer term.

About the Group

3.1 Group Profile

China Shanshui Group is a large enterprise group focusing on the production of cement and clinker, and integrating the production and sales of commercial concrete, aggregate, plastic profile, machinery manufacturing and maintenance, and new wall materials. The wholly owned subsidiary is Shandong Shanshui Group, headquartered in Jinan, Shandong Province.

After years of rapid development, the Group's production capacity continues to grow, the level of process technology and equipment continues to improve, and the development area continues to expand. Currently, the total clinker production capacity is 52.13 million tonnes and the total cement production capacity is 96.93 million tonnes. The Group has six operating regions including Eastern Shandong, Western Shandong, Southern Shandong, Northeast China, Shanxi and Xinjiang, and has more than 110 subsidiaries (branches) distributed in ten provinces (municipalities and autonomous regions) including Shandong, Liaoning, Shanxi, Inner Mongolia and Xinjiang, forming a market pattern of "North-South Interaction" between Shandong and Northeast China, and "East-West Connection" between Shandong and Shanxi, and giving full play to its good market advantages. While expanding and strengthening the main business of cement, the Group also actively implements the "Cement +" business development models, shifting from expanding the scale of single product to product diversification. At present, the prototype of the whole industry chain, including aggregate, manufactured sand, commercial concrete, cement products, prefabricated building components and cement equipment, has begun to take shape.

High grade cement and commercial clinker are the major products of the Group. The "Shanshui Dongyue", "Shanshui Gongyuan" and "Bohai" series of brand cement enjoy high reputation in China, and are widely used in national key projects such as Beijing-Shanghai High-speed Railway, Jiaozhou Bay Cross-sea Bridge, Qingdao Harbor Tunnel, Haiyang Nuclear Power, etc.

Over the years, the Group has been awarded the honorary titles of National Advanced Group of Building Materials System, National May 1st Labor Award, National Advanced Grassroots Party Organization, National Exemplary Employees' Home, Shandong Civilized Unit and Shandong High-end Brand Cultivation Enterprise, and has been listed among the Top 20 Building Materials Enterprises and Fortune China 500 for many consecutive years.



3.2 Annual ESG Performance Highlights

Environmental Aspect

- Invested RMB 89.14 million in environmental technology transformation
- Significant reduction in emissions of air pollutants and greenhouse gases
- Water recycling rate over 97%
- A total of 9 national green mines and 17 provincial green mines

Social Aspect

- O work-related employee fatalities
- (person-time)
- 1,280 new occupational certificates acquired
- 13,524 employees received training and average of training hours per employee reached 33.66
- The total amount of employer liability insurance paid for front-line employees reached RMB 1.87 million
- RMB 5.43 million invested in public welfare and charity

Governance Aspect

- government, and received more than 20,000 visits to the education bases
- 0 incidents of bribery, extortion, fraud and money laundering

• In terms of health and safety, 1,736 training activities were carried out with 35.230 participants (person-time), 152 emergency drills were carried out with 2,303 participants

• In terms of anti-corruption, 77 visits to integrity education bases, educational videos were viewed 616 times, invited experts and scholars to give 82 reports on the Party's clean



4.1 Board Statement

The Group understands the importance of good corporate governance, including governance of ESG-related issues that are crucial to sustainable development. The board of directors of the Company (the "**Board**") reviewed and approved the Report on 24 April 2025, and confirmed that the Report is true, accurate and complete.



The Board is responsible for overseeing and approving the Group's ESG management approach and strategy, and is also involved in identifying, evaluating, prioritizing and managing important ESG issues. During the Reporting Period, in order to strengthen the ESG management system and enhance the management and supervision of ESG issues, the Board established an Environmental, Social and Governance ("ESG Committee") and an Environmental, Social and Governance Working Group ("ESG Working Group") to take specific responsibility for the implementation of the relevant work. For details, please refer to the section headed "Sustainable Development Management".

Materiality Assessment

The Board participates in identifying, assessing, prioritizing and managing material ESGrelated issues. Based on its sustainability strategy, the Group conducts a materiality assessment of ESG issues once a year. The Board reviewed and confirmed the materiality assessment results and considered material issues as a reference factor for the Group to formulate its overall strategy and supervise the management and performance of such issues. For details, please refer to the section "Materiality Assessment".

ESG Management Approach and Strategy

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• ESG and Climate Risks

The Board has responsibilities to ensure that the Group has established an appropriate and effective ESG and climate risk management and internal control system. During the Reporting Period, the Group continued to carry out ESG and climate risk identification and assessment and implemented targeted risk management measures. For details, please refer to the sections of "Sustainability Development Management" and "Addressing Climate Change".



The Board is responsible for approving the Group's ESG targets and reviewing the progress of the targets. During the Reporting Period, the Group implemented and recorded action measures under the guidance of the objectives and action plans established in 2021, with an aim to reduce the impact on the environment. For details, please refer to the sections of "Managing Emission Strictly" and "Optimizing the Use of Resource".

4.2 Corporate Governance

The Group is committed to maintaining a high standard of corporate governance. Good standards of corporate governance are one of the essential elements for the sustainable development of an organization and provide an underlying framework for the enhancement of corporate value, the formulation of business strategies and policies, the promotion of transparency and the enhancement of accountability. The Board has established four committees, namely the Audit Committee, the Remuneration Committee, the Nomination Committee and the ESG Committee, to oversee specific aspects of the Company's affairs. The Group has been actively building a diversified Board. As at the end of the Reporting Period, the Board comprised a total of six directors, including three executive directors and three independent non-executive directors. For more details, please refer to Corporate Governance Report in 2024 Annual Report.



In order to improve the ESG management system and strengthen the management and supervision of ESG and climate change matters, the Board further revised the terms of reference of the ESG Committee during the Reporting Period. The specific responsibilities as set out in the *Terms of Reference of the Environmental, Social and Governance Committee*.

4.3 Sustainable Development Management

The Group has established a hierarchical sustainability governance structure with clear responsibilities to enhance the management of ESG matters. The Group has established an ESG Committee as approved by the Board on 21 April 2023 and set up an ESG Working Group as the executive arm of the ESG Committee to which the ESG Committee may assign specific tasks, including but not limited to the preparation of annual ESG reports, monitoring of ESG performance, identification of ESG risks and overall execution of the Group's ESG activities. The ESG Working Group consists of members from each of the relevant departments of the Group's head office and is coordinated by a dedicated individual. The ESG Committee may meet as needed, but is required to meet at least twice a year. The ESG Committee is required to report regularly to the Board. At the next Board meeting following an ESG Committee meeting, the Chairman of the ESG Committee shall report to the Board on the ESG Committee's deliberations and recommendations. The Group amended the terms of reference of the ESG Committee on 15 March 2024, with the approval of the Board.



The duties of the ESG Committee shall include

- to co-ordinate and manage the ESG and climate change matters of the Group and report to the Board on any significant issues;
- to provide guidance on and formulate the Company's ESG vision, goals, strategies and structure, and review and monitor the Company's ESG and climate change strategies, policies and practices in order to ensure that they align with the Company's needs and comply with the applicable laws, regulations and regulatory requirements and meet the international standards;
- to identify and determine the priorities of the key topics on the Company's ESG risks, and make recommendations to the Board;
- to establish risk management and internal control systems, such as ESG and climate change policies and programs, to manage and mitigate ESG and climate change related risks;
- to formulate the company's ESG and climate change management performance targets and reviewing the progress made in implementing the targets, and making recommendations to improve performance;
- to review and approve annual ESG reports;
- to perform other ESG and climate change related tasks at the request of the Board, including but not limited to providing recommendations on integrating ESG and climate change considerations into the review and monitoring of the Company's strategies, key action plans, annual budget and performance targets; and
- 🚸 to coordinate any other ESG and climate change related work as may be assigned by the Board.

4.4 Compliance Operation

The Group strictly complies with the Audit Law of the People's Republic of China, the Accounting Law of the People's Republic of China and the Company Law of the People's Republic of China and other relevant laws, and formulated an internal management system for the auditing work and auditing of the completion of construction works, and continued to improve the internal auditing supervision and internal control mechanism of the Group, to strengthen its risk management and to ensure its compliance with the rules and regulations of the operation.

The Group is committed to establishing and improving the corporate governance structure and has put in place a sound risk management and internal monitoring system with the aim of effectively controlling risks. The audit department of the Group monitors and checks the implementation of the risk management and internal control system. Through regular or irregular special audits of the Group's business activities, the internal control system has been effectively implemented, the level of risk management has been continuously improved, and the quality of operations has been continuously upgraded.

The Group has continued to formulate and improve the corporate internal control system, and actively launched the assessment of the effectiveness of internal control implementation. By strengthening internal control management, the Group has effectively enhanced its internal control management and realized the systematization, legalization and standardization of internal control. By launching compliance training, the Group has established a compliance atmosphere with full participation of all staff. During the Reporting Period, the functional departments (legal department, marketing department, audit department, production management department, etc.) of the Group have formulated and perfected 8 internal control systems for business operations. By combining risk control with business depth and following a comprehensive approval process, different segments and functional departments were involved in the whole process of risk control to ensure that the Group's business interactions were lawful, compliant and efficient. During the Reporting Period, the Group organized 5 compliance training sessions to establish the concepts of full compliance, active compliance and substantial compliance. The Group requires all staff to strictly comply with laws and regulations and the Company's management system, and to put compliance work into practice. The Group has also made the review of legal compliance a mandatory pre-procedure for the operation and management and has fully implemented its review duties.

ESG risk management is an important element in risk management. The Group has always attached great importance to ESG risk management. Since 2021, the Group has carried out the identification and assessment of ESG risks annually. During the Reporting Period, on the one hand, the Group continued to review ESG risks and their management in 2023, and on the other hand, it identified and evaluated other possible material ESG risks by analyzing the megatrends, business operations and environment as well as status of industry peers. The working steps are as follows:

Steps	
1	Updating and developing the ESG risk list, a
2	Inviting specialists from corresponding func and prioritize ESG risks
3	Analyzing the results of the survey to determ suggestions for actions
4	Reviewing and confirming ESG risk assessm

The Group finally assessed and identified one material ESG risk with high priority and formulated and implemented management measures in a targeted manner.

Details
nd identifying the most relevant ESG risks of the Group
tional departments of the Group to assess
iine material ESG risks and formulate corresponding
ent results by the Board or the Management
torial ESC rick with high priority and formulated and

Material ESG Risks	Internal Management Measures				
	 Actively seeking to implement alternative fuels and alternative raw materials for carbon reduction to meet the energy conservation and carbon reduction targets required by relevant policies; 				
Policy risk	 Establishing and improving the organizational structure of carbon emission trading, actively responding to the inclusion of the cement industry in the national carbon trading market; 				
	 Carrying out ultra-low emission work according to the environmental protection requirements of various provinces and cities, and planning and coordinating the implementation progress of subsidiaries (branches). 				

In the future, the Group will continue to improve the construction and implementation of risk management and internal control systems with reference to SEHK's guidelines for listed companies' risk management and internal control system guidelines.

4.5 Deepening anti-corruption management

China Shanshui Group strictly complies with the relevant laws and regulations on the prevention of bribery, extortion, fraud and money laundering, including but not limited to the *Criminal Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China* and the *Securities Law of the People's Republic of China*. During the Reporting Period, the Group has not violated any of the above relevant laws and regulations on prevention of bribery, extortion, fraud and money laundering, and there was no corruption litigation case filed and concluded against the Group or the employees of the Group.

In order to strengthen the integrity of the government and officials and create an environment of integrity and honesty, the Group takes the implementation of the responsibility system for the Party's construction of a government of integrity as a starting point, continuously improves the disciplinary and inspection system, improves the integrity risk account and the problem supervision account, follows up the supervision, precise supervision, and the whole process of supervision, and deeply integrates the Party's construction of a government of integrity and anti-corruption work with the Group's production and operation, so as to promote the Party's construction of a government of integrity and anti-corruption work to achieve new efficacy. During the Reporting Period, the Group formulated the *Discipline Inspection and Supervision Work System of the Shanshui Group (Trial)* and the *Handling of Letters and Reports Operational Procedures of the Shanshui Group (Trial)* to realize the standardization and regularization of the management of the disciplinary work and the handling of letters and reports.

The Group strictly enforces the four systems, including the *Regulations on Integrity and Self-discipline of Leading Party Members of the Shanshui Group* and the *Supervision and Monitoring Policy for Leading Party Members of the Shanshui Group*, as well as the internal systems, including the *Shanshui Group's Regulations on the Work of Letters and Visits and Reporting* and the *Policy on Reporting*, which calls on all employees to adopt a zero-tolerance attitude towards all kinds of bribery and corruption in business transactions and to report all forms of disciplinary offences. The Group has established and maintained channels for reporting and employee supervision by setting up dedicated e-mail addresses, complaint telephone numbers and reception locations, etc., ensuring the smooth flow of channels for reporting, proactively accepting supervision from employees, seriously handling employees' letters, calls and visits, patiently listening to employees' aspirations, and carrying out investigations into reported cases in a serious manner.

The workflow of the letter reporting process is explained

1.Each department, operating regions, and subs phone calls, letters, and mails
2.All relevant departments, operating regions a timely replies to th

3. The Discipline Office provides timely feedback on the handling of letters, calls and visitors.

The Group attaches importance to anti-corruption education and actively organizes and carries out various forms of thematic education and training to create an atmosphere of professional integrity, to further enhance the vigilance and sensitivity of the Board of Directors, management and employees to corruption, and to provide timely reminders on integrity during festive seasons and holidays, so as to "prevent the occurrence of problems before they happen".

During the Reporting Report, the Group organized and launched warning and education activities on the construction of a government of integrity, and required all grassroots party organizations to selectively launch various forms of activities such as answering questions on a government of integrity and watching warning education videos in light of the actual situation. During the Reporting period, the Group organized more than 77 visits to integrity governance warning education bases and watched warning education videos 616 times, invited experts and scholars to give reports on Party style and clean governance construction for more than 82 times, and launched more than 53 quizzes on integrity knowledge. More than 20 essay collections on anti-corruption and integrity were launched, 503 times of learning about discipline inspection system and documents were conducted, and more than 20,000 person-times of warning education were received in total. 100% of the officers in charge and above of the Group's subsidiaries (branches) signed a pledge on integrity and self-discipline and participated in integrity talks. Meanwhile, 100% of the officers in charge and above of the Group's were covered by the warning education.



On March 21, 2024, Qingdao Shanshui held a seminar on integrity education



On May 13, 2024, Binzhou Shanshui convened a special meeting on integrity warning education

osidiaries (branches) and reports on incoming visits, ls in accordance with regulations.

and subsidiaries (branches) are required to provide ne questions reflected.



On April 3, 2024, Yingjisha Shanshui visited warning education base



On June 4, 2024, Linfen Shanshui held a special meeting on cleanliness and self-discipline

2024 ESG Reporting

Stakeholders

4.6 Stakeholders Communication

Communication Channels

Expectation

The Group actively maintains communication with all stakeholders to know about their opinions and expectations on the Group's sustainable development performance. The Group organized relevant ESG work to respond to the opinions and expectations of stakeholders.

The Group focused on "the degree of influence of the Group" and "the degree of influence on the Group" to identify major stakeholders, so as to carry out more targeted communication. The Group communicated through various channels and formulated relevant actions to respond to the expectations of all parties.

The major stakeholders identified by the Group during the Reporting Period include shareholders and investors, employees, government, customers, suppliers and the public community. The following is a summary of the communication between the Group and its major stakeholders:

Frequency

Actions of the Group

Shareholders, investors and creditors	 Business capability Profitability Corporate governance 	 Shareholders' meetings Regular reports Results announcements 	Annual/quarterly/ irregular	 Increasing production and operation quality and sustainable profitability Keeping optimizing corporate governance Conducting regular communication and strengthening information disclosure
Employees	 Employee rights and benefits Occupational health and safety Training and development 	 Employment contracts Employee activities Training courses 	Regular/irregular	 Constantly improving the human resource management system and protecting employee rights and benefits Improving employee occupational health and safety work Proactively implementing training to foster employees' knowledge and skills
Government	 Legal compliance Compliant operation Implementation of national policies 	 Policy formulation Work reporting Information disclosure 	Regular/irregular	 Strictly complying with laws and regulations and proactively cooperating with regulatory departments Strengthening corporate's compliant operation
Customers	 Product quality Service guarantee Product research and development 	 Customer feed- back mechanism Customer service The Company' s website 	Annual/quarterly/ irregular	 Enhancing the quality assurance system to guarantee product quality Improving the customer service and feedback mechanism Promoting technological research and innovation to increase efficiency in production
Suppliers	 Fair and just procurement Cooperation with mutual benefits Sustainable win-win situation 	 Contracts and agreements Meetings Supplier assessment 	Regular/irregular	 Strengthening procurement management measures and ensuring fair and transparent bidding and procurement processes Fulfilling contracts and agreements Holding procurement meetings for communication
Community and the public	 Community investment Harmonious development Environmental protection 	 Community support Community visits Philanthropic activities 	Regular/irregular	 Engaging in community support activities, such as rural revitalization Proactively organizing philanthropic ctivities such as volunteering activities Implementing environmental protection works

4.7 Materiality Assessment

During the Reporting Period, in order to better understand the important views of stakeholders on the Group's ESG issues, and to respond to their concerns and demonstrate corresponding performance in a targeted manner, the Group conducted the materiality assessment of ESG issues based on the principle of "Materiality".



The Group divided ESG issues into environmental and social aspects, and invited major stakeholders such as employees, customers and suppliers to rank the material issues in the form of questionnaires based on two dimensions of "Importance to China Shanshui Group" and "Importance to stakeholders". Based on the results, a materiality assessment matrix was established to preliminarily screen the issues of higher importance under each level.

Based on the materiality assessment results, the Group conducted internal review and confirmation on the issues of higher importance initially screened. The Directors of the Board actively participated in the materiality assessment, evaluating and prioritizing the potential material issues with the management of the Group from the perspective of "Importance to China Shanshui Group". The results were combined with the opinions of stakeholders such as employees, customers and suppliers. Hence, 14 issues were finally determined as material issues (including 7 environmental issues and 7 social issues). These issues have been approved by the Board and have been taken as the key considerations when conducting ESG work. The Report will focus on the disclosure of material issues.



< Social Aspect Materiality Assessment Matrix 🕨





7.Serving the "Dual Carbon" Strategy

Material Issue

1.Operation with Integrity and Compliance

2.Health and Safety

3.Product Responsibility

4. Human Resources Development and Mar

5. Product and Service Innovation

6.Labor Standards

7.Development and Training

Environmental Aspect			
onstruction			
5			

es in Social Aspect	
e	
nagement	



5.1 Environmental Management

The Group firmly believes that a stable ecological environment is the cornerstone for the healthy development of the enterprise. As a cement company, we shoulder a high level of responsibility for environmental protection and strictly comply with the relevant laws and regulations and industry standards related to environmental protection in our operating regions, including but not limited to the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on Prevention and Control of Air Pollution and the Law of the People's Republic of China on Prevention and Control of Water Pollution, etc., The Group formulated the Guiding Opinions on Promoting Carbon Peak Achievement Work, which set out the implementation steps and targets for carbon reduction based on the industry situation and technology level, and promoted environmental management work in an orderly manner in order to proactively implement the requirements of the national "Dual-Carbon" policy. Meanwhile, the Group has taken the Environmental Protection and Energy Management System of the Shanshui Group as a means to regulate environmental protection and energy use in production and operation. During the Reporting Period, the Group coordinated the promotion of ecological environment protection and economic development, strictly enforced staggered peak production and adopted emergency emission reduction measures during heavy polluted weather. At the same time, the Group actively conducted the implementation plan for ultralow emission transformation in the cement industry, continuously increased environmental protection investment, improved environmental protection facilities, and upgraded pollution prevention and control equipment, in order to achieve pollution control and emission reduction that is precise, scientific and abiding to the rule of law.

In order to comprehensively strengthen the ecological and environmental protection work and effectively improve the level and quality of environmental protection work, the Group has established a leading group for environmental protection work, and continuously obtained external certification for the environmental management system, low-carbon products and green plants and so on. During the Reporting Period, Kenli Shanshui was newly honored with the title of "Green Plant" at the provincial level.

As of the end of the Reporting Period:



83 subsidiaries of the Group have obtained external ISO 14001 environmental management system certifications, and 63 subsidiaries have obtained external ISO 50001 energy management system certifications;



A total of 5 subsidiaries have been assessed as Grade A enterprises in the performance grading of heavy pollutant weather key industries; 7 subsidiaries have been assessed as Grade B enterprises in the performance grading of heavy pollutant weather key industries; and 20 subsidiaries have been assessed as leading enterprises in the performance grading of heavy pollutant weather key industries; and the Group has 28 green plants at national level, 16 green plants at provincial level.



During the Reporting Period, the Group invested a total of approximately RMB 89.14 million in environmental protection technological upgrading, mainly including ultra-low emission renovation for nitrogen oxides, sulphur dioxide and particulate matters. During the Reporting Period, the Group conducted a gap-finding in accordance with the requirements of environmental protection policies in various regions for the rechecking of ultra-low emission in the Shanxi Operating Region, carried out technological upgrading and modification of enterprises with fluctuations in emissions caused by the use of alternative fuels, and deployed the upcoming ultra-low emission work in the Northeast China Operating Region.

China Shanshui Cement Group Limited

5.2 Managing Emission Strictly

Air Pollutants

The Group attaches great importance to the management of air pollutant emissions. The Group generates air pollutants during operations, which mainly include NO., SO. and PM. The Group ensures that its cement and clinker production subsidiaries are issued with pollutant discharge permits, and regularly entrusts independent environmental monitoring agencies to monitor emissions. During the Reporting period, the Ministry of Ecology and Environment and other departments jointly issued documents such as the Opinions on Promoting the Implementation of Ultra-low Emission in the Cement Industry, and the Technical Guidelines on Assessment and Monitoring of Ultra-low Emission for Cement Enterprises, which were also forwarded by the provincial environmental protection authorities. The Group's subsidiaries have been actively cooperating with the local governments to implement the requirements of the documents.

During the Reporting Period, the Group's NO, emissions decreased by 2,921.21 tonnes. SO, emissions decreased by 279.56 tonnes and PM emissions decreased by 152.83 tonnes year-on-year compared with 2023, showing significant decreases. The average emission concentration also showed a significant decrease in the trend.









Indicators	Unit	Targets By 2025 ¹	2024	2023	2022		
Basic Information							
Clinker production	Tonnes	١	34,716,955.60	41,711,290.12	40,297,229		
		Air Pollutar	nts ²				
NO _x emissions	Tonnes	/	8,214.80	11,136.01	11,264.96		
So ₂ emissions	Tonnes	١	840.56	1,120.12	1,046.43		
PM emissions	Tonnes	١	207.22	360.05	304.50		
	The Emissio	n Concentratio	on of Air Polluta	nts			
The emission concentration of NO _x	g/tonne of clinker	265	236.62	266.98	279.55		
The emission concentration of SO ₂	g/tonne of clinker	24.8	24.21	26.85	25.97		
The emission concentration of PM	g/tonne of clinker	12.0	5.97	8.63	12.87		

		Towards Du 2025 ¹		2022	2022			
Indicators	Unit	Targets By 2025 ¹	2024	2023	2022			
Basic Information								
linker production	Tonnes	\	34,716,955.60	41,711,290.12	40,297,229			
		Air Pollutar	nts ²					
O _x emissions	Tonnes	/	8,214.80	11,136.01	11,264.96			
o2 emissions	Tonnes	/	840.56	1,120.12	1,046.43			
Memissions Tonnes		\	207.22	360.05	304.50			
	The Emissio	n Concentratio	on of Air Polluta	nts				
he emission oncentration of NO _x	g/tonne of clinker	265	236.62	266.98	279.55			
he emission oncentration of SO ₂	g/tonne of clinker	24.8	24.21	26.85	25.97			
he emission oncentration of PM	g/tonne of clinker	12.0	5.97	8.63	12.87			

The Group will continue to reduce the emission of air pollutants in its production. The Group has achieved all the short-term (1-2 year) targets set in 2021 for the emission of air pollutants by 2023. During the Reporting Period, the Group coordinated the promotion of ecological environment protection and economic development, strictly implemented staggered peak production and emergency emission reduction in heavy polluted weather, seriously implemented the implementation plan for ultra-low emission transformation of the cement industry issued by the province-level and the city-level, increased investment in environmental protection, continuously improved the environmental protection facilities, and upgraded and transformed the pollution prevention and control equipment continuously, so as to achieve the precise, scientific and lawful treatment of pollutants. During the Reporting Period, the Group did not have any environmental pollution accidents and environmental protection violations, and the total emission and concentration of major pollutants continued to decrease.

In the future, the Group will continue to respond to local policies on ultra-low emission and actively cooperate with local governments in the implementation of reforms.

¹The Group has achieved the targets set in 2022 during the Reporting Period. ²As the Group's air pollutant emissions mainly came from the clinker production process, the pollutant-related performance included all 32 clinker production enterprises of the Group, and the data was derived from the monitoring data of the projects.

Greenhouse Gas Emissions

The Group is well aware that green and high-quality development of the cement industry plays a significant role in the promotion of green development in China. The Group strictly implements the requirements of the "14th Five-Year Plan", actively responds to the national strategic goal of "Dual-Carbon", and in accordance with the Implementation Plan for Carbon Dioxide Peaking in the Building Materials Industry, and the Group's Guidelines for Promoting Carbon Dioxide Peaking, the Group will promote carbon emission reduction from five aspects, which are reducing production from source and reducing solid waste, applying energy saving and consumption reduction technology, promoting alternative energy, improving solid waste utilization ratio, and practicing green development concept, continuously reducing the carbon intensity of products, to ensure carbon dioxide peaking by 2030 and carbon neutrality by 2060.

In	dicators	Unit	Targets By 2025 ¹	2024	2023	2022
oxide	In total	Tonnes	33,620,000	28,121,735	35,293,079	34,580,465
Carbon dioxide emissions	Scope 1	Tonnes	\	27,337,978	34,238,385	33,219,049
Carb emis	Scope 2 ⁴	Tonnes	/	783,757	1,054,694	1,361,416
emi: tonr	oon dioxide ssions per ne of clinker duction⁵	Tonnes	0.85	0.81	0.85	0.86

In recent years, the Group has adopted the following carbon emission management measures

- ♦ 1)Yingjisha Shanshui implemented a rotary kiln oxygen-enriched combustion project. Construction of the project has been completed and coal savings of 5% and above are expected;
- ◆ 2)Using 23,100 tonnes of calcium carbide slag as a substitute for limestone, which effectively reduces carbon dioxide emissions and also saves natural limestone resources; and
- 3)The Group's used a total of 113,000 tonnes alternative fuels, replacing 48,900 tonnes of raw coal. This reduced carbon emissions by 107,600 tonnes.

During the Reporting Period, the Group has commenced the processing of alternative fuels by utilizing the original clinker production site to process the surrounding combustible waste materials to increase the level of alternative fuels within the Group and in the nearby areas. As of the end of the Reporting Period, the pretendering work had been completed with an annual production capacity of 90,000 tonnes of alternative fuels.

³As the Group's greenhouse gas emissions mainly came from the clinker production process, the data scope only included all 32 clinker production companies. The calculation of carbon dioxide emissions is based on the Accounting Method and Reporting Guideline for Greenhouse Gas Emissions of Cement Production Enterprises in China.

⁴The Group's Scope 2 data for 2024 continues the calculation of the ESG report data from previous years, and still includes GHG emissions from purchased electricity from clinker producers.

⁵This indicator is a commonly used production indicator of the Group.

Waste

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The Group attaches great importance to the standardization of the harmless disposal process of solid waste and hazardous waste, by taking effective measures to ensure that hazardous waste is treated professionally, safely and effectively. Meanwhile, the Group's subsidiaries promote efficient recycling of non-hazardous waste to reduce the negative environmental impact caused by waste. During the Reporting Period, the Group achieved the recycling of non-hazardous wastes and 100% compliant disposal of hazardous wastes.

The hazardous waste generated by the Group is mainly the waste engine oil replaced by large reducers, while the non-hazardous waste is mainly general production and domestic waste. The Group follows the national environmental protection requirements to dispose of waste in accordance with the principle of "Classified Collection, Separate Zoning/Storage, Self-Utilization":



Based on the Directory of National Hazardous Wastes, the Standard Management Indicator System for Hazardous Wastes and other notice requirements, the classification, collection, storage and disposal of hazardous waste is strictly implemented. For hazardous waste such as waste oil and waste oil drums, the plants have built temporary storage rooms for hazardous waste, which meets the requirements of the Standard for Emission Control on Hazardous Waste Storage. In strict compliance with the requirements of laws and regulations, the plants entrust qualified third parties to handle hazardous wastes, and implement the hazardous waste transfer form systems to realize the environmental impact monitoring of hazardous waste throughout the life cycle.

separate storage or disposal of industrial waste. General industrial solid waste that can be used as an alternative raw material will be reused in the production system;

Regulating the behavior of employees to achieve the classification and collection of domestic waste. Centralized collecting domestic waste and disposal of all domestic waste in kiln factories. The grinding plants and other plants entrust the local environmental sanitation departments to carry out cleaning and disposal and sign a

5.3 Optimizing the Use of Resource

Energy

The Group strives to improve energy efficiency and reduce energy consumption, complying with the requirements of standards and documents such as the Limits to Energy Consumption Per Unit of Cement Production and the Catalogue for the Elimination of High-energy-consuming and Outdated Mechanical and Electrical Equipment (Products) (1st to 4th batches) to carry out energy management.

By 2025, the Group plans to reduce the comprehensive coal consumption per unit product of cement clinker by 3 kgce/t compared with that in 2020, and achieve 40% of benchmark production line ratio, much higher than the 30% ratio required by the industry.

	Indicators	Unit	Targets By 2025 ¹	2024	2023	2022		
	Use of Resources ⁶							
rgy	Electricity consumption ⁷	kWh in '000s	\	3,163,892.98	3,835,518.43	3,723,056.56		
Indirect Energy	Electricity consumption per tonne of clinker production ⁸	kWh in '000s	0.053	0.052	0.054	0.055		
Indi	Electricity consumption per tonne of cement production ⁹	kWh in '000s	\	0.064	0.071	0.076		
rgy	Raw coalconsumption	kWh in '000s ¹⁰	\	27,553,487.76	33,465,024.23	33,971,791.51		
Direct Energy	Raw coal consumption per tonne of clinker ¹¹	Tonnes	\	0.114	0.117	0.122		
Dire	Standard coal consumption per tonne of clinker production ¹²	Tonnes	0.1014	0.098	0.0986	0.1024		
	Total energy consumption	kWh in '000s ¹³	\	30,717,380.74	37,300,542.67	37,694,848.06		
Resource Recycling								
	Electricity generated from waste heat recovery	kWh in '000s	\	1,200,939.62	1,403,069.13	1,292,028.54		
	Proportion of waste heat power generation in clinker enterprise electricity onsumption	%	/	66.82	62.92	58.36		

During the Reporting Period, the Group continued to invest in energy-saving technological upgrading and production optimization. In terms of clean energy, Yingjisha Shanshui is located in a highland area at an altitude of about 1,743 meters above sea level, where the oxygen content of the air is low and the combustion of pulverized coal is slow and insufficient. In order to improve the existing situation, increase the efficiency of coal use and reduce energy consumption, Yingjisha Shanshui has implemented oxygen-enriched combustion, the installation of which has been completed.

Highlight of Environmental Reformation Case

During the Reporting Period, Bohai Cement carried out denitrification reform. From April to September 2024, the average emission concentration of NO, in Bohai Cement reached the same level as the last year, the unit consumption of ammonia decreased by 1.11 kg/tonne of clinker compared with the last year. The cost of denitrification was reduced by RMB 1.05/tonne of clinker. After the renovation, under the premise of controlling the same emission concentration of NO_v, the ammonia consumption per unit decreased and the cost was lowered, which achieved the expected effect of the renovation.

Utilizing Resources Comprehensively

The Group attaches great importance to the comprehensive utilization of resources in the production process and actively consumes industrial waste. The Group has reached cooperation with local steel and chemical plants to cooperatively recycle industrial wastes. The Group effectively uses converter slag and electric furnace slag produced by iron and steel companies, fly ash and desulfurized gypsum from coal-fired power plants, and sulfuric acid slag and fluor gypsum from chemical plants. After processing with advanced production technology, various types of high-quality cement can be produced. While reducing the pollution caused by industrial solid waste to the environment, transforming it into treasure has both circular economic benefits and socio-environmental benefits. During the Reporting Period, the Group accumulated 1,679.79 million tonnes of industrial solid waste.



⁶As some subsidiaries of the Group did not engage in production activities, the resource consumption data included data of 78 companies of the Group, including kiln-grinding enterprises (including kiln enterprises) and grinding enterprises. The calculation of unit conversion involved in the calculation of direct and indirect energy consumption is set out based on the General Principles of Comprehensive Energy Calculation (GB/T 2589-2008).

⁷Electricity consumption includes purchased electricity and residual heat power generation. [®]This indicator is a commonly used production indicator of the Group. ⁹This indicator is a commonly used production indicator of the Group ¹⁰In order to comply with the disclosure requirements of the relevant regulatory requirements, the Group conducted the "kWh in' 000s" unit conversion according to the General Principles for Calculation of Comprehensive Energy Consumption GBT2589-2020. ¹¹This indicator is a commonly used production indicator of the Group. ¹²This indicator is a commonly used production indicator of the Group. ¹³In order to comply with the disclosure requirements of the relevant regulatory requirements, the Group conducted the "kWh in '000s" unit conversion according to the General Principles for Calculation of Comprehensive Energy Consumption GBT2589-2020.

The Group actively consumes industrial waste and produces various types of high-quality cement ◆ The raw materials comprised of sulfuric acid slag, converter slag, steel slag, etc. are used to replace traditional iron raw materials, while fly ash replaces natural shale as aluminum's raw material; • Using fly ash and coalfired slag as a cement mixture; and Replacing natural dihydrate gypsum with desulfurized gypsum.

The Group actively promotes the co-processing of cement kilns in accordance with the Technical Specifications for Environmental Protection in Collaborative Disposal of the Solid Waste of Cement Kilns, the Technical Specifications in Collaborative Disposal of the Solid Waste of Cement Kilns and other systems. Relying on its own technological advantages, the Group comprehensively promotes collaborative disposal projects in three areas, namely urban and rural domestic waste, municipal sludge and industrial hazardous waste. By doing so, a complete solid waste disposal solution has been created. While fulfilling its social responsibilities, the Group promotes green development, drives industry progress and achieves sustainable development.

Indicators	Unit	2024	2023	2022
Total solid waste utilization	10 thousand tonnes	1,679.79	2,416.33	1,556
Packaging bags of cement	Pieces	136,360,000	161,360,000	146,080,000

During the Reporting Period, the Group actively promoted the projects of the co-processing of cement kilns and is committed to strengthening the recycling of resources. The Group increased the waste recycling and disposal rate and made significant progress:

Yishui Shanshui disposed of 30,710.55 tonnes of contaminated soil, Xinghao Cement disposed of 541.80 tonnes of contaminated soil, Kanda Cement disposed of 5,899.34 tonnes of hazardous waste, Pingyin Shanshui disposed of 1,484.28 tonnes of municipal domestic waste, Weishan Shanshui disposed of 3,208.08 tonnes of waste textile, Kazuo Company disposed of 17,092.98 tonnes of sludge, Liaoning Gongyuan disposed of 1,778.00 tonnes of sludge and Dalian Shanshui disposed of 7,730.20 tonnes of sludge;

In total, the cement kilns coordinated the disposal of 68,445.23 tonnes of solid and hazardous waste.

The Group plans to commence operation the Chifeng Yuanhang Cement kiln co-disposal project by the end of 2025.

Water Resource

In the process of obtaining water, the Group has always adhered to the requirements of the environmental assessment approvals and actively cooperated with the local environmental protection authorities to ensure that adequate consideration has been given to the issue of water abstraction and that various measures have been implemented. The Group has fully considered the issue of water extraction for its projects during the planning and design stages, comprehensively analyzed the pressure on local water resources and adopted appropriate water extraction methods and water conservation techniques. During the Reporting Period, the Group extracted 150,000 tonnes of mine wastewater and rainwater; all production water was recycled for use in waste heat power generation and equipment cooling, with a recycling volume of 370 million cubic meters and a recycling rate of over 97%.

The treatment of production circulating water is to stop the water from scaling during the circulation process so as not to affect the heat exchange efficiency. During the Reporting Period, the Group accomplished circulating water scale inhibition mainly through a single or a combination of methods. The first step is to increase the solubility of calcium and magnesium in the circulating water quality. The second step is to separate calcium and magnesium from the water quality by bypass adsorption and the separated calcium and magnesium lumps are used as raw materials for clinker firing. The third step is to temporarily prevent the formation of calcium and magnesium carbonate by means of magnetic field or electric field interference. Circulating water can be reused after precipitation, and domestic sewage will also be reused after sewage treatment. During the Reporting Period, the Group achieved zero discharge of sewage and implemented water resources policies in accordance with the requirements of environmental protection in various regions, and was not warned or penalized by the government for water resources issues.



Indicators

Total water consumption

Water consumption per ton of clinker production

Water consumption per tonne of cement product

	Unit	2024	2023	2022
	Tonnes	9,917,957	12,257,441	11,546,075
1 ¹⁴	Tonnes	0.25	0.2578	0.25
tion ¹⁵	Tonnes	0.027	0.0282	0.027

¹⁴Water consumption per tonne of clinker referred to the calculated water consumption per tonne of clinker produced ¹⁵Water consumption per tonne of cement refers to the water consumption per tonne of cement production based on the

based on the water consumption of clinker production.

water consumption of cement production.

During the Reporting Period, the Group's water consumption targets and completion progress are as follows:

Environmental Targets (take 2021 as base year) [0]

Year-on-year reduction in fresh water consumption by target subsidiaries.

 (\mathcal{C}) **Target Completion Progress**

Lingu Shanshui used 606,500 cubic meters of water in 2021 and 478,600 cubic meters of water in 2024, and the target was achieved;

Bohai Cement's water consumption of 453,800 cubic meters. in 2021 and 393,900 cubic meters in 2024 has achieved the target;

Pingyin Shanshui used 707,800 cubic meters of water in 2021 and 617,200 cubic meters of water in 2024 for the same production line, and the target was achieved.





5.4 Constructing "Green and Smart" Mine

The mining of the Group adheres to the development concepts of innovation, coordination, green, openness and sharing, and always follows the principle of adapting to the local conditions in the construction of green mines to minimize the impact of mining activities on the mines and the surrounding environment, and to realize the coordination and comprehensive development of the entire process of mineral resources development.

In order to further improve the level of mine management and ensure the sustainable development of the mining subsidiaries of the Group, according to the national standards and local government requirements, such as Green Mines Construction Specification of Cement Limestone Industry(DZ/T 0318-2018), Measures for Management of Green Mine Construction of Shandong Province, and Three-year Action Plan for Green Mine Construction of Liaoning Province, the Group has established the Measures for the Management of Mine Resources (Trial) and formulated the Measures for the Management of Construction Projects (Trial), which further clarified the requirements for the construction and management of the green mines, and guided the construction work to commence accurately. The former has refined the Group's mine resources management system, and each operation area and clinker enterprise has arranged mine management personnel to be specifically responsible for mine resources management in accordance with the actual situation. The latter is aimed at strengthening the management of the Group' s projects under the creation category and is applicable to the creation of safety, environmental protection, green factories and green mines. Meanwhile, the Group has also set up a mine management steering group and formed a three-tier mine management structure comprising the Group, operation areas and clinker enterprises.

Number and Proportion of Green Mines						
Operating Regions	Number by 2024					
Overall situation of the Group	84%	81%	26			
Eastern Shandong Operating Region	100%	89%	8			
Western Shandong Operating Region	100%	100%	2			
Southern Shandong Operating Region	100%	100%	4			
Northeast China Operating Region	82%	82%	9			
Shanxi Operating Region	67%	67%	2			
Xinjiang Operating Region	33%	33%	1			

The Group's mine management has shifted from si development approaches, comprehensive utilizat reduction, technological innovation and digital min and scientific mining. The Group carried out green m green, environmentally friendly and harmonious m years, most of the mining subsidiaries of the Group green and environmentally friendly manner for mine

¹⁶The targets by 2025 have been updated based on actual start and completion during the Reporting Period.

six aspects, namely mining area environment, resource
tion of resources, energy conservation and emission
nes, corporate management and image, to standardized
nine construction on the basis of scientific, standardized,
nining. After the improvement of management in recent
up have conducted mining in a standardized, scientific,
2S.



Achievements and highlights of professional management

- ◆ Acquired mine resources legally. During the Reporting Period, the Group has legally and newly obtained a total of 19.39 million tonnes of mining resources;
- ◆ The construction of green mines continued to improve. During the Reporting Period, the Group obtained 1 new green mine at the provincial level, and all the re-examinations of green mines organized by the government were successfully passed. As at the end of the Reporting period, the Group owned a total of 32 mines, of which a total of 26 green mines of provincial level and above had been established. Among them, there are 9 green mines at the national level and 17 green mines at the provincial level.

The Group continues to practice the concept of "Lucid Waters and Lush Mountains are Invaluable Assets". With the mission of protecting the ecological environment, supported by scientific and technological innovation, and the concept of green development, the Group has always integrated green development into the whole process of development, utilization and protection of mineral resources, and further promoted the formation of a new pattern of harmonious development of regional mining sites, and harmonious development of human and nature.

Ecological restoration and management of mines is particularly important to the construction of green mines. Mine management always adheres to the concept of green development, and mine production and ecological management are organically integrated, so that "while mining, treatment and rehabilitation are carried out, development is carried out in the midst of protection, and protection is carried out in the midst of development".

Case Jincheng Shanshui Mining Area Environmental Management Achieved Significant Results

For the Jincheng Shanshui Nanguanling mine area, its green area has a greening rate of 100%, with a cumulative total of more than 70 acres of restored woodland, 8 acres of restored arable land, more than 23,000 various types of planted seedlings, slope management greening of more than 41,000 square meters, and road hardening 21,000 square meters.

Jincheng Shanshui invested in the construction of a 1,000-cubic-meter high-level pool and installed a remotely controllable high-pressure sprinkler system, laying 2,430 meters of sprinkler pipelines, together with nine fully automatic high-pressure sprinkler guns with a radius of 80 meters, to achieve full coverage of sprinkler spraying in the mine area. In addition, dust reduction measures such as sprinkler trucks, fog trucks and car wash basins have been adopted in the mine area to realize wet operation in all work processes.

Jincheng Shanshui Nanguanling mine area can be green area greening rate of



TTTTT.

Ecologicalizing the Environment of Mines

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Case Yishui Shanshui Actively Promoting Greening and Rehabilitation

Yishui Shanshui actively promoted the greening and reclamation work. In total, 3,254.09 square meters of mulching works were carried out, 1,054.08 square meters of digging works were carried out, 4,880 Shu cypresses, 6,000 black pines, 5,000 poplars and 0.44 hectares of grass seeds were planted. Through the above reclamation projects, a total of 21.53 hectares of dry land, 9.79 hectares of other grassland, 2.87 hectares of tree woodland, 0.79 hectares of ditches, 0.64 hectares of agricultural land for facilities, and 0.83 hectares of rural roads were reclaimed, totaling 36.45 hectares. While completing the design and treatment tasks, the area of new cultivated land was 6.61 hectares, which increased the Yishui county cultivated land occupation balance index reserve by 6.61 hectares.

During the Reporting Period, the Hougou Mine successfully passed the on-site verification by experts and was selected as one of the seventh batch of provincial green mines in Shandong Province.



Scientific Approach to Mining

The Group adheres to the mining principles of scientific mining and civilized mining.

Case Linqu Shanshui Insists on Safe, Green and Sustainable Mining

During the Reporting Period, Linqu Shanshui carried out mining activities in strict accordance with relevant national laws and regulations, technical specifications and standards to ensure that the mining process was safe, environmentally friendly, efficient and sustainable. Linqu Shanshui adopts controlled blasting and other low-disturbance mining techniques to minimize damage to the surrounding environment; formulates mining plans on a monthly basis and reasonably plans the mining cycle to maximize the utilization of resources; conducts blasting and seismic surveys, and takes measures to minimize noise and dust pollution in order to strive to minimize the negative impacts of mining activities on the daily lives of local residents.



Using resources efficiently

The Group has been actively revitalizing its existing resources to meet its production requirements and reasonably matched the amount of waste rock resources on the premise of ensuring the quality of clinker. As at the end of the Reporting Period, the Group matched the use of 2.97 million tonnes of high magnesium and low-calcium limestone, thus prolonging the service life of the mines. The comprehensive utilization rate of the Group's mine resources reached 100%.

Management information digitization

The Group adheres to the principle of "Running the mine with technology" and "Building the mine with technology" and continuously improves the level of informationization.

Case Pingyin Shanshui Continuously Updates the Digital Construction

During the Reporting Period, Pingyin Shanshui continued to increase its investment on the basis of green mines, implemented digital upgrading, created a digital mine monitoring platform, and built "One center", "Two platforms" and "Three systems". In this way, it has further enhanced the level of digitization and informationization of the Group's mines, laying a solid foundation for building a leading digital intelligent mine in the PRC.



Energy Saving and Emission Reduction in Mining Areas

During the Reporting Period, the Group actively promoted energy saving and emission reduction in each of the mines, and realized green transportation and water recycling in the mines through innovative environmental protection measures.



Shuozhou Shanshui Adopted Electric Transport Vehicles, Zibo Shanshui Optimized Wastewater Treatment

• reducing fossil energy consumption.



"Resourcefulness" of wastewater treatment.



Shuozhou Shanshui adopted electric transport vehicles for limestone transportation, greatly

◆ Zibo Shanshui's clinker production line wastewater from the waste heat generating boiler and recycled water are treated by the water system and then transported to the mine by water supply pipeline for greening and dust reduction, realizing "Quantification", "Harmlessness" and

5.5 Addressing Climate Change

The Group has actively responded to the national policies and requirements on "Dual-Carbon", proactively implemented major national policies such as the *Notice of the Action Plan for Carbon Dioxide Peaking Before 2030 and the Measures for the Administration of Carbon Emission Trading (for Trial Implementation)*, and has continued to pay attention to matters relating to climate change. The Group is keenly aware of the potential impact of climate change and other environmental risks on its business. The Group has continued to refer to the international standardized framework of the Task Force on Climate-related Financial Disclosure (TCFD) in guiding its climate management matters, and has taken active actions at the four levels of governance, strategy, risk management, and indicators and targets.

Level	Specific Actions
Governance	 The Board is responsible for incorporating and overseeing ESG risks, including climate change related risks, into the Company's overall risk management system The Group has set up the ESG Committee and ESG Working Group which identify, evaluate and manage ESG-related risks and opportunities, including climate risk All relevant functional departments and business units have made climate change response one of their priorities
Strategy	The Group is fully aware of the potential significant impacts of climate change on the Group and the risks and opportunities arising from it. The Group has established a mechanism to assess and monitor risks and opportunities on a regular basis. For detailed information on the impact of the identified risks and opportunities on the Group, please refer to the section headed "Climate Risks and Opportunities Assessment"
Risk Management	 Started the annual climate risk identification and assessment work, and updated the Group's climate risk list by analyzing its own business value chain and referring to the relevant public information of TCFD The persons in charge of the relevant functional departments of the Group assess the various climate risks, identify and recognize the risks that have a significant impact on the Group Please refer to the following climate risk and opportunity table for details of climate risk and opportunity response measures
Indicators and Targets	 The Group has set specific targets and corresponding achievement measures in the areas of "Water resource usage", "Waste discharge" and "Energy usage", and regularly reviews the achievement of the targets, please refer to the section headed "Managing Emission Strictly" and "Optimizing the Use of Resource" for more information The Group has also set a target to increase the proportion of green mines in its overall business, please refer to the section headed "Green and Smart" Mine" for more details Every year, the Group compiles greenhouse gas emission data for the current year. Please refer to the section headed "Managing Emission Strictly" for more details

Climate Risks and Opportunities Assessment

The Group is also very concerned about the opportunities and risks to the Group arising from the transformational risks brought about by climate change. Since 2023, the Group has been identifying and evaluating climate risks and opportunities, and the following steps have been taken:



The Group assessed and identified 2 high priority climate risks and opportunities and formulated and implemented management measures for them in a targeted manner.

Climate Risk Category	Specific Climate Risks	Potential Financial Impact
Policy and	Stricter policy oversight of existing products and services	Decrease in operating revenue Increase in operating costs
Legal Risks	Stricter emission disclosure requirements	Increase in operating costs

Measures

- Actively promoted the deployment and implementation of the "Dual-Carbon", and carefully studied the relevant policies with a view to formulating a suitable path for the Group;
- Starting from 2017, the Group has continued to adopt measures such as replacement of baghouse dust collection, full sealing of conveyor, desulphurization and denitrification, and energysaving renovation, and the major economic and technological indicators of its production lines are all leading in the industry;
- Strictly comply with national and local policies and systems, and strictly manage air pollutants, waste emissions and resources; and
- Conduct research on new policies and take timely countermeasures in response to policy adjustments.

The Group is proactive in identifying and seizing opportunities arising from climate change:

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Climate Opportunities	Specific Climate Opportunities	Potential Financial Impacts	Measures
Resources Efficiency	Use of recycling technology	Decrease in operating costs	 The Group continues to develop low-carbon products and certify
Source of	Use of low emission or renewable energy source	Decrease in operating costs	its products as low-carbon and green building materials products, so as to increase the
energy	Adoption of new technology	Decrease in operating costs	low-carbon and environmental attributes of its products and competitiveness in the market;
Products	Expansion of low-emission goods and services	Increase in operating revenue	The Group plans to implement
and Services	Transfer in Consumer Preferences	Increase in operating revenue	the substitution of fossil energy by biomass fuels in subsidiaries with the necessary conditions,
New Markets	Adoption of supportive policy incentives	Increase in operating revenue	so as to reduce the amount of coal used at the kiln end and the emission of sulfur dioxide,
Adaptability	Energy substitution or diversification	Decrease in operating costs	nitrogen oxides and greenhouse gases.

The Group is fully aware of the importance of adopting scientific methods to quantify the impact of climate risks and opportunities on the financial situation and to consider the conditions under different climate scenarios in order to analyze and reflect the climate-related risks and opportunities under specific circumstances in the management of risk and opportunity assessment. The Group would further refine the process of assessing climate risks and opportunities in the future and consider incorporating methods such as scenario analysis to enhance its resilience to climate change.

China Shanshui Cement Group Limited





6.1 Strengthening Safety Management

The Group regards the life safety and occupational health of employees as the core of corporate production safety. The Group strictly complies with laws and regulations at the national, provincial, municipal and local levels relating to the provision of a safe working environment and the protection of employees from occupational hazards, including but not limited to the Work Safety Law of the People's Republic of China, the Standards for Determining the Potential Risks of Major Accidents of Industry and Trade Enterprises, internal systems such as the Measures for the Administration of Accountability for Production Safety and the Shanshui Group Safety Management System Compendium were revised and improved to clarify the organizational structure, division of responsibilities and management requirements, etc. Meanwhile, detailed specifications were also provided for the investigation and handling of accidents, management of related parties, safety of inventory clearance and safety of inspection and repair operations, etc., in order to consolidate the foundation of the Group's safety management and to effectively safeguard the rights of the safety and health of all the employees.

Adhering to Safe Production

The Group always adheres to the production safety concept of "People-Oriented, Life First". The Group's health and safety management level has been comprehensively enhanced by strengthening the implementation of the primary responsibility, enhancing safety training and emergency response capability, deepening the investigation and management of hidden dangers, and building health and safety defenses in the context of stringent and meticulous safety management.

Deepening and Improving Responsibility System Construction

Strengthening organizational leadership and implementing safety responsibility Strengthening organizational leadership and implementing safety responsibility: The management of the Group attaches great importance to safety management, insists on "Party and government share responsibility, one position, two responsibilities" and "Three types of management, three musts", and incorporates them into its daily agenda. The Group regularly convenes regular monthly meetings on production safety and safety committees, and timely organizes the study of relevant documents issued by governmental departments to unify the ideological understanding, sum up the current state of safety management, and discuss the key safety management issues to promote the implementation of safety leadership at all levels. Meanwhile, the Group also promotes the implementation of safety leadership responsibilities at all levels;

 \bigcirc Improving the management system and enhancement of the effectiveness of safety management

During the Reporting Period, in order to further establish and improve the Group's responsibility assessment system for safety production and to realize the accountability for the entire process of safety production management, the Group amended and improved the Measures for the Administration of Accountability for Production Safety. The Group has also issued the Measures for the Administration of the Company's Accountability for Production Safety to include the matters of inappropriate performance of safety responsibilities in the scope of accountability, and to promote the decomposition of safety responsibilities. Meanwhile, in order to strengthen the management of safety audit and safety training, the Group has also drafted the Management Measures for Safety Audit and the Management Measures for Safety Training to continuously establish and improve the Group's safety management system.



- - centering on the theme of "Everyone talks about safety, everyone knows how to respond to emergencies and smooths out the passageway of life", launched a series of activities with distinctive themes, diversified forms and rich contents, which created a strong atmosphere of safe production, further enhanced safety awareness, improved emergency response and rescue capabilities, and effectively promoted the safe and stable development. During the safety production month, a total of 1,736 training sessions were held, with 35,230 participants; 152 emergency drills were conducted, with 2,303 emergency drill participants; and 322 potential hazards inspections were conducted, with 2,107 potential hazards inspected.

Enhancing Daily Supervision and Process Control

Based on the current status of its safety management, and taking into account the government's safety management requirements and seasonal characteristics, the Group prepared 31 specific safety management notices during the Reporting Period, such as the Notice on Improving the Safety Management of the Resumption of Work and Production, the Notice on Improving the Safety Management of the Summer Season and the Notice on Improving the Safety Management of the Winter Season, which required Enterprises were required to carry out relevant management work in a timely manner to prevent safety risks;

During the Reporting Period, the Group took the occupational disease prevention and control law publicity week, safety production month, fire prevention month and other activities as an opportunity to strengthen the publicity of the safety culture by adopting various measures to guide all staff to pay attention to the safety of a strong atmosphere, enhance the safety awareness of staff and build up





Safety Production Month Specialized Training





Emergency Response Drill for Safety Incidents







Safety Knowledge Contest



Safety Production Month Publicity and Consultation Day

Continuously promoting the creation of safety standardization and standardization of corporate safety management

During the Reporting Period, the Group made significant improvements to its basic safety management and on-site facilities through the continuous implementation of the creation of safety standardization and continuously raised the safety awareness of its employees. As at the end of the Reporting Period, three of the Group's enterprises had commenced the creation of level 1 production safety standardization, and 15 enterprises had passed level 2 production safety standardization re-examination.

Strengthening Safety Education, Training and Emergency Response Capability

The Group has continued to carry out safety education and training and emergency response capability enhancement activities, and has organized and carried out training activities on topics such as energy isolation management and on-site emergency care, as well as extensively carried out a series of activities such as safety alert education, emergency response and evacuation drills, which have effectively enhanced the safety awareness of employees and their ability to respond to emergencies in case of accidents, and strengthened the Group's safety emergency response and rescue system construction. During the Reporting Period, the Group conducted a total of 17,763 safety trainings, with 336,493 training attendees; 1,424 on-site disposal programs and comprehensive emergency drills for accidents such as preheater cleaning and blocking, mechanical injuries, poisoning and asphyxiation, etc., with a total of 21,319 training attendees.

Case On-site First Aid Nursing Training and Skills Competition Activities

During the Reporting Period, in order to practically enhance the Group's emergency management level, improve the on-site emergency response capability of its staff and reduce injuries caused by accidents, the Group organized on-site first-aid and nursing training and skills competitions, with a total of 559 staff obtaining first-aid and nursing certificates of competency, and 104 teams taking part in skills competitions, thus comprehensively improving the first-aid and nursing skills of its staff and achieving the objective of "Promoting practice through competition and management through practice". Among them, the emergency response skills competition was divided into two sections: first aid knowledge and practical operation of ambulance skills. The participants were comprehensively assessed on their theoretical knowledge of safety and practical skills such as CPR+AED, operation of positive pressure respirator, use of full-body seatbelt, and practical operation of fire hoses, etc.



Focusing on Hidden Danger Investigation and Management and Incident Management

Fully utilizing safety management tools

for comprehensive

hidden danger

diagnosis

Fully utilizing safety management tools for comprehensive hidden danger diagnosis: During the Reporting Period, the Group made full use of safety audits, third-party safety audits and other management tools to continue to do a good job in diagnosing and sorting out the safety management of the Group' s enterprises, to conduct in-depth search for hidden dangers in safety and to effectively promote mutual exchanges and learning. As at the end of the Reporting Period, the Group identified a total of 4,091 safety management issues and 833 safety management recommendations through safety audits. Through third-party safety audits of 6 pilot enterprises, 322 problems were identified, and 309 rectifications were completed;

Commencing specialized safety hazard investigation and strict implementation of hazard management Commencing specialized safety hazard investigation and strict implementation of hazard management: During the Reporting Period, the Group's enterprises strictly implemented the requirements, actively carried out daily safety hazard investigation and management activities, formulated a reward and punishment mechanism for the reporting of hazards, and promoted the participation of all employees, and independent investigation of, hazards. In addition, the Group also exercised proper control over key areas and major risks to prevent the occurrence of serious accidents. As at the end of the Reporting Period, the Group had conducted a total of 3,651 activities to investigate and manage hidden dangers, and identified 21,119 safety hazards, with a rectification completion rate of approximately 90%;

Comprehensively strengthening accident management and prevented the occurrence of similar accidents During the Reporting Period, the Group, in order to strengthen the management of safety accidents, find out the root causes of accidents and enhance its safety management capability, adopted on-site investigations and online analyses to help enterprises find out the causes of accidents, analyze them and formulate improvement measures, which were also notified at the monthly production safety meetings, and enterprises investigated themselves for similar hidden dangers, learned from the lessons of accidents and strictly prevented similar accidents. The enterprises investigate themselves for similar hidden dangers, and learn lessons from accidents, strictly preventing the occurrence of similar accidents.

Conducting Supplier Safety Training

The Group also pays attention to the safety training of suppliers, requiring suppliers to comply with construction and other safety regulations and to receive safety education and training before entering construction sites, such as watching safety publicity videos, to ensure that suppliers understand relevant environmental safety regulations. Besides, suppliers must be informed, or they must sign the safety notice, before signing the contract. During the Reporting Period, the Group conducted 1,294 training sessions and 2,511 hours of training for suppliers. Through the trainings, the suppliers' safety awareness was strengthened, and they were able to take precautionary measures to prevent the occurrence of environmental, safety and social risks.

Protecting Employees' Health

The Group is fully aware of the potential hazards of relevant occupational diseases arising from its business operations. In order to strengthen the effective management of employees' occupational health, the Group has taken multiple measures to gradually establish a sound and effective occupational disease prevention and control management system.

Strictly enforce source management. The Group increased relevant investment and taking control measures from dust, high temperature, noise, etc., to improve the working conditions of employees, and advocate clean production;

Strengthened publicity and education. The

Group carried out special training on

occupational health, especially for employees

and positions exposed to noise, dust, and

hazardous chemicals. The Group carried out

special training on occupational health,

especially for employees and positions

exposed to noise, dust, and hazardous

chemicals. The Group strengthened the

management and control of occupational

health risks and improved the ability of

employees to identify risks;



Carried out occupational health monitoring for employees. The Group strictly implemented pre-job, on-the-job and off-thejob occupational health examinations, and timely arranged post-transfers if occupational illness and allergies were found;

Strengthened the management of occupational hazard warnings. The Group actively carried out annual occupational hazard project declaration, regularly monitored occupational hazard factors, announced relevant testing information in a timely manner, and implemented rectification in a timely manner if problems were found.

During the Reporting Period, in order to effectively prevent, control and eliminate the hazards of occupational diseases and to protect the physical health of its employees, the Group adhered to the occupational health management principle of "prevention as the mainstay and integration of prevention and treatment", strengthened occupational health publicity, education and training, implemented occupational health protection measures such as the provision of labor protection products, improvement of the working environment, testing and reporting of occupational hazards, strengthened occupational health monitoring and medical check-ups, and did a good job of pre-job training for its employees. The Company also strengthens occupational health monitoring and medical checkups, does a good job of medical checkups for workers before, during and after their posts, and utilizes the "Post achievement standard" to pay continuous attention to occupational physical and mental health, in order to earnestly safeguard workers' occupational health and well-being.

The status of the Group's rate of work-related injuries and deaths at work during the Reporting Period is set out in the table below:

	2024	2023	2022
Number of work-related fatalities	0	0	0
Rate of work-related fatalities	0	0	0
Lost days due to work injury	934	588	112

6.2 Protecting Employees' Rights and Interests

The Group has formulated and implemented to the people-oriented philosophy and is committed to providing employees with a broad growth platform and an equal and harmonious working environment. The Group strictly abides by relevant laws and regulations that have significant impacts on the Group relating to remuneration and dismissal, recruitment and promotion, working hours, holidays, equal opportunities, other benefits and welfares, and prevention of child labor and forced labor, including but not limited to the Labor Law of the PRC, the Labor Contract Law of the PRC, the Provisions on the Prohibition of Using Child Labor, the Law of the PRC on the Protection of Minors, the Social Insurance Law of the PRC, and Hong Kong's Employment Ordinance. During the Reporting Period, the Group has strictly complied with the abovementioned relevant laws and regulations. The Group has also formulated and implemented several internal policies to protect the rights and interests of employees in every aspect of the employment process.

Employee Rights, Interests and Care

The Group has formulated and implemented the Regulations on Recruitment Management of Shanshui Group. The recruitment is carried out based on the principles of openness, fairness, justice, equal competition and merit-based selection. During the Reporting Period, the Group did not have any violations of employing child labor or minors and did not have any violations of withholding workers' identities, educational certificates or requests of paying various deposits.

Recruitment of child labor is strictly prohibited

- prevent such a situation from happening again.

Anti-forced labor

voluntary basis.

Diversity and Anti-discrimination

differently due to their ethnicity, gender, religion, etc.

Dismissal

Employment

need the subsidiaries' attention are carried out by the Group for improvement.

♦ Specifying the minimum working age in the recruitment brochure, and strictly reviewing the applicants' information during the recruitment process, such as ID cards, household registration books, and academic certificates to ensure that they reach the minimum legal working age;

▲ If child labor is found, the employment will be terminated immediately, and the internal unit shall provide an explanation. The responsible unit shall be informed and develop corrective measures to

♦ Regulating the employment mechanism, strictly investigating and overseeing the violations including forced overtime work, withholding the identities and academic certificates of employees, or payment of various deposits, to ensure that the employment relationship is established on a

♦ Adhering to the principle and concept of diversity and openness, and do not treat employees

♦ For employees leaving the Group, the Group first communicates with employees in accordance with the Regulations on Resignation Management of Shanshui Group, in order to understand their reasons for leaving. The Group assists employees in completing the resignation procedures according to situations and implements compensation for resignation. In addition, necessary rectifications that ion and benefits

↔ The Group has further optimized the organizational structures and remuneration system of the Group, and clarified the position setting, job responsibilities, personnel allocation and remuneration packages of major management positions at all levels of the Group one by one, laying the foundation for further clarification of the career development paths of employees in the future;

The Group regularly reviews the remuneration packages of its employees in light of market ◆ conditions, corporate economic benefits and employees' income levels. It is noteworthy that at halfyear and year-end, the Group rewards its employees by grades based on the operating conditions;

The Group actively takes the lead in complying with the regulation of staggering production halt. During the production halt, relevant compensation is paid under national regulations to protect the legal rights and interests of employees. At the same time, the Group has formulated a reasonable salary distribution system and reward and punishment measures during normal production months. The overall compensation does not decrease due to the reduction of working hours.

Promotion

◆ To provide a broad growth platform for all kinds of talents and promote outstanding employees to stand out and grow rapidly, the Group has formulated and implemented the Selection, Training and Adoption Plan for Reserve Talent of Shanshui Group.

hours and

← The Group fully respects employees' rights of taking rest and leaves. The Management Measures for Employee Attendance of Shanshui Group and the Implementation Measures for Paid Annual Leaves of Shanshui Group have been formulated and implemented, complying with the labor law's requirements that employees should not work more than 40 hours per week. The Group strictly controls overtime work and the absence of rest on statutory holidays to prevent forced labor. In addition, appropriate subsidies are also provided for work outside of normal working hours.

In addition to making contributions to various social insurances (including basic pension insurance, medical insurance, unemployment insurance, maternity insurance and work-related injury insurance) and housing provident funds as required by the Social Insurance Law, the Group has arranged employer's liability insurance for employees in production and related positions, with a total investment of RMB 1.87 million. For general employees, the Group arranges regular health check-ups, and occupational health check-ups are added for special positions, and serious illness relief is provided to employees suffering from serious illnesses. In addition, the Group provides employees with half-year awards, year-end awards, holiday benefits, seasonal work uniforms and labor protection supplies, etc.

In accordance with the Interim Measures for Outbound Employees of Shanshui Group, the Group grants out-ofhome subsidies and annual rewards to employees assigned by the Group. In particular, employees who work in Xinjiang can receive a monthly living fee if their families don't have a job. The Group has effectively implemented and strongly supported the vacation policies and treatment for male and female employees who have given birth to two or three children as stipulated and advocated by the state. Various incentives and preferential policies for parents of one-child is implemented. For disabled employees, the Group creates suitable positions for placement and strictly implements relevant treatment policies to protect their rights and interests. In case of extreme weather conditions such as rainstorms and snowstorms, in order to ensure the safety of employees' commuting, the Group organized staggered commuting or work from home in a timely manner, and implemented flexible working hours. At the same time, wages and benefits would not be affected during the period of remote work.

The Group actively invites family members of its employees to visit the working and living environment of its employees so that they can have a "Zero-distance" experience of its corporate culture and development. The Group also provides employees with souvenirs or benefits on occasions of special significance to employees, such as a farewell party for retired employees and condolences to retired military employees on the 1 August Military Day. In the Group's Xinjiang Operating Region, where about 50% of the employees are ethnic minorities, the Group fully respects the ethnic customs and living habits of its ethnic minority employees, and specializes in the procurement of festive welfare products suitable for ethnic minorities, and provides them with exclusive welfare benefits on the Uygur Autonomous Region Guerbang Festival and the Meat Ceremony. Meanwhile, the Group also organizes colorful activities for its staff on festivals such as the 8 March Women's Day and the 4 May Youth Day.



The Group's Mid-Autumn Festival Visit to Staff in Difficulties



Shuozhou Shanshui' s Farewell to Retired Staff

Xinjiang Operating Region Gave Ethnic Staff Benefits for Guerbang Festival

• Employee Structure and Performance

As at the end of the Reporting Period, the number of employees and turnover rate of the Group are set out in the table below:

Total Number of Employees''14,70016,032Total Employees by GenderMale11,14812,165Female3,5523,867Total Employees by Region3,5523,867Total Employees by Region545558Eastern Shandong Operating Region3,7834,141Western Shandong Operating Region2,9543,322Southern Shandong Operating Region1,3561,403Northeast China Operating Region3,9114,228Shanxi Operating Region1,6741,876Xinjiang Operating Region1,6741,876Shanxi Operating Region1,6741,876Shanxi Operating Region1,6741,876Shanxi Operating Region1,6741,876Kinjiang Operating Region1,6671,801Sales1,1311,182Production7,870\$,733Sales1,1311,525Others2,0302,174College or Above5,5595,844		2024	2023
Male11,14812,165Female3,5523,867Total Employees by RegionHeadquarters545558Eastern Shandong Operating Region3,7834,141Western Shandong Operating Region2,9543,322Southern Shandong Operating Region2,9543,322Southern Shandong Operating Region1,3561,403Northeast China Operating Region3,9114,228Shanxi Operating Region3,9114,228Shanxi Operating Region477504Yinjiang Operating Region477504Production7,8708,733Sales1,1311,182Fechnician1,6671,801Finance584617Administration and Management1,4181,525Others2,0302,174College or Above5,5595,844	Total Number of Employees ¹⁷	14,700	16,032
Female3,5523,867Total Employees by RegionHeadquarters545558Eastern Shandong Operating Region3,7834,141Western Shandong Operating Region2,9543,322Southern Shandong Operating Region1,3561,403Northeast China Operating Region3,9114,228Shanxi Operating Region3,9114,228Shanxi Operating Region1,6741,876Xinjiang Operating Region477504Total Employees by Job ResponsibilitiesProduction7,8708,733Sales1,1311,182Technician1,6671,801Finance584617Administration and Management1,4181,525Others2,0302,174College or Above5,5595,844	Total Employees by Gender		
Total Employees by RegionHeadquarters545558Eastern Shandong Operating Region3,7834,141Western Shandong Operating Region2,9543,322Southern Shandong Operating Region1,3561,403Northeast China Operating Region3,9114,228Shanxi Operating Region3,9114,228Shanxi Operating Region1,6741,876Xinjiang Operating Region477504Total Employees by Job Responsibilities7,8708,733Production7,8708,733Sales1,1311,182Technician1,6671,801Finance584617Administration and Management1,4181,525Others2,0302,174College or Above5,5595,844	Male	11,148	12,165
Headquarters545558Eastern Shandong Operating Region3,7834,141Western Shandong Operating Region2,9543,322Southern Shandong Operating Region1,3561,403Northeast China Operating Region3,9114,228Shanxi Operating Region1,6741,876Xinjiang Operating Region477504Production7,8708,733Sales1,1311,182Technician1,6671,801Finance584617Administration and Management1,4181,525Others2,0302,174College or Above5,5595,844	Female	3,552	3,867
Eastern Shandong Operating Region3,7834,141Western Shandong Operating Region2,9543,322Southern Shandong Operating Region1,3561,403Northeast China Operating Region3,9114,228Shanxi Operating Region1,6741,876Xinjiang Operating Region477504Total Employees by Job Responsibilities7,8708,733Sales1,1311,182Technician1,6671,801Finance584617Administration and Management1,4181,525Others2,0302,174College or Above5,5595,844	Total Employees by Region		
Western Shandong Operating Region2,9543,322Southern Shandong Operating Region1,3561,403Northeast China Operating Region3,9114,228Shanxi Operating Region1,6741,876Xinjiang Operating Region477504Total Employees by Job ResponsibilitiesProduction7,8708,733Sales1,1311,182Technician1,6671,801Finance584617Administration and Management1,4181,525Others2,0302,174Total Employees by Education Level5,5595,844	Headquarters	545	558
Southern Shandong Operating Region1,3561,403Northeast China Operating Region3,9114,228Shanxi Operating Region1,6741,876Xinjiang Operating Region477504Total Employees by Job Responsibilities7,8708,733Sales1,1311,182Technician1,6671,801Finance584617Administration and Management1,4181,525Others2,0302,174College or Above5,5595,844	Eastern Shandong Operating Region	3,783	4,141
Northeast China Operating Region3,9114,228Shanxi Operating Region1,6741,876Xinjiang Operating Region477504Total Employees by Job ResponsibilitiesProduction7,8708,733Sales1,1311,182Technician1,6671,801Finance584617Administration and Management1,4181,525Others2,0302,174College or Above5,5595,844	Western Shandong Operating Region	2,954	3,322
Shanxi Operating Region1,6741,876Xinjiang Operating Region477504Total Employees by Job Responsibilities7,8708,733Production7,8708,733Sales1,1311,182Technician1,6671,801Finance584617Administration and Management1,4181,525Others2,0302,174College or Above5,5595,844	Southern Shandong Operating Region	1,356	1,403
Xinjiang Operating Region477504Total Employees by Job Responsibilities504Production7,8708,733Sales1,1311,182Technician1,6671,801Finance584617Administration and Management1,4181,525Others2,0302,174Total Employees by Education Level5,5595,844	Northeast China Operating Region	3,911	4,228
Total Employees by Job ResponsibilitiesProduction7,8708,733Sales1,1311,182Technician1,6671,801Finance584617Administration and Management1,4181,525Others2,0302,174Total Employees by Education LevelCollege or Above5,5595,844	Shanxi Operating Region	1,674	1,876
Production 7,870 8,733 Sales 1,131 1,182 Technician 1,667 1,801 Finance 584 617 Administration and Management 1,418 1,525 Others 2,030 2,174 College or Above 5,559 5,844	Xinjiang Operating Region	477	504
Sales 1,131 1,182 Technician 1,667 1,801 Finance 584 617 Administration and Management 1,418 1,525 Others 2,030 2,174 Fotal Employees by Education Level 5,559 5,844	Total Employees by Job Responsibilities		
Technician1,6671,801Finance584617Administration and Management1,4181,525Others2,0302,174Total Employees by Education LevelCollege or Above5,5595,844	Production	7,870	8,733
Finance584617Administration and Management1,4181,525Others2,0302,174Total Employees by Education LevelCollege or Above5,5595,844	Sales	1,131	1,182
Administration and Management1,4181,525Others2,0302,174 Total Employees by Education Level 5,5595,844	Technician	1,667	1,801
Others2,0302,174Total Employees by Education Level5,5595,844	Finance	584	617
Total Employees by Education Level College or Above 5,559	Administration and Management	1,418	1,525
College or Above 5,559 5,844	Others	2,030	2,174
	Total Employees by Education Level		
Technical Concendence Cohord Control Cohord Control 11 to Cohord Control Contr	College or Above	5,559	5,844
recipical Secondary School, recipical School and Senior High School 5,355 5,977	Technical Secondary School, Technical School and Senior High School	5,355	5,977
Secondary School or Below 3,786 4,211	Secondary School or Below	3,786	4,211

¹⁷During the Reporting Period, all employees of the Group were full-time. There were no part-time employees.

¹⁸Starting from the Reporting Period, the Group has newly disclosed this indicator, which is defined as the percentage of women among the management staff of each of the Group's subsidiaries above the members of the leadership team.

Total Employees by Age
16-20 years old (Including 20 years old)
21-30 years old (Including 30 years old)
31-40 years old (Including 40 years old)
41-50 years old (Including 50 years old)
Over 50 years old
Others
Number of Disabled Employees
Percentage of Female in Management ¹⁸
Employee Turnover Rate by Gender
Male
Female
Employee Turnover Rate by Region
Headquarters
Headquarters Eastern Shandong Operating Region
Eastern Shandong Operating Region
Eastern Shandong Operating Region Western Shandong Operating Region
Eastern Shandong Operating Region Western Shandong Operating Region Southern Shandong Operating Region
Eastern Shandong Operating Region Western Shandong Operating Region Southern Shandong Operating Region Northeast China Operating Region
Eastern Shandong Operating Region Western Shandong Operating Region Southern Shandong Operating Region Northeast China Operating Region Shanxi Operating Region
Eastern Shandong Operating Region Western Shandong Operating Region Southern Shandong Operating Region Northeast China Operating Region Shanxi Operating Region Xinjiang Operating Region
Eastern Shandong Operating RegionWestern Shandong Operating RegionSouthern Shandong Operating RegionNortheast China Operating RegionShanxi Operating RegionXinjiang Operating RegionEmployee Turnover Rate by Age
Eastern Shandong Operating Region Western Shandong Operating Region Southern Shandong Operating Region Northeast China Operating Region Shanxi Operating Region Xinjiang Operating Region Employee Turnover Rate by Age
Eastern Shandong Operating Region Western Shandong Operating Region Southern Shandong Operating Region Northeast China Operating Region Shanxi Operating Region Xinjiang Operating Region Employee Turnover Rate by Age 16-20 years old (Including 20 years old)
Eastern Shandong Operating RegionWestern Shandong Operating RegionSouthern Shandong Operating RegionNortheast China Operating RegionShanxi Operating RegionXinjiang Operating RegionEmployee Turnover Rate by Age16-20 years old (Including 20 years old)21-30 years old (Including 30 years old)31-40 years old (Including 40 years old)

2024	2023
2	8
1,121	1,561
5,179	5,769
4,823	4,879
3,575	3,815
127	124
11.41%	-
9.84%	11.28%
9.29%	13.01%
4.04%	4.48%
9.73%	7.94%
12.39%	17.01%
3.98%	5.77%
9.38%	13.43%
13.08%	14.02%
6.50%	8.73%
100.00%	37.50%
22.75%	15.31%
7.20%	7.80%
6.45%	5.41%
13.59%	24.09%

6.3 Promoting Career Development

The Group adheres to the philosophy of "People-oriented, integration of engineering and learning" and is committed to enhancing the momentum of talent development and continuously deepening the talent-strengthening of the enterprise to promote the common development of employees and the enterprise. Talent and technology are the inevitable needs for the Group's industrial development and the extension of the entire industrial chain. Therefore, strengthening technical training is an effective way to enhance the labor performance of an enterprise, strengthen its competitiveness and achieve high-quality development. The Group attaches great importance to the training and cultivation of technical talents and organizes high-standard and high-quality technical training activities for its employees every year to facilitate the cultivation of talents and career development.

Attracting Talents by Focusing on Needs

Through various measures such as recruitment from institutions, internal recommendation and specialized introduction, the Group recruited 92 personnel, among them nearly 60% of the staff have tertiary education or above.

> CO Co the Group recruited 92 personnel mearly of the staff have tertiary education or above 60%

Building up a platform and ladder to "utilize talents", improve the evaluation system, and open up the development channels

Enterprises in the Shandong, Northeast and Shanxi Operating Regions further strengthened the construction of "reserve talent pools", dynamic management throughout the year, internal organization of expert training, exchanges and rotations, to strengthen the training of personnel, selecting the best to promote; externally recommended to participate in the advanced, experts and other assessments, a number of people have been assessed as technical experts or selected in the pool of experts, and continue to expand the development of talent channels.

Multiple Measures Simultaneously to "Nurture Talents"

Various types of specialized training have been carried out regularly with number of trainees over 90% of the staff; the company encourages the upgrading of job skills, with an increase of 1,280 certified personnel; through building cooperation platforms and establishing practical training bases, the Group's visibility and comprehensive strength have been enhanced, and talent cultivation paths have been broadened. The Shanxi Operating Region has launched all-round cooperation with local universities, established a deep cooperation mode of production, learning, research and application, set up a green building materials technology research and development center and a training base, and jointly created a technology innovation center in Shanxi Province. Linfen Shanshui and the university set up Linfen Shanshui green low-carbon building materials doctoral workstation, Shanshui Heju and the university to jointly apply for the 2024 key R&D projects in Shanxi province.

increase of

1,280

Caring for Talent to Stay

Practicing the talent development concept of "people-oriented, common growth", the Group continue to optimize the working environment, which further strengthens the sense of identity and belonging of employees.

Safety Production Month and Quality Month Training

By carrying out various forms of skill improvement training for employees, the comprehensive ability of employees was effectively improved. The forms of activities included special training, knowledge competition, skill competition, emergency drills, speech competitions, and publicity consulting, etc.

Daily Training

The operating regions and subsidiaries formulated training activities according to actual circumstances, and improved the business ability of employees through multiple channels and levels, to encourage employees to learn knowledge, improve skills and strengthen ability.

THE

Learning Knowledge, Improving Skills and Strengthening Quality, and Enhancing the Business Quality of Staff through Multiple Channels and Different Levels (Excerpt)



The Group Organized the 2024 Financial Professional Competency Enhancement Training Seminar



Western Shandong Operating Region Held the Spring Training for Marketing Team



Eastern Shandong Operating Region Held the Special Training on Cost Control and Efficiency Reduction



Shanxi Operation Region Launched the "Shanshui Cup" Cement Vocational Skills Competition of Shanxi Province Building Materials Industry



The Group Held a Special Training on the New Company Law



Shanxi Operating Region Launched the Senior Vocational Competency Training



Eastern Shandong Operating Region Held Training to Improve On-site First-aid Skills



Zaozhuang Chuangxin Held the First Independent Evaluation Examination for Skilled Personnel

During the Reporting Period, the training p below:



During the Reporting Period, the training performance of the Group is set out in the table

	2024	2023
	13,524	14,162
employ	eestrained	
	90.87%	87.53%
е	95.55%	90.87%
ion	97.99%	96.36%
5	73.21%	81.98%
ian	94.12%	76.90%
ce	98.80%	98.87%
ion and nent	95.35%	88.20%
S	73.20%	66.15%
-)	33.66	43.83
	34.45	43.74
е	31.30	44.11
ion	36.34	47.19
5	21.85	31.03
ian	38.33	45.43
ce	26.71	43.91
ion and nent	31.85	41.17
S	25.73	33.75



7.1 Guaranteeing Product Quality

The Group adheres to the business tenet of "Customer first, quality first" and the general requirement of "Optimizing service systems, improving service procedures, standardizing service contents and improving service quality", and strives to provide customers with products and services with the highest quality. The Group strictly complies with relevant laws and regulations relating to health and safety, advertising, labelling and privacy matters relating to the products and services provided and methods of redress, including but not limited to the *Standardization Law of the PRC*, the *Metrology Law of the PRC*, the *Regulation of the PRC on the Administration of Production License for Industrial Products*, the *Product Quality Law of the PRC* and the *Rules for Implementation of Manufacturing License for Cement Products*.

The Group attaches great importance to product quality and has formulated product internal control and quality inspection standards that are stricter than the national standards, including but not limited to the *Quality Management Regulations*, the *Quality Management System*, the *Internal Control Standards for Cement Product Quality* and *Regulations on the Administration of Random Inspection and Inspection of Bulk Raw Fuel Materials and Products Quality (Trial)*. At the same time, the Group ensures production efficiency and product quality by purchasing manufacturing equipment with excellent performance, providing employees with systematic professional training, and establishing strict quality management standards.

The Group's quality inspection is divided into the inspection of raw materials and fuels when entering the plant, process inspection, ex-factory cement inspection, inspection and self-calibration of monitoring and measurement equipment, self-calibration, verification of personnel capabilities, external comparison, etc. After entering the plant, raw materials and fuels will be inspected in every vehicle in accordance with technical requirements, and the unqualified materials will be rejected. The raw materials will be stored in different areas and used together. Process inspection and ex-factory cement inspection shall be implemented according to the *List of Process Quality Control Items in Quality Control Room*. Cement can only be delivered after 1 day of qualified strength confirmation, and the inspection data for 3 days and 28 days will be filled subsequently. The Group also clearly indicates product information on product packaging in accordance with national standards, including but not limited to implementation standards, cement

In order to standardize the recall procedures for unqualified products and prevent and minimize the damage that may be caused by unqualified products, the Group has formulated a product recall system:

If the products are found to be unqualified after sampling inspection, or the customers complain about the product quality, when the customer complaint is analyzed and confirmed as reasonable and the product indeed has quality issues, the recall procedure will be initiated; The Group will track the regional markets, terminal building material points and customers based on records where products should be recalled. Also, the Group will arrange corresponding warehousing and transportation to ensure timely and efficient emergency recall immediately and actively take relevant response or remedial measures. The recalled products will be identified on-site and stored separately by type; varieties, strength levels, producer names and production license marks. The name and strength grade of cement are printed with different colors on both sides of the package of cement according to the type of cement.

Furthermore, the Group also strictly regulates the product recall process and has formulated and implemented internal policies such as the *Control Procedures for Unqualified Products, the Control Procedures for Non-compliance, Correction and Prevention Measures,* and the *Control Procedures for Incident Investigation and Handling.* During the Reporting Period, no product sold or delivered was subject to recalls by the Group for safety and health reasons.

In accordance with the requirements of the *Self-Statement Disclosure and Supervision System of Corporate Standard*, the Group's subsidiaries have made public announcements on the "Public Information Service Platform for Corporate Standard" to accept the supervision from the society. During the Reporting Period, the Group had no major quality accidents.

In addition, during the Reporting Period, the Group conducted two quality sampling inspections covering all production enterprises. Among them, 338 samples of raw fuel materials, 143 samples of cement, 71 samples of clinker and 34 sets of commercial concrete test blocks were sampled and inspected. From the sampling inspections, the expected results were achieved, the overall quality of the Group's products were under control and the quality of the products delivered from the plants all met the standards.



Through the quality assessment of the recalled products, the Group will make specific disposal decisions and analyze the causes, so as to take targeted corrective measures to prevent similar problems from happening again;

The Group will also follow up on related work on the adverse effects in the market due to unqualified products.

7.2 Maintaining Quality Services

Customers are the foundation for the survival and development of an enterprise. While continuously improving product quality, the Group continues to improve the after-sales service system, strengthens the service of Shanshui Cement group for customers, and follows up customer service and sales simultaneously, covering all regions. The Group strictly complies with the Constitution of the PRC, the Contract Law of the PRC, the Law of the PRC on the Protection of Consumer Rights and Interests, the Tort Law of the PRC, the Trademark Law of the PRC, the Patent Law of the PRC, the Advertising Law of the PRC, the Anti-Unfair Competition Law of the PRC and other laws and regulations.

Addressing Customers' Complaint

The production subsidiaries of the Group cover ten provinces (regions) including Shandong, Liaoning, Shanxi and Xinjiang, and also municipalities. Each production subsidiary has set up a sales department and customer service department to provide professional sales services according to the types of end customers.

In addition, the Group has established a customer service organization and set up a customer service line, including pre-sales consultation, in-sales reception and post-sales return visit whole process services. Customer service personnel actively acquire customers' opinions on product quality, performance, packaging and other aspects through telephone inquiries, questionnaire surveys, on-site visits and symposiums. The Group has established customer files to continuously improve and track the quality of products and services.

In order to standardize the after-sales service, the Group has formulated the Customer Service Management Regulations to standardize the customer complaint handling process and further improve the efficiency of customer complaint handling. After receiving customer complaints, each subsidiary of the Group handles the complaints in strict accordance with the requirements of the quality complaint management process, details of which are as follows:

- ◆ Determine the content of customer complaints and feedback. If it reflects the sales service problem of the salesman and the customer proposes that the sales service personnel violate their work duties, and the sales manager of each subsidiary will organize personnel to verify. If it meets the facts, it will be dealt with seriously in accordance with the relevant management system. If the situation is inconsistent with the facts, the sales service personnel will be ordered to properly explain to the customer; and
- ▶ If the customer gives feedback on the quality of the product, the salesman responsible for the customer will first call on the site to deal with the problem as soon as possible, and determine the customer's complaint, the type of cement used, the ex-factory time, the ex-factory number, the transportation vehicle and other information, and fill in the Quality Complaint Handling Feedback Form in detail to provide relevant explanations to the customer. If customers disagree with the handling opinions, they will report the complaint to the company's sales department in a timely manner, and the sales department will contact the relevant personnel of the laboratory to conduct on-site handling and on-site sampling.

During the Reporting Period, the Group received a total of 2 complaints, both of which were related to the denial of entry of high-emission vehicles into the factory. After communication with the customers, all the complaints received have been answered and properly resolved.

Protecting Customer Privacy

The Group always commits to protecting the privacy of both itself and its customers, and is keenly aware of the importance of customer information to business operations. Therefore, all subsidiaries of the Group have formulated a customer privacy protection policy and have adopted the following series of measures to ensure the security and confidentiality of customer information, and are fully committed to safeguarding the privacy of its customers.

Establishing customer files:

customer information in a timely manner.

Appointing a special person to manage and be accountable:

- designated personnel;

Authorizing

- customer privacy.



65

Each subsidiary of the Group has established a management ledger of Customer Archives Information, which communicates with customers in a timely manner and conducts on-site visits every month to obtain the latest and most complete

 Sorting out the flow of customer information and its corresponding business processes, establishing corresponding control measures, and clarifying the responsible person for data protection in each link. In case of information leakage, it can be quickly and accurately tracked and held accountable by

 Signing corporate confidentiality undertakings and sales management personnel confidentiality responsibility letters with relevant personnel to keep corporate information and customer information confidential;

The corporate customer service department is responsible for special management and accountability. The corporate sales department is responsible for supervision. They clearly sign the content of the confidentiality agreement. In case of information leakage, it will be dealt with seriously. The information leakage is included in the assessment of the person in charge of corporate sales.

 Classifying customer information according to the amount of customer funds, and grant authorization at different levels. The principle of authorization limits the scope of personnel who have access to high-value customer information based on the principle of "What is necessary to know";

The Group's ERP system software sets different authorities according to different responsibilities. An account application process has been established, with one person and one real-name authentication. In terms of cement contract appointments, the users select a special reservation agent to truly protect

Regulating Advertising

The Group maintains and uses trademarks and conducts advertising activities in strict accordance with relevant laws and regulations. Regarding advertising, the Group's operating regions have issued relevant systems in a unified manner, including the approval and implementation of advertising plans, etc., to standardize advertising management. The marketing centers of the operating regions review and approve the advertising plans in conjunction with the Group's overall brand operation principles and regional characteristics, and the sales departments of the subsidiaries (branches) assign specialists to be responsible for the implementation of the plans. This ensures that the Group's advertising campaigns are in line with the brand image and can effectively meet the requirements of the regional market characteristics.

Protecting Intellectual Property

The Group is fully aware that the protection and safeguarding of property rights not only demonstrates the responsibility and commitment of the enterprise to its customers and promotes economy and investment, but also serves as an important part of promoting the healthy development of the industry, which helps to further enhance the brand perception of the stakeholders. In accordance with the requirements of the *Guidelines for the Administration of Intellectual Property Rights of Industrial Enterprises*, the Group has established and improved the intellectual property management system and implemented the intellectual property strategy. The Group has established an intellectual property management organization that is responsible for intellectual property rights of enterprises are implemented.

The Group's intellectual property rights, including company trademarks, are managed by the legal department of the Group. Meanwhile, the legal department is also responsible for filing with government authorities to ensure the proper use of intellectual property rights. All enterprises are required to follow the Group's uniform requirements and obtain authorization for the use of intellectual property rights. In order to enhance employees' understanding of intellectual property rights and legal awareness, the Group's subsidiaries have organized courses on intellectual property rights and related laws in light of the actual situation. By providing employees with specialized training on intellectual property rights from time to time, employees are helped to gain an in-depth understanding of intellectual property laws and build up their awareness of property rights.

In order to safeguard and protect intellectual property rights, maintain the Group's brand image and protect consumers' rights and interests, each operating region conducts a comprehensive monthly visit to cement customers in the region and conducts research and sample testing on products in the market to ensure that no "Counterfeit" products enter the market. The Group strengthens the identification, the control of fraud prevention and control measures of all products within the Group. Product delivery notes are marked with the "Shanshui Dongyue" label. Lead seal management is used for cement transportation bulk tank trucks to ensure the consistency of product delivery and receipt.

In addition, all subsidiaries of the Group actively carry out anti-counterfeiting activities, actively report to the local government authorities in a timely manner about the counterfeit cement products in the market, and cooperate with them to vigorously investigate and crack down on counterfeit cement products. All subsidiaries also strengthen the monitoring of incidents of infringement of the Group's intellectual property rights, handle litigation matters, and safeguard the basic rights and interests of the Group. Meanwhile, the Group has formulated systems and policies to strictly protect the intellectual property rights of others to avoid economic and reputational losses caused by the infringement of the intellectual property rights of others. During the Reporting Period, counterfeit and fake "Shanshui Dongyue" cement was effectively contained, and the sales environment was further optimized to further enhance consumer confidence and satisfaction. During the Reporting Period, the Group did not find any imitation or counterfeit "Shanshui Dongyue" cement in the market, and the sales environment of the Group was further optimized.

Case Highlight Practices

Establish an intellectual property management organization to take charge of intellectual property management, formulate intellectual property strategies, and supervise the implementation of the system to ensure that the enterprise's intellectual property work is put into practice;

Enhance staff training in intellectual property rights, provide courses on intellectual property rights and related laws within the company to train the staff by combining the actual situation of each company, so that they can familiarize themselves with and understand the *Patent Law* of the People's Republic of China, the Trademark Law of the People's Republic of China and other intellectual property rights laws as soon as possible, so that they can build up their awareness of intellectual property rights, and know how to use the intellectual property rights system to protect the legitimate rights and interests of the company. The company will actively protect its own intellectual property rights and interests;

Actively protect the intellectual property rights and reasonably utilize litigation. To carry out trademark protection, "Shanshui Dongyue" cement trademark, as the only trademark brand of the Group, establishes a trademark protection mechanism, and actively cooperates with the relevant departments in the fight against counterfeiting in the event of infringement of trademark rights and the occurrence of counterfeiting.

Eastern Shandong Operating Region Intellectual Property Protection

7.3 Innovation in Product and Service

The Group adheres to the spirit of pragmatism and innovation and is committed to promoting continuous product innovation. Meanwhile, the Group also adheres to the concept of customer first and always puts customers' needs and satisfaction in first place, continuously strengthens the sense of service and endeavors to enhance the customer experience, and strives to provide customers with better quality products and services.

Product Innovation

The Group regularly carries out various forms of quality month activities such as special training, skill competitions, tackling problems in technologies, customer seminars and market research, to improve the quality awareness of all employees, steadily improve product quality, and enhance market competitiveness. The staff of the Group actively participated in the national cement chemical analysis competition and demonstrated our excellent testing ability to achieve good results.

During the Reporting Period, the Group continued to develop low-carbon products and certified its products as low-carbon and green building materials products to increase the low-carbon and environmental attributes of the products and their competitiveness in the market. During the Reporting Period, Anqiu Shanshui and Shuozhou Shanshui certified low-carbon products.

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During the Reporting Period, the Group actively organized its employees to participate in skills competitions with the aim of comprehensively testing and enhancing their business capabilities and encouraging them to achieve outstanding results. Below is an excerpt of some of the winning cases:



Zibo Shanshui Cement Co., Ltd. was Honored the "Grand Prize" in the 2024 19th "Tianbao Huarui Cup" National Inspection Competition of Cement Quality Indicators



Linqu Shanshui Cement Co., Ltd. was Honored the "Grand Prize" in the 2024 19th "Tianbao Huarui Cup" National Inspection Competition of Cement Quality Indicators

CTC 国家水泥质量检验检测中心 国桧集团 烟台兴吴山水水泥有限公司: 荣获2024年"天宝华瑞杯"全国第十九次水泥化 学分析大对比 中国国检测法控股集团股份有限公司 Yantai Xinghao Shanshui Cement Co., Ltd. was Honored the "Grand Prize" in the 2024 19th "Tianbao Huarui Cup" National Inspection Competition of Cement Quality Indicators **CTC** 国家水泥质量检验检测中心 国检集团 朝阳山水东鑫水泥有限公司: 荣获2024年"天宝华瑞杯"全国第十九次水泥化 学分析大对比

Chaoyang Shanshui Dongxin Cement Co., Ltd. was Honored the "Grand Prize" in the 2024 19th "Tianbao Huarui Cup" National Inspection Competition of Cement Quality Indicators

Dedicated Service

During the Reporting Period, with market competition intensified, the Group's enterprises have firmly established the service concept of "Customer first, reputation first", continuously strengthened service awareness, improved the value-add of products, and enhanced product competitiveness.

During the Reporting Period, the Group continued to strengthen the professional knowledge learning of customer service employees and relevant employees in cement, clinker and concrete to improve their professional quality and improve the business level of customer service. Each corporate customer service department strengthens the pre-sales service work, conducts monthly on-site visits to users, properly connects the corporate production department with customers, coordinates and communicates with the production department in a timely manner on customers' opinions and suggestions to continuously improve product quality, and strengthens service awareness to improve customer satisfaction. At the same time, the Group has increased its investment in brand building by customizing the company's product brochures to promote bagged cement in the rural market, etc. By distributing quarterly satisfaction survey forms to customers and users and conducting anonymous questionnaire surveys on the service situation, the Group aims to understand the needs of various parties and to further improve the quality of service; and strengthening the promotion of the corporate brand image and the enhancement of the corporate culture by paying regular visits to the customers.

Case

Qingdao Chuangxin Focuses on Key Projects, Casting Strong Brand Service Chain

During the Reporting Period, Qingdao Chuangxin focused on the progress of key projects, aimed at quality and price, adopted measures to enhance customers' brand recognition, customer service and quality control, and organized customer visits and seminars for new construction projects, so as to strengthen customers' recognition of the Group's brand, quality and service. This not only facilitated the maintenance of project cement prices and the realization of 100% participation in the supply of key projects in the region, but also created better market and operational benefits for the Company.



7.4 Supply Chain Management Optimization

The Group takes achieving continuous win-win development with partners as the objective of supply chain management and. The Group always upholds the basic principles of "openness, fairness and impartiality", standardizes supply chain management and controls the environmental and social risks in the supply chain with reference to the Group's six basic regulations, namely the *Management Measures for Monitoring and Control of Procurement and Supply of Shanshui Group*, the *Coal Procurement and Supply Management Measures of Shanshui Group*, the *Management Measures for Centralized Procurement of Materials of Shanshui Group*, the *Waste and Old Materials Disposal Management Measures of Shanshui Group*, the *Supplier Management Measures of Shanshui Group (Edited)*, and the *Management Measures of Material Trial (Trial)*. The Group has established a material supplier management and control system with a three-level structure, consisting of the headquarters, operating regions and subsidiaries. The Group strives to implement centralized procurement and to supply general, shared, large quantity and resource-based materials, and has established a centralized procurement platform.

During the Reporting Period, the Group had a total of 4,061 suppliers, all of which were managed in accordance with the Group's procurement and supply management measures. It mainly consists of the following five categories of suppliers: raw fuel materials; equipment, spare parts and consumable materials; engineering and outsourcing; transportation; and labor.

During the Reporting Period, the breakdown of suppliers by geographical region is set out in the table below.

Region	Number
Eastern China	2,204
Northern China	854
Northeast China	588
Southwest China	51
Northwest China	155
Central China	180
Southern China	29
Total	4,061
	72

Promoting Responsible Supply Chain

The Group is committed to building a safe and green sustainable supply chain. The Group identifies and manages potential environmental and social risks throughout the supply chain management process. The Group sets strict supplier access standards, implements supplier classification management, and incorporates supplier assessment, review and elimination into the whole process of supply chain management. During the Reporting period, suppliers were assessed against various assessment criteria and 6 suppliers were graded D and blacklisted.



Supplier Access

- When selecting suppliers, the Group fully considers the following factors: supplier's business qualifications, business performance, supply capacity, product quality, product price and social reputation. Under the same conditions, the Group gives priority to enterprises with brand advantages, quality advantages and social responsibility.
- 🔹 During the Reporting Period, the Group continued to improve the supplier management system, and transferred the supplier access gualification review to online review. The Group could quickly and accurately obtain the true information of suppliers in terms of reputation, environmental protection and safety penalties by searching from TianYanCha. The Group could also conduct background investigation and preliminary screening of suppliers in terms of environmental and social risks. The process applies to all suppliers.
- The Group strictly reviews the qualification of suppliers and resolutely keeps the red line and bottom line. For example, for suppliers that handle chemicals, the Group will strictly review whether they are qualified when handling waste oil, and clearly stipulate the disposal requirements in the contract. For the construction unit entering the site, it is required to sign a safety agreement and specify the safety requirements in the bidding to reduce the possible social risks.
- ◆ In addition, the Group has formulated the Management Measures of Material Trial (Trial) to provide channels for enterprises with technical potential to help promote new technology products, achieve a win-win situation and fulfill social responsibilities.



Supplier Classification Management

The Group classifies and ranks suppliers and gradually reviews the overall status of the supply chain. Suppliers are assessed in five categories according to the assessment criteria of each type of subject, namely raw materials and fuels, equipment, spare parts and consumable materials, engineering and outsourcing construction, transportation and labor service suppliers. The assessment criteria are set according to the characteristics of the classification of suppliers.

+



- adopts various forms of assessment of suppliers.

Suppliers' Classification Grades Adjustment

blacklisting suppliers.

Green Procurement

desulfurized gypsum, to achieve a circular economy at the social level.

Promoting Transparent Procurement

The Group has long been committed to transparent procurement and has set up an online procurement platform, through which suppliers can participate in tendering and bidding fairly through self-registration. The Group clearly stipulates in the Management Measures for Procurement and Supply that suppliers on the specialized online procurement platform who meet the bidding requirements can participate in the bidding. Qualified bidders shall not be restricted or excluded from participating in the bidding, or be illegally interfered with the bidding activities in any way. Employees participating in the bidding must strictly abide by the business code and professional ethics. During the bidding process, all units and personnel participating in the bidding shall comply with relevant national laws, regulations and the Group's relevant regulations and adhere to the principles, be honest and self-disciplined, and maintain confidentiality. Meanwhile, suppliers are also required to sign a self-regulation letter. The Group adheres to openness and transparency in the procurement process and provides contact information for supervision and reporting to accept supervision from the society.

In order to ensure that suppliers can always meet the entry standards and continuously optimize the structure of the supplier database, the Group adopts a mechanism of quantitative assessment and the superior selection and the inferior elimination. The Group

The Group continuously assesses the risks of the suppliers through inquiry of information on environmental and social aspects from TianYanCha in time. For key suppliers with cooperation intentions and significant suppliers, the Group will deepen its assessment through on-site investigation, visits and communications to avoid environmental and social risks.

 igstarrow In addition, all suppliers are subject to quantitative assessment through the supplier management system. Based on the system's real-time recording function, the Group can evaluate suppliers in a timely manner in the event of major safety and environmental accidents. Each subsidiary of the Group conducts a unified assessment of suppliers at the end of the year to ensure that suppliers can provide better service to the Group.

Based on the assessment results, the Group adjusts the grading of suppliers, adjusts the grading for excellent performance, and considers increasing the share of cooperation with suppliers. On the other hand, the Group will reverse the requirements for improvement of unqualified suppliers or consider canceling their business cooperation qualifications and

The Group takes environmental protection as the core concept. On one hand, it continues to purchase energy-saving and consumption-reducing products, strictly requires environmental pollution, and does not prioritize price over environmental protection. Most of the products are purchased in the vicinity, continuing to achieve energy conservation and environmental protection at the logistics level. On the other hand, based on the characteristics of the cement industry, it actively consumes solid waste materials from other industries, such as fly ash and



8.1 Participating in Community Welfare

The Group is committed to corporate social responsibility and corporate citizenship. In accordance with the *Welfare Donations Law of the PRC*, the *Company Law of the PRC* and other relevant laws and regulations, the Group has formulated the *Management Measures for External Donation and Sponsorship of Shanshui Group (Provisional)* to further standardize the Group's external donation process, donation scale, donation scope, etc., and strengthen management of donations and sponsorship matters, so as to comprehensively and effectively promote and advocate the Group's brand and corporate image.

The Group implements unified management on the external donation and sponsorship of subsidiaries. The scope of external donations and sponsorships of the Group includes donations and sponsorships to disasterstricken areas, designated poverty alleviation areas, designated assistance areas, disadvantaged social groups, and social welfare undertakings such as science, education, culture, health, environmental protection, energy conservation and emission reduction. During the Reporting Period, the Group participated in various charitable and other donation activities, with a total amount of charitable and other donations amounting to RMB 5.42 million and carried out community charity activities to show love to people in need in society. During the Reporting period, the Group organized more than 200 volunteer services for more than 1,500 hours.



On February 2, 2024,

Binzhou Shanshui Visited and Consoled the Sanitation Workers in Binzhou Industrial Park



On March 5, 2024

Shache Shanshui Launched the Activity of Learning from Lei Feng, Organizing 14 Workers to Clean up the Local Elder's Home, Cut the Hair of the Elder and Send White Noodles and Other Consolation Goods to Them



On May 31, 2024

Yantai Shanshui Participated in the Second Yantai City Cycling Race for Orphaned Children and Donated Funds in Kind



On August 5, 2024

Zhaqi Shanshui Mobilized 1 Excavator, 1 Forklift, and 3 Loaders to Repair 30 Kilometers of Road for Yilite Gacha and Wuda County





On March 9, 2024

the Volunteers of the Group Accompanied the Children in "Hope Hut" to Visit Jinan Zoo.



China Shanshui Cement Group Limited



On June 5, 2024

Linqu Shanshui Donated 150 Cases of Mineral Water to the Environmental Protection Bureau of Linqu County during the World Environment Day Activities



On August 22, 2024

Pingyin Shanshui Organized the Golden Autumn Scholarship Activity and Distributed Scholarships and Suitcases of RMB 92,000 in Total





On September 6, 2024

Dalian Shanshui Donated Cement to the Fuzhou Bay Government for the Construction Project of Qingfeng Plaza in Fuzhou Bay.

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Mandatory Disclosure Requirements	Description	Relevant Chapter (s) in the Report or Other Explanation	
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	4 and 5	
Reporting Principles	A description of, or an explanation on, the application of the reporting principles in the preparation of the ESG report.	1	
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	1	
General Disclosure and KPIs	Description	Relevant Chapter(s) in the Report or Other	
Environmental			
	Aspect A1: Emission		
General Disclosure	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water	5.1	
	and land, and generation of hazardous and non-hazardous waste.		
KPI A1.1		5.1 and 5.2	
KPLA1.1 KPLA1.2	and land, and generation of hazardous and non-hazardous waste.		
	and land, and generation of hazardous and non-hazardous waste. The types of emissions and respective emissions data. Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume,	5.1 and 5.2	
KPIA1.2	 and land, and generation of hazardous and non-hazardous waste. The types of emissions and respective emissions data. Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). Total hazardous waste produced (in tonnes) and, where appropriate, 	5.1 and 5.2 5.2	
KPI A1.2 KPI A1.3	 and land, and generation of hazardous and non-hazardous waste. The types of emissions and respective emissions data. Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 	5.1 and 5.2 5.2 N/A ¹⁹	

Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	5.3
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	5.3
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	5.3
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	5.3
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	5.3
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	5.3
	Aspect A3: The Environment and Natural Resources	
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	5.4
KPIA3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	5.4
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	5.5
KPIA4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	5.5
General Disclosure and KPIs	Description	Relevant Chapter (s) in the Report or Other Explanation
	Social	
	Aspect B1: Employment	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti- discrimination, and other benefits and welfare.	6.2
KPI B1.1	Total workforce by gender, employment type (for example, full- or parttime), age group and geographical region.	6.2
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	6.2

¹⁹The hazardous waste generated in the production process of the Group is mainly waste engine oil, which is recycled, so this indicator is not applicable.

²⁰The non-hazardous waste generated in the production process of the Group is recycled, so this indicator is not applicable.

China Shanshui Cement Group Limited

	Aspect B2: Health and Safety	
General Disclosure	nformation on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	6.1
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	6.1
KPI B2.2	Lost days due to work injury.	6.1
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	6.1
	Aspect B3: Development and Training	
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	6.3
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	6.3
KPI B3.2	The average training hours completed per employee by gender and employee category.	6.3
	Aspect B4: Labour Standards	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	6.2
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	6.2
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	6.2
	Aspect B5: Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain.	7.4
KPI B5.1	Number of suppliers by geographical region.	7.4
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	7.4
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	7.4
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	7.4

Aspect B6: Product Responsibility			
General Disclosure	 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 	7.1 and 7.2	
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	7.1	
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	7.2	
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	7.2	
KPI B6.4	Description of quality assurance process and recall procedures.	7.1	
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	7.2	
Aspect B7: Anti-corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	4.5	
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	4.5	
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	4.5	
KPI B7.3	Description of anti-corruption training provided to directors and staff.	4.5	
Aspect B8:Community			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	8.1	
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	8.1	
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	8.1	

China Shanshui Cement Group Limited

4 10 Definitions

In the Report, unless otherwise stated, the following words and expressions have the following meanings:

Eastern Shandong Operating Region	For	Business located at the Eastern Shandong Province, including Weifang, Qingdao, Yantai, Weihai, etc.
Western Shandong Operating Region	For	Business located at the Central and Western Shandong Province, including Zibo, Jinan and Hebei Province and Tianjin, etc.
Southern Shandong Operating Region	For	Business located at the Southern Shandong Province, including Zaozhuang, Jining, Heze and Henan Province, etc.
Northeast China Operating Region	For	Business located at Liaoning Province, the Eastern Inner Mongolia, Jilin Province etc.
Shanxi Operating Region	For	Business located at Shanxi Province, Shaanxi Province etc.
Xinjiang Operating Region	For	Business located at Kashi, Xinjiang
Linqu Shanshui	For	Linqu Shanshui Cement Co., Ltd., belonging to Eastern Shandong Operating Region
Anqiu Shanshui	For	Anqiu Shanshui Cement Co., Ltd., belonging to Western Shandong Operating Region
Liaocheng Shanshui	For	Liaocheng Shanshui Cement Co., Ltd., belonging to Western Shandong Operating Region
Zibo Shanshui	For	Zibo Shanshui Cement Co., Ltd., belonging to Western Shandong Operating Region
Pingyin Shanshui	For	Pingyin Shanshui Cement Co., Ltd., belonging to Western Shandong Operating Region
Zaozhuang Chuangxin	For	Zaozhuang Chuangxin Shanshui Cement Co., Ltd., belonging to Southern Shandong Operating Region
Bohai Cement	For	Bohai Cement (Huludao) Co., Ltd., belonging to Northeast China Operating Region
Zhaqi Shanshui	For	Jalaid Qi Shanshui Cement Co., Ltd., belonging to Northeast China Operating Region
Dalian Shanshui	For	Dalian Shanshui Cement Co., Ltd., belonging to Northeast China Operating Region
Shenyang Shanshui	For	Shenyang Shanshui Gongyuan Cement Co., Ltd., belonging to Northeast China Operating Region
Shanshui Heju	For	Jincheng Shanshui Heju Cement Co., Ltd., belonging to Shanxi Operating Region
Jincheng Shanshui	For	Jincheng Shanshui Cement Co., Ltd., belonging to Shanxi Operating Region
Wuxiang Shanshui	For	Wuxiang Shanshui Cement Co., Ltd., belonging to Shanxi Operating Region
Shuozhou Shanshui	For	Shuozhou Shanshui New Era Cement Co., Ltd., belonging to Shanxi Operating Region
Yingjisha Shanshui	For	Yingjisha Shanshui Cement Co., Ltd., belonging to Xinjiang Operating Region
Lvliang Shanshui	For	Lvliang Shanshui Cement Co., Ltd., belonging to Shanxi Operating Region
Weishan Shanshui	For	Weishan Shanshui Cement Co., Ltd., belonging to Southern Shandong Operating Region
Taiyuan Shanshui	For	Taiyuan Shanshui Cement Co., Ltd., belonging to Shanxi Operating Region
Yishui Shanshui	For	Yishui Shanshui Cement Co., Ltd., belonging to Eastern Shandong Operating Region
Kazuo Company	For	Kalaqin Left Congyuanhao Cements Co.,Ltd. belonging to Northeast China Operating Region
Liaoning Gongyuan	For	Liaoning Shanshui Gongyuan Cement Co., Ltd., belonging to Northeast China Operating Region
Kangda Cement	For	Kangda (Shandong) Cement Co., Ltd., belonging to Eastern Shandong Operating Region

Liaoyang Qianshan	For	Liaoyang Qianshan Cement Co., Lto
Linfen Shanshui	For	Linfen Shanshui Cement Co., Ltd., I
Rizhao Shanshui	For	Shandong Shanshui Cement Group Operating Region
Shule Shanshui	For	Shule Shanshui Cement Co., Ltd., b
Binzhou Shanshui	For	Binzhou Shanshui Cement Co., Ltd
Leling Shanshui	For	Leling Shanshui Cement Co., Ltd., b
Zibo Shuangfeng	For	Shenyang Shuangfeng Cement Co.
Yantai Shanshui	For	Yantai Shanshui Cement Co., Ltd., b
Panjin Shanshui	For	Panjin Shanshui Cement Co., Ltd., I
Shanshui Heavy Industries	For	Shandong Shanshui Heavy Industr
Gucheng Shanshui	For	Gucheng Shanshui Cement Co., Ltd
Wulanhaote Shanshui	For	Wulanhaote Shanshui Cement Co.,
Chaoyang Shanshui	For	Chaoyang Shanshui Dongxin Ceme
Aqi Shanshui	For	Alu Kerqin Qi Shanshui Cement Co.
Chifeng Yuanhang	For	Chifeng Shanshui Yuanhang Cemer Region
Hequ Zhongtianlong	For	Hequ Zhongtianlong Cement Co., L
Baishan Shanshui	For	Baishan Shanshui Cement Co., Ltd.
Changle Shanshui	For	Changle Shanshui Cement Co., Ltd.
Weifang Shanshui	For	Weifang Shanshui Cement Co., Ltd.
Weihai Shanshui	For	Weihai Shanshui Cement Co., Ltd.,
Kenli Shanshui	For	Kenli Shanshui Cement Co., Led., b
Xinghao Cement	For	Yantai Xinghao Shanshui Cement C
Weifang Ningshi	For	Weifang Ningshi Building Material
Qingdao Chuangxin	For	Qingdao Shanshui Chuangxin Cem
Shache Shanshui	For	Shache Shanshui Cement Co., Ltd.,
Clinker	For	A semi-finished product in the cem
Commercial concrete	For	Commercial concrete, also named
PRC or China	For	The People's Republic of China
Hong Kong	For	Hong Kong Special Administrative
"14th Five-Year Plan"	For	"14th Five-Year Plan" with the full r Economic and Social Development
"15th Five-Year Plan"	For	"15th Five-Year Plan" with the full r Economic and Social Development

- td., belonging to Northeast China Operating Region
- , belonging to Shanxi Operating Region
- up Co., LTD. Rizhao Branch, belonging to Eastern Shandong
- belonging to Xinjiang Operating Region
- d., belonging to Western Shandong Operating Region
- , belonging to Western Shandong Operating Region
- o., Ltd., belonging to Western Shandong Operating Region
- , belonging to Eastern Shandong Operating Region
- , belonging to Northeast China Operating Region
- tries Co., Ltd.
- td., belonging to Western Shandong Operating Region
- ., Ltd., belonging to Northeast China Operating Region
- nent Co., Ltd., belonging to Northeast China Operating Region
- o., Ltd., belonging to Northeast China Operating Region
- ent Company Limited, belonging to Northeast China Operating
- , Ltd, belonging to Shanxi Operating Region
- d., belonging to Northeast China Operating Region
- d., belonging to Eastern Shandong Operating Region
- d., belonging to Eastern Shandong Operating Region
- ., belonging to Eastern Shandong Operating Region
- belonging to Western Shandong Operating Region
- Co., Ltd., belonging to Eastern Shandong Operating Region
- l Co., Ltd., belonging to Eastern Shandong Operating Region
- ment Co., Ltd., belonging to Eastern Shandong Operating Region
- I., belonging to Xinjiang Operating Region
- ment production process
- d as ready mixed concrete

e Region of the PRC

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