



青岛港国际股份有限公司
QINGDAO PORT INTERNATIONAL CO.,LTD.

(A joint stock company established in the People's Republic of China with limited liability)

Stock Code: 06198.HK 601298.SH

2023

Sustainability Report



ABOUT THE REPORT

Reporting Introduction

Qingdao Port International Co., Ltd. (“**Qingdao Port**”, “the “**Company**” or “**We**”) has issued annual Sustainability Report since the year 2017, which mainly outlines the concepts, practices and performance of sustainable development of the Company in environment, society and governance.

Reporting Period

From 1 January 2023 to 31 December 2023, certain statements and data have exceeded the above period.

Reporting Coverage

This report covers the Company, its branches, holding subsidiaries, certain joint ventures and associates.

Reporting Publication Cycle

This report is published annually, once a year.

Reporting Data Explanation

The data disclosed in this report comes from internal statistics of the Company or manual sorting. Unless otherwise stated, the amount of money involved in this report is denominated in RMB.

Reporting Reference Standard

This report refers to the *No.1 Self-discipline Supervision Guideline on Standardization Operation for Listed Companies* of the Shanghai Stock Exchange, *the Environmental, Social and Governance Reporting Guide* of The Stock Exchange of Hong Kong Limited (“**HKEx**”) and *Sustainability Reporting Standards* of the Global Reporting Initiative (GRI), with the base of industry background, highlighting the characteristics of the enterprise.

Reporting Language

The Report was published in simplified Chinese, traditional Chinese and English. In case of ambiguity, the Chinese version will prevail.

Access to the Report

This report is available in electronic form and you can download this report at the website of the Shanghai Stock Exchange (www.sse.com.cn), the website of the HKEx (www.hkexnews.hk) or the website of the Company (www.qingdao-port.com).

Related Instructions

Unless otherwise stated, the words and terms in this report are the same as those defined in the annual report of the Company on A shares and H shares. The interpretation right of this report is owned by the general office of board of directors of the Company.



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Chairman's Statement

In 2023, facing challenging international conditions and complex market environment, the Company achieved a comprehensive improvement in areas including production and operation, intelligent and green development, and corporate governance by focusing on “attacking difficulties and improving, leading in innovation and striving for the first-class”, delivering high-quality results to the stakeholders.

The Company focused on developing principal business to achieve an improvement in earnings despite the headwinds. Leveraging the business synergy advantage of Shandong Port, the Group prioritized value creation, worked hard to improve profit and efficiency, and achieved a steady improvement in operational performance. In 2023, the Group completed a cargo throughput of 664 million tons, representing a year-on-year increase of 5.8%. Among them, container throughput reached 30.02 million TEUs, representing a year-on-year increase of 11.9%. The Company achieved revenue of RMB18,173 million, representing a year-on-year decrease of 5.7%, and a net profit attributable to shareholders of the Company of RMB4,923 million, representing a year-on-year increase of 8.7%, committed to creating more value for shareholders and bringing more returns to society through efficient operation.

The Company persevered in market expansion to extend the service chain. In the container segment, 20 new routes were added, the amount of export loaded containers for foreign trade increased by 13% year-on-year, the amount of international transshipment containers rose by 14% year-on-year, and the amount of sea-rail intermodal containers jumped by 16% year-on-year. The Company maintained the top position among northern Chinese ports in terms of both the total number and density of shipping lines, and ranked first in Northeast Asia in terms of the international shipping hub competitiveness index. In the dry and break bulk cargo segment, the Company continued to expand its service methods and coverage, and diversified into new businesses such as ore mixing and ore blending. The Company's pulp business volume accounted for 14% of China's total pulp imports, retaining the largest market share nationwide. In the liquid bulk segment, the Company expanded the scale of the “crude oil supermarket” and opened up new logistics channels, maintaining a leading position in the country in trading oil.

The Company persisted in technological innovation to promote sustainable development. The Company comprehensively accelerated the construction of intelligent and green ports, successfully put a domestically-built and independently-developed automated terminal into operation, and added 700,000 TEUs of designed annual throughput capacity of terminals. We completed the research and development of the national project of “ubiquitous perception” with high quality, created the first system integration platform in the port industry, and built the largest automated storage yard with rail-mounted gantry cranes in China. We also formulated the implementation plan for the construction of “zero-carbon” ports, with clean energy accounting for 66% of the total energy mix, and the combined area of our completed and ongoing photovoltaic projects reached 100,000 square meters, with an annual power generation capacity of 10 million kWh. QQCTN won the title of China's first “double five-star” intelligent and green port.

The Company enhanced corporate governance to strengthen the foundation for development. The Company pushed forward with the modernization of governance capabilities, gave full play to the safeguarding role of the governance system featuring “Shareholders' General Meeting, Board of Directors, Supervisory Committee and Senior Management”. We amended and improved our governance and management policies, implemented a new round of initiatives aimed at deepening the reform of state-owned enterprises, strengthened performance management, accelerated the establishment of standards, and improved our governance system. We also ramped up efforts to cut costs and expenses, summarized typical cases covering 378 items across 14 categories, and deepened the application of asset management systems to comprehensively improve our corporate management capabilities. In 2023, the Company received a number of awards including the “China Top 100 Enterprises Award” and the “Socially Responsible Pioneer Enterprise Award”, won the “China Securities Golden Bauhinia Award” for the fourth consecutive year, and was named the “Listed Company with Highest Investment Value”.

The Company adhered to the people-oriented principle and appreciated employee value. Always attaching great importance to safety management, the Company strengthened inspections of potential hazards and safety education among employees to safeguard the personal safety and occupational health of employees. We strengthened skills training, organized vocational skills competitions, carried out evaluation activities of model and outstanding workers, smoothed the channels for employees' career development, and continuously increased the salaries and benefits of employees, thereby creating a positive environment for building a common homeland, sharing achievements, and promoting common development. We regularly conducted the "I Do Practical Things for the Public" campaigns, achieving tangible results with concrete actions. We also hosted diverse cultural and artistic events to enrich employees' spiritual and cultural lives and enhance their sense of achievement, happiness, and security.

The Company committed to giving back to society and undauntedly fulfilled social responsibilities. The Company has always deemed giving back to society as its major responsibility, and has continuously engaged in public welfare activities such as community assistance and volunteer services. In 2023, the Group hosted the first "Youth Volunteer Service Project Competition" to promote the spirit of "dedication, friendship, mutual assistance, and progress", organized emergency rescue teams to participate in firefighting, maritime rescue, and other emergency response tasks, and held a variety of charity fundraising activities to spread positive energy through practical actions and promote harmonious social development.

In 2024, we will focus on our strategic goals of establishing a port-based first-class supply chain integrated service system, building a dual world-class enterprise, and constructing a world-class port cluster. We will continue to deepen reforms, develop new businesses, improve the level of intelligent and green development, enhance operational performance and corporate governance efficacy, and strive to develop new quality productive forces to fully promote the high-quality development of Qingdao Port.

Looking ahead, we will work with the stakeholders to actively address risks and challenges in the areas of environment, society, and governance. We will make all efforts to build an international shipping hub in Northeast Asia, accelerate the construction of world-class marine ports, and make new contributions to achieving sustainable development.

SU Jianguang

Chairman

April 2024



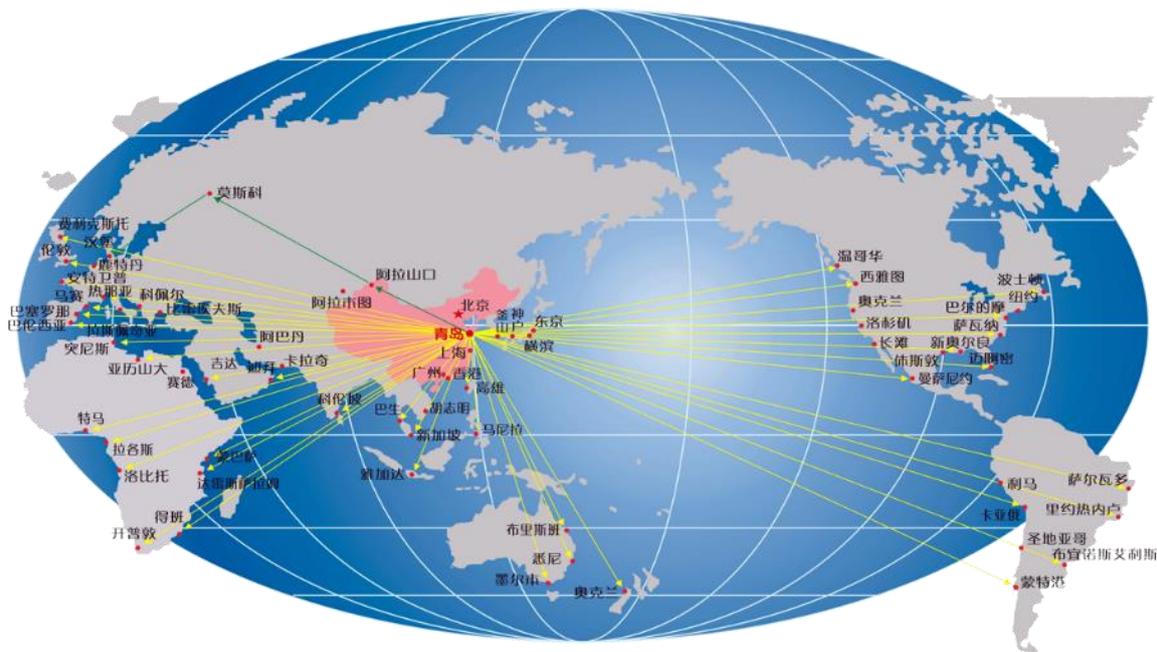
About Us

(I) Company profile

The Port of Qingdao commenced operations in 1892. Located between the Bohai Rim port region and the Yangtze River Delta port region in the PRC and occupying a central position among ports in Northeast Asia, it is an important hub of international trade in the West Pacific and one of the world's largest comprehensive ports.

The Company, established on 15 November 2013, was listed on the main board of the HKEx on 6 June 2014 and the main board of the Shanghai Stock Exchange on 21 January 2019, respectively. The Company is a primary operator of the Port of Qingdao and operates five port areas, including Qianwan Port Area, Huangdao Oil Port Area, Dongjiakou Port Area, Dagang Port Area and Weihai Port Area. It is mainly engaged in stevedoring and ancillary services for different types of cargoes such as containers, metal ore, coal and crude oil, logistics and port value-added services and port ancillary services.

As of 31 December 2023, the Company operated 112 berths, which included 70 special berths dedicated to handling a single type of cargo and 42 general berths capable of handling metal ore, coal and other general cargo. Leveraging natural deep-water capacity and industry-leading facilities and equipment, the port can accommodate the world's largest container vessels, iron ore vessels and oil tankers. The Company took full advantages of its port resources, reasonably planned its investment structure, and established a diversified enterprise group covering terminal, logistics and other businesses. In 2023, the Group's fully automatic container terminal made the world record of 60.2 TEUs per hour as the single-machine average operating rate, for the tenth time to set a new world record for handling efficiency.



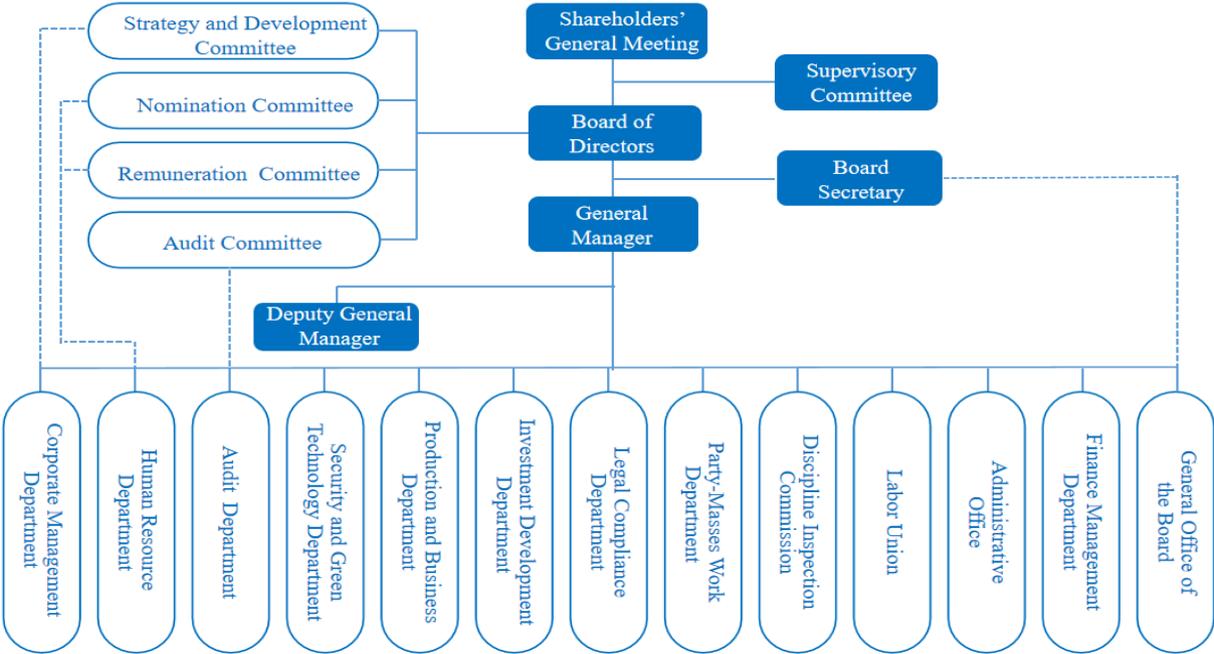
On 31 December 2023, the Company had a total of 6,491,100,000 issued shares with nominal value of RMB1.00 each. The structure of the share capital is as follows:

Class of shares	Number of shares (share)	Proportion in the shares issued (%)
A-Shares	5,392,075,000	83.07%
H-Shares	1,099,025,000	16.93%
Total	6,491,100,000	100.00%

(II) Corporate governance

Governance structure

We firmly believe that a favorable governance structure is the strong guarantee for sustainable development of the Company. The Company has established a governance structure with “three meetings and one management”, including shareholders’ general meeting, board of directors, supervisory committee and senior management. As the Company’s top decision-making body, the shareholders’ general meeting decides on major issues of operation and management to protect shareholders’ rights and interests. Under the shareholders’ general meeting, there are Board and Supervisory Committee. The Board is responsible for decision-making on the Company’s day-to-day business. As a supervisory body, the Supervisory Committee oversees changes in the Board and the management. The members of the Board and the Supervisory Committee contained employee representatives, effectively ensuring that employees enjoy full rights in corporate governance. The shareholders’ general meeting, Board, Supervisory Committee and senior management undertake their designated responsibilities independently and concertedly to fully perform duties. As of the date of this report, the Company’s governance structure is as follows:



The Company attaches great importance to the diversity and professionalism of the Board, and has formulated the Board Diversity Policy to ensure that the Board's composition meets the diversity requirements. The Company's Board of Directors currently comprises eight Directors, including two executive Directors, three non-executive Directors and three independent non-executive Directors. Among eight Directors, two are female, accounting for 25% of the total number of the Directors. Members of the Board possess the knowledge, skills, and capabilities required to fulfill their duties. Leveraging their extensive business knowledge, work experience, and sound professional ethics, the Company's directors have spent a considerable amount of time and energy on areas including formulating the Company's development strategy, optimizing organizational structure, promoting healthy and sustainable growth, and safeguarding the legitimate rights and interests of all shareholders.

The Board includes three independent Directors specializing in accounting, financial management or legal affairs. They advise on the Board's deliberation and decision-making, which effectively promotes the standardized operation of the Board. The independent Directors perform their work in accordance with the Work Rules for Independent Directors, attend shareholders' general meetings, board meetings and meetings of the specialized committees according to laws, and express their objective, fair and independent opinions.

The Board has set up four specialized committees, namely the Strategy and Development Committee, the Audit Committee, the Nomination Committee and the Remuneration Committee. Each specialized committee has drawn up the rules of procedure with clearly-defined powers and responsibilities, and operates independently and effectively.

The Strategy and Development Committee is mainly responsible for reviewing the Company's overall development strategies and plans, material investment and financing schemes and other significant matters that affect the Company's development.

The Audit Committee is mainly responsible for reviewing the financial information of the Company and the disclosure of such information, overseeing the Company's financial and operational conditions, risk management and internal control procedures, expressing opinions on the appointment of external auditors while monitoring their relationship with the Company, and maintaining close communication between the Company and the management and external auditors.

The Nomination Committee is mainly responsible for developing standards and procedures for the election of Board members and senior management, reviewing the structure, number of members, composition and membership diversity of the Board and its committees, proposing suggestions to the Board on candidates for Directors, general manager, deputy general manager, chief financial officer and secretary of the Board, making recommendations to the Board regarding the appointment or re-appointment of Directors and the succession plan of Directors (especially chairman and general manager), and reviewing the independence of independent Directors.

The Remuneration Committee is mainly responsible for deliberating the remuneration structures and policies for the Company's directors and senior management, establishing formal and transparent procedures to devise such remuneration policies, and formulating the remuneration packages of Directors and senior management, among others.

Risk management and internal control

The Company promoted the construction of modern enterprise system, established and maintained appropriate and effective risk management and internal control systems, formulated and implemented a set of management systems, including *Internal Control Management System*, *Comprehensive Risk Control System*, *Internal Audit System*, etc. The Board is responsible for assessing and determining the nature and extent of risks that the Company is willing to take for achieving strategic objectives, and for establishing and maintaining appropriate and effective risk management and internal control systems. The Board oversees the design, implementation, and monitoring of risk management and internal control systems by the management. The management confirms if the relevant systems are operating effectively and provides feedback to the Board.

In 2023, the Company organized the revision and update of the *Internal Control Manual* and *Risk Management Manual*, carried out actions to enhance the construction of a comprehensive compliance risk control system for all employees to identify compliance risks in various fields and weave a tight defense line for key risks. The Company strengthened the implementation of the internal control system, improved the long-term mechanism, and cultivated the internal control culture. The Company published monthly legal compliance briefings, internal control case analysis and other reference materials to enhance the awareness of internal control compliance among all employees and promote the integration of internal control management into daily work. The Company focused on key business areas and key risks, combining internal control auditing with economic responsibility auditing and special auditing to firmly address the root causes of problems, continuously improve risk prevention and control capabilities, and promote the effective operation of the internal control system.



Special conference on the construction of internal control systems

Internal control personnel participated in training activities

In 2023, the Company pushed forward with the digital transformation of audit work. It made its first attempt to utilize big data analytics technology to conduct comparative analysis of massive business data involved in special audits, which helped identify audit issues and improve audit efficiency. By iterating and upgrading internal control evaluation systems, the Company enabled more user-friendly and efficient operation, while ensuring that the evaluation process is open, transparent, and traceable, and the evaluation results are more fully utilized.

(III) Honesty

Incorruptible employment

The Company strengthened the honest employment management of all employees, implemented the requirements of laws and regulations such as the *Anti-Unfair Competition Law of the People’s Republic of China* and the *Anti-Money Laundering Law of the People’s Republic of China*, formulated and implemented the *Implementation Opinions on Establishing and Improving the Coordinated Supervision Mechanism (Trial)* and other rules and regulations, and strengthened the supervision of the power operation process.

The Company actively promoted the construction of a port of integrity. Each year, the Company organized and held a work conference on the improvement of Party conduct and integrity improvement and anti-corruption efforts, as well as the Party conduct and integrity warning education conference. Employees at all levels signed the *Responsibility Undertaking of Comprehensively Stringent Party Governance*. The Company conducted regular integrity talks, examined integrity risks in important and key positions, formulated prevention and control measures, and carried out responsibility and integrity reporting of the head of the directly affiliated party organization to comprehensively enhance awareness of integrity in business. External supervisors were engaged for Party conduct and integrity to enhance supervision capabilities of the public.

In 2023, the Company intensified supervision and inspection of integrity in business, launched special rectification of issues such as “Relying on Corporate Resources for Personal Gain” and “Micro-corruption” to address problems that tarnished the Company’s image during external service processes. Online and offline campaigns promoting

integrity culture were initiated to facilitate connection and interaction among integrity culture bases in various port areas. The Company carried out the first integrity culture building month, creating educational courses for integrity culture, conducting activities such as “Family Letters of Integrity” and “Integrity Messages” to promote ethical conduct through family influence, and signing “Family Integrity Commitment Letters” to continuously strengthen the foundation of integrity beliefs among all staff members.

The Company highlighted education on Party spirit, Party conduct, Party discipline and warning, and organized the management to learn General Secretary Xi Jinping’s words on exercising full and strict governance over the Party and laws and regulations and regulated documents about incorruptible employment, by means of Party Committee theory center group study, monthly law study, education and all-employees training to build a faithful, clean and responsible management team. Regular integrity warning education is conducted for key personnel, and Party integrity warning education month activities are solidly launched. The Company also organizes visits to warning education bases and viewing of warning education films to fostering a strong atmosphere of vigilance. In 2023, the Company’s employee integrity education coverage rate achieved 100%.



Convene work conference on improvement of Party conduct and integrity and anti-corruption efforts



Convene Party conduct and integrity warning education conference



Visit Qingdao Corporate Integrity Education Center



Carry out Integrity Culture Building Month

The Company strengthened supervision of process of power operation and opened the supervision and reporting channels such as letters, visits, telephone call and the Internet, to timely handle relevant letters and reporting cases. The Company enhanced internal coordination and supervision, through special supervision and inspection, to identify problems, strengthen rectification, and promote standardized management.

The Company attaches great importance to anti-corruption and anti-money laundering management, and formulates and implements the *Measures for Administration of Examination and Approval of Payment* which standardizes all kinds of fund payment procedures, approval authority and relevant requirements, strictly manages the fund payment process, and prevents the risks of corruption, money laundering and other violations of laws and regulations risks. In 2023, the Company did not have any corruption lawsuits filed against the Company and its employees that have been concluded.

Honest operation

The Company adheres to the principles of willingness, fairness, equal compensation, honesty and creditability in business activities, abides by social morality and business ethics, and accepts the supervision of the government and the public. The Company does not make exaggerated publicity and false advertising, or seek illegitimate benefits through bribery, smuggling, extortion, fraud and other illegal activities. The Company respects other people's property, intellectual property rights and other legitimate rights and interests, and does not engage in unfair competition, and maintains normal social and economic order.

The Company has established a sound financial operation and supervision mechanism, strictly abided by the state's fiscal and financial laws and regulations, and guarded against various financial risks. We always keep paying taxes according to law in mind, fulfill statutory obligations and timely pay taxes in full, making important contributions to local economic and social development.

The Company strictly abides by the *Civil Code of the People's Republic of China*, complies with and performs contract commitments. In the process of contract signing, implementation and management, the Company, through equal consultation, guarantees the interests of itself and its customers or suppliers and tries our best to achieve win-win cooperation.

The Company insists on participating in market competition with the method of fairness, justice, equality and mutual benefit, and abides by the *Price Law of the People's Republic of China*, *Law of the People's Republic of China on Ports*, *Anti-Monopoly Law of the People's Republic of China*, *Port Charges and Billing Measures* and other laws and regulations and provisions on related policies. We standardize operation activities in the port and ensure clients' rights to select services by their own choice. Moreover, we share information with others to push forward the market opening.

Services for shareholders

The Company puts the protection of shareholders' legitimate rights and interests in a prominent position, and has formulated and implemented a series of rules and regulations, such as *Information Disclosure Management System*, *Information Disclosure Management Measures*, *Investor Relations Management System*, *Implementation Rules for Investor Relations Work*, and *Investor Relations Archives Management Measures*, etc. Through continuous improvement of the governance system, the Company guarantees that all shareholders could exercise their rights fairly and equally, and well upholds legitimate rights and interests of minority and medium investors. In 2023, the Company allocated approximately 45% of the profits available for distribution of the year 2022, with a total dividend of RMB1,748.0532 million (RMB0.2693 per share, tax inclusive), to return shareholders with real money.

The Company continues to strengthen the construction of a high-level Board of Directors, gives play to the leading role of the Board in governance, and promotes the standardized and efficient operation of the Company. The Company regularly prepares and submits *Weekly Capital Market Trends*, *Directors' Reference Information*, and *Regulatory Information of Listed Companies* to timely transmit information on capital market trends, regulatory rules, and issues concerned by investors to the Company's management.

The Company regards information disclosure as an important part of maintaining good corporate governance, adheres to disclosing information in an authentic, accurate, complete, timely and fair manner, and continuously improves the quality of information disclosure. In 2023, the Company fulfilled the obligation of information disclosure in accordance with the listing rules of the place where the stock was listed. It has been awarded the A-class evaluation of information disclosure by Shanghai Stock Exchange for three consecutive years, and won the listed company "Golden Information Disclosure Award" of the Twenty-fifth *China Securities Journal*.

The Company collects, adopts, and responds to the suggestions and opinions of investors through various online and offline channels such as Shanghai Stock Exchange E-interaction, SSE roadshow, the special line for the board secretary, the hotline for investors, so as to safeguard the legitimate rights and interests of investors. In 2023, the Company published various company information through the Company's website, Oriental Fortune, Straight Flush, Snowball Finance and other platforms, effectively enhancing the Company's attention and influence in the capital market.



Investor Relations column on the Company's official website



"Enterprise" column of the Company at the website of Oriental Fortune

The Company regards investor relations management as a long-term systematic project. The Company has established a communication team with the chairman, general manager, and secretary of the Board as the core, and has established a working mechanism for investor relations led by the Board office, complemented by functional departments and subordinate units to communicate closely with investors. In 2023, guided by regulatory requirements and investor needs, the Company continued to refine its roadshow database, investor relations archive, and other foundational materials. It conducted high-quality investor engagement activities such as results announcement, results presentation, and institutional investors' visit to the listed company, interpreting the Company's performance, development plans, and growth logic in plain and easy-to-understand language to establish a positive image in the capital market. In 2023, the Company was honored with the "Investor Relations New Media" of the 14th Tianma Award for Investor Relations of China Listed Companies.

In 2023, the Company has carried out a series of investor service work:

- ✧ Participated in the online collective reception day for investors in Qingdao, held 3 performance briefings, and the management knew the investor concerns and listened to their voices;
- ✧ Shared work experience of investor protection with listed companies in Qingdao as the representative of advanced units in investor protection work for 2 consecutive years;
- ✧ Established and managed investor exchange WeChat groups, and held 68 exchange activities through various forms such as domestic and international roadshows, SSE Road Show Center, SSE E-interaction, the special line for the secretary of the Board, and one-on-one chats; and
- ✧ Held activities such as "Institutional Investors Entering Listed Companies" and "World Investor Week", and invited analysts and investors to participate on-site research.



Hold annual result press conference in Hong Kong



Investors' research at the port



Organize the “World Investor Week” in 2023



Institutional Investors’ Visit to the Listed Company



Investors’ visit to the port on site

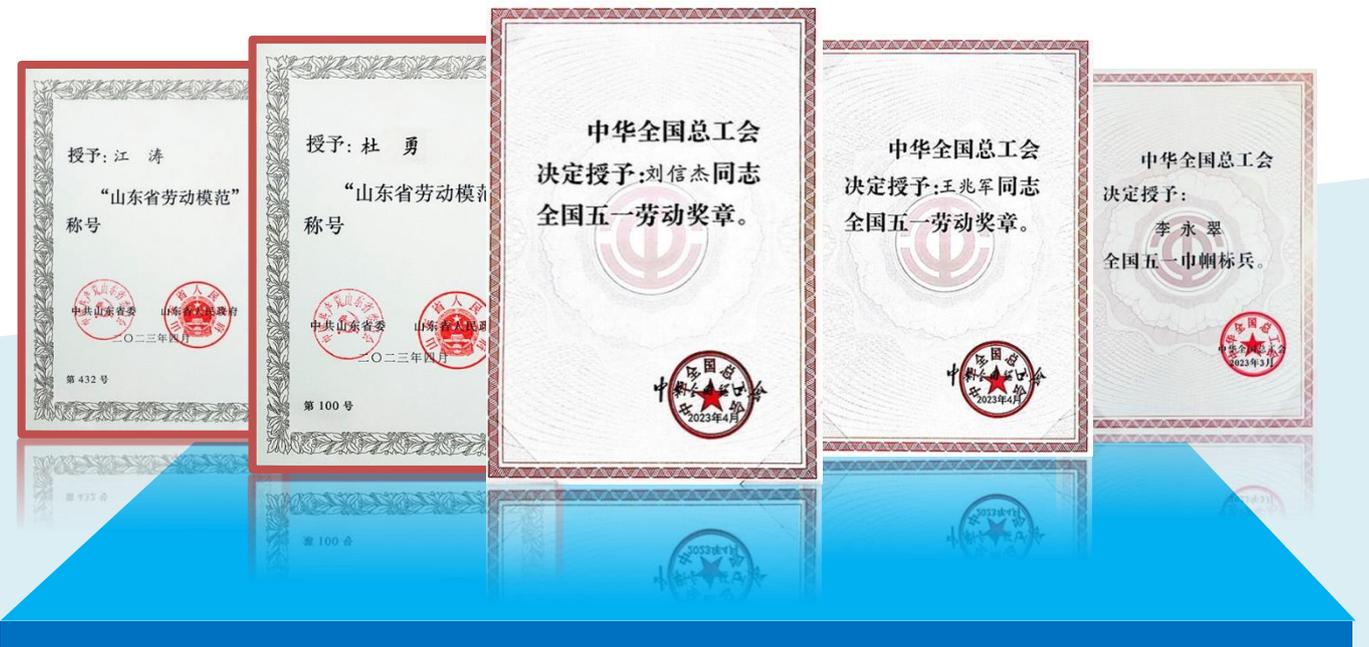


Investors watching the achievements of intelligent and green port construction

(IV) Honors of the Company



In 2023, the Company was selected for the “State-Owned Enterprise Listed Companies ESG Pioneer 100 Index (2023)” by the Bureau of Science and Technology Innovation and Social Responsibility of the SASAC of the State Council. At the Fourth ESG Enterprise Summit Forum hosted by CLS, the Company was honored with the “Social Responsibility Pioneer Enterprise Award”.



In March and April 2023, our employees Liu Xinjie and Wang Zhaojun were awarded the National Labor Medal of 1 May by the All-China Federation of Trade Unions. Du Yong and Jiang Tao were awarded the honorary title of “Shandong Province Model Worker” by the Shandong Provincial Party Committee and Provincial Government, while Li Yongcui was awarded the honorary title of “National 1 May Heroine Model” by the All-China Federation of Trade Unions.



In May 2023, QQCTN was awarded the title of “Five-Star Intelligent Port” and “Five-Star Green Port” by the China Ports Association.



In June 2023, Guo Kai, an employee of the Company, was selected as a “Taishan Industry Leading Talent” by the Talent Work Leading Group of the Shandong Provincial Party Committee.

In July 2023, QQCTN was awarded the title of Specialized-Refined-Differential-Innovational “Little Giant” enterprises by the Ministry of Industry and Information Technology.



In July 2023, Qingdao Port Tugboat Co., Ltd. was awarded the “National Maritime Search and Rescue Center Award” by the China Maritime Search and Rescue Center.

In October 2023, Liu Xinjie and Wang Zhaojun, employees of the Company, were awarded the honorary title of “National Technical Expert” by the Ministry of Human Resources and Social Security.



In October 2023, the Company was awarded by the China Association for Public Companies as the 2023 Best Practice Case in Corporate Governance.



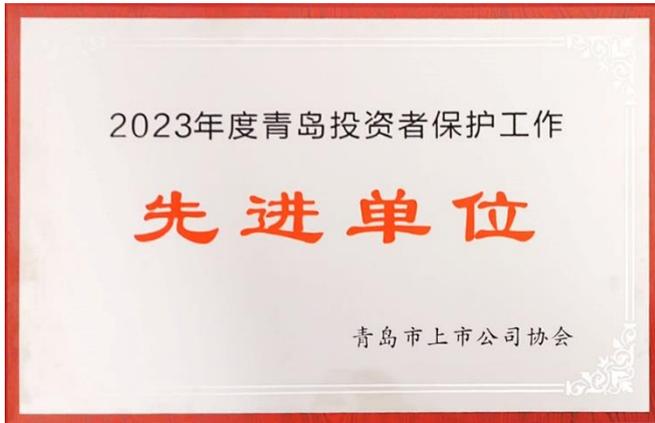
In November 2023, the 13th China Listed Companies Reputation List was released, and the Company was awarded as the “Best Board of Listed Companies”.



In November 2023, the Company was awarded by the China Association for Public Companies as the 2023 Best Practice Case of the Board.



In November 2023, the Company was honored with the “Golden Disclosure Award” at the 25th *China Securities Journal* Listed Companies Awards.



In December 2023, the Company was honored as the 2023 Advanced Unit for Investor Protection in Qingdao.



In December 2023, the Company was awarded the “China Top 100 Enterprises Award”.



In December 2023, QQCT’s “Zhenchao Efficiency” was awarded the “Transportation Service Industry Brand” by the China Association of Communication Enterprise Management.



In December 2023, at the ceremony of the 13th China Securities Gold Bauhinia Award, Qingdao Port was honored as the “Listed Company with Highest Investment Value”

Sustainable Development Strategy and Governance

The Company, adhering to the development concept of “innovation, coordination, green, openness, and sharing”, pays focus on port business, continues to deepen reforms, and makes continuous efforts in aspects including emerging business formats, intelligent green, and corporate management to comprehensively improve business performance and management efficiency. While pursuing economic benefits, the Company actively fulfills its social responsibilities, regulates operations in accordance with the law, strengthens environmental protection, cares for employees, supports social welfare, actively contributes to the society, and promotes the sustainable development of enterprises, employees, society and the environment.





(I) Governance structure for sustainable development

We have set and optimized a sustainable development management system to push forward work concerning sustainable development. Relying on the existing management structure, we have built a governance structure led by the Board with the participants of management, various functional departments and subsidiaries. The Board is responsible to set sustainable development strategy of the Company, makes decisions on and manages major issues. Management, various functional departments and subsidiaries are responsible for the specific implementation of all aspects of security, production, employees, environment and society. We have put in place a linkage mechanism among headquarters, branches, holding subsidiaries and joint ventures to fully coordinate the sustainable development of all units.

Development Vision

Building a world-class marine port with “connecting the world by sea and land and gaining a worldwide reputation”

Development Mission

- Serve the national development strategies
- Serve the economic transformation of Shandong Province
- Serve shareholders, customers and employees



Core Values

- Unite and work as one
- Devoted and faithful
- Innovation and development
- Strive for excellence

Development Concepts

Innovation, coordination, green tech, openness and sharing

Development Principles

- Focus on main operations,
- Prioritise business performance,
- Efficiency first,
- Safety foremost

(II) Action on implementation of UN sustainable development goals (SDGs)

Type	SDGs	Practice and performance
Corporate governance	 <p>16 和平、正义与强大机构</p>	<ul style="list-style-type: none"> ◆ Enhanced port service standards, compliance risk control, and other institutional systems. ◆ Established a high-level risk management and internal control system. ◆ The Company's coverage ratio of employee integrity education was 100%. ◆ In 2023, the Company's governance, Board construction, and Board office work respectively recognized by the China Association for Public Companies as the "Best Practice Case in Corporate Governance", "Best Practice Case in Board" and "Best Practice Case in Listed Company Board Office". ◆ In December 2023, the Company received the 13th China Securities Golden Bauhinia Award for the "Listed Company with Highest Investment Value", the China Top 100 Listed Companies Summit Forum "China Top 100 Enterprises Award", and the 12th Golden Wisdom Award for the "Listed Company with Highest Investment Value". ◆ The Company has received an A-level evaluation for information disclosure from the Shanghai Stock Exchange for three consecutive years and was honored with the "Golden Disclosure Award" at the 25th <i>China Securities Journal</i> Listed Companies Awards. ◆ The Company was honored with the "Investor Relations New Media" of the 14th Tianma Award for Investor Relations of China Listed Companies.
Quality services	 <p>9 产业、创新和基础设施</p>	<ul style="list-style-type: none"> ◆ According to the Comprehensive Evaluation Report of World-class Ports (2023) jointly released by China Economic Information Society and Water Transport Research Institute of the Ministry of Transport, Qingdao Port ranked in the forefront of world-class ports. ◆ The port of Qingdao received the highest rating of 4.5 stars in the business environment assessment of top ten maritime port container cargo cross-border in 2023 with the highest total score. ◆ The average single-machine operation efficiency rate of the fully automated container terminal reached 60.2 TEUs/hour, setting a world record for the tenth time. ◆ The efficiency of iron ore handling reached 3,057 tons/hour, breaking the world record for iron ore handling for the 26th time.

Type	SDGs	Practice and performance
		<ul style="list-style-type: none"> ◆ The Company won 16 science and technology awards, 134 domestic and foreign patents and 12 software copyrights. ◆ The “Internet Platform of Port Industry” developed by Qingdao Port was selected as a “2023 Key Provincial Industrial Internet Platform in Shandong Province”, pioneering the integration of industrial internet theory with port operations in the port industry, creating a new model for digital transformation in the port industry. ◆ At the 48th International Convention on Quality Control Circle (ICQCC), the Quality Management Team of QQCT’s Engineering Technology Department received the highest-level award, the “International Quality Management Gold Award”. ◆ QQCTN was awarded the title of SRDI “Little Giant” enterprises by the Ministry of Industry and Information Technology. ◆ The Company formulated service quality management system, established standardized customer service process, and guaranteed customer service quality. ◆ The Company conducted multi-level customer visits and customer symposiums every year, extensively sought for customer opinions to respond to customer concerns.
Supply chain		<ul style="list-style-type: none"> ◆ The Company set up supplier service line to open 24 hours customer service hotline. ◆ The Company put the whole process for tendering and bidding online, greatly improving the procurement efficiency. ◆ The Company strictly reviewed supplier’s information and required suppliers to issue letters of good faith commitments to avoid risks of corruption and bribery during the procurement. ◆ The Company established a sophisticated mechanism for daily management, regular evaluation and annual review of suppliers, built whole-process supplier management system.
Environment		<ul style="list-style-type: none"> ◆ The Company built a wind proof and dust controlling wall at bulk cargo and installed automatic spraying systems at bulk cargo and ports to prevent dust pollution. ◆ The Company built a network system to monitor environmental air quality, implemented intelligent environmental control, and realized real-time air quality monitoring.

Type	SDGs	Practice and performance
		<ul style="list-style-type: none"> ◆ The Company carried out oil and gas recovery and transformation work at oil loading terminals, and strengthened the ability to control volatile organic compounds. ◆ The Company built a power station at the port area and introduced electric car rental team. ◆ The Company used “oil and electricity hybrid” intelligent tug to reduce carbon emissions. ◆ The Company built “wind-photovoltaic power integration” demonstration project, increased green electricity sources, optimized the energy structure. ◆ The Company vigorously promoted the use of clean energy with photovoltaic projects built and under construction covering an area of 100,000 square meters, two supporting intelligent charging stations constructed in the port area, purchased 20 hydrogen-powered trucks, completed the procurement of hydrogen-powered tugboats. ◆ Shore power berth coverage of ships reached 100%. ◆ The Company took various measures to conserve water resources and recycled dust-contained sewage after it was collected and processed to meet the recycle standard. ◆ In February 2023, Qiangang Branch passed the “Four-Star Green Port” evaluation organized by the China Ports Association, becoming the first specialized dry bulk terminal company in Qingdao Port to achieve a four-star rating. ◆ In May 2023, at the Green and Safe Port Conference, Qingdao Port’s fully automated container terminal was awarded “Five-Star Intelligent Port” and “Five-Star Green Port”, becoming the first port in China to achieve the “Double Five-Star” rating in intelligent and green operations. ◆ In October 2023, QQCT was named the 2023 “Asia-Pacific Green Port” by the APEC Port Services Network (APSN).
Employees		<ul style="list-style-type: none"> ◆ The Company improved the democratic management system and guaranteed the democratic rights of employees. ◆ The Company established a scientific and fair employee compensation and welfare system and strived for welfare policies for employees. ◆ The Company passed ISO45001 Occupational Health and Safety Management system certification, occupational health check rate reached 100%.

Type	SDGs	Practice and performance
		<ul style="list-style-type: none"> ◆ The Company formulated a scientific man-hour management system to ensure balance between work and life. ◆ The Company set up a comprehensive talent training and promotion system. ◆ The Company reached an employee training coverage rate of 100% and annual average training duration no less than 88 hours. ◆ The Company valued humanistic care for employees and carried out diverse recreational and sports activities. ◆ There were a number of industry and even the national pioneers of the Group.
Society		<ul style="list-style-type: none"> ◆ Youth volunteer service team of the port participated actively in various public welfare activities such as social assistance, environmental protection, civilization advocacy and disaster relief all year round. ◆ The Company donated RMB200,000 to “Shandong Provincial Public Security Police Special Fund for Border Police Gatekeeping”. ◆ Qingdao Port Emergency Rescue Co., Ltd. actively participated in multiple rescue operations, including the fire at power plant ancillary facilities, highway tank truck fire, and cotton warehouse fire, which has been recognized by superior authorities and praised by all sectors of society. ◆ Qingdao Port Tugboat Co., Ltd. leveraged its advantages in maritime operations, participating in over 6,000 hours of waterway clearing and patrol duty work, conducting 42 maritime emergency rescues, salvaging 7 overturned fishing boats, rescuing 11 injured or drowning crew of foreign vessels, ensuring the safety of people’s lives and property.

(III) Communication with stakeholders and evaluation of material topics

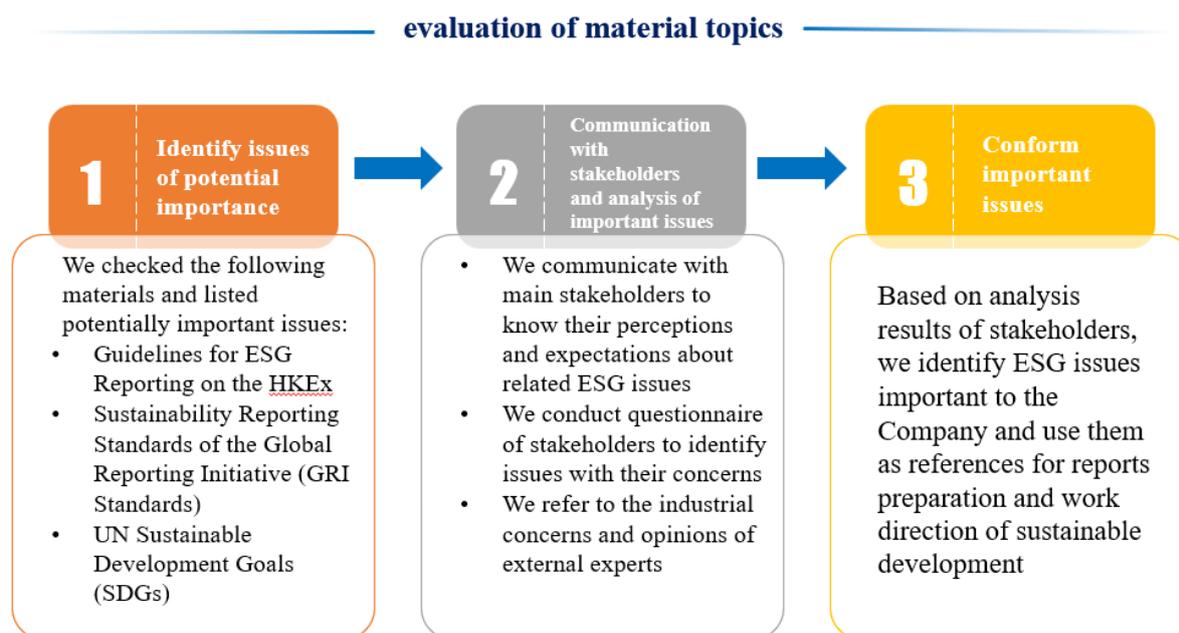
The Company kept effective communication with stakeholders via many channels, acknowledged their top concerns and raised the management level of sustainable development to meet their needs.

The Company launched the “Sound Voice Hotline Service Platform”, which has broadened communication channels between the Company and stakeholders. Stakeholders can directly raise questions and make comments and suggestions to the Company through this platform. Relevant departments of the Company will handle and respond to such issues in a timely manner.

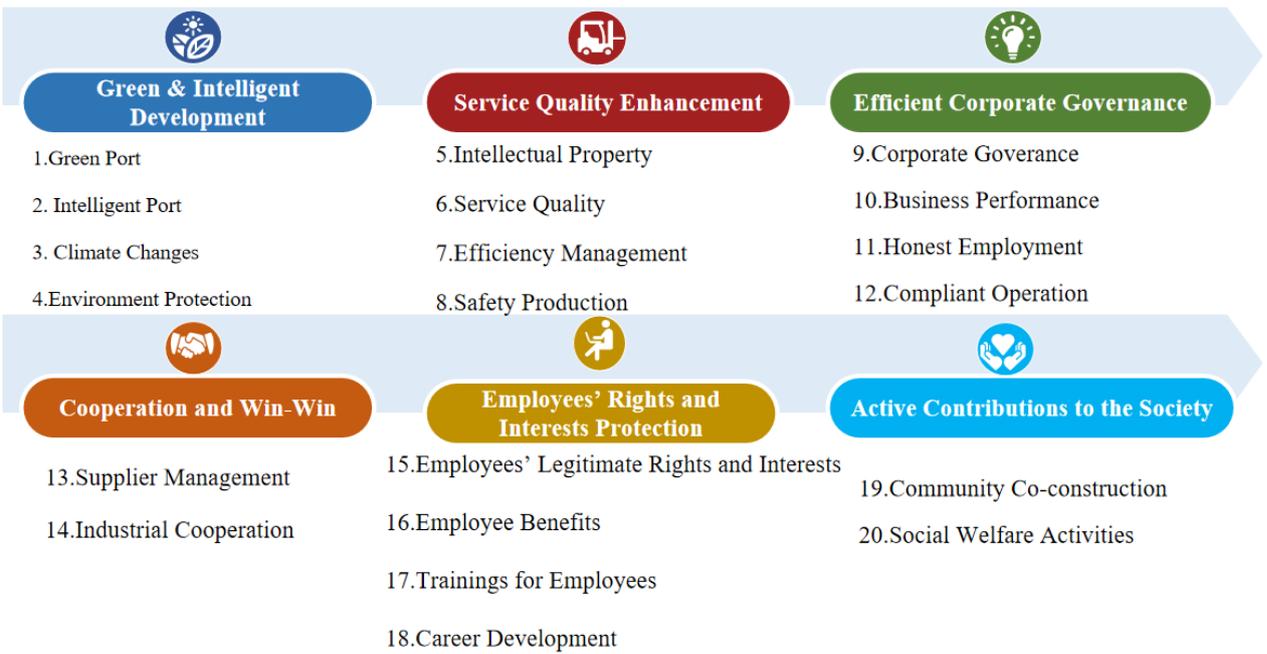
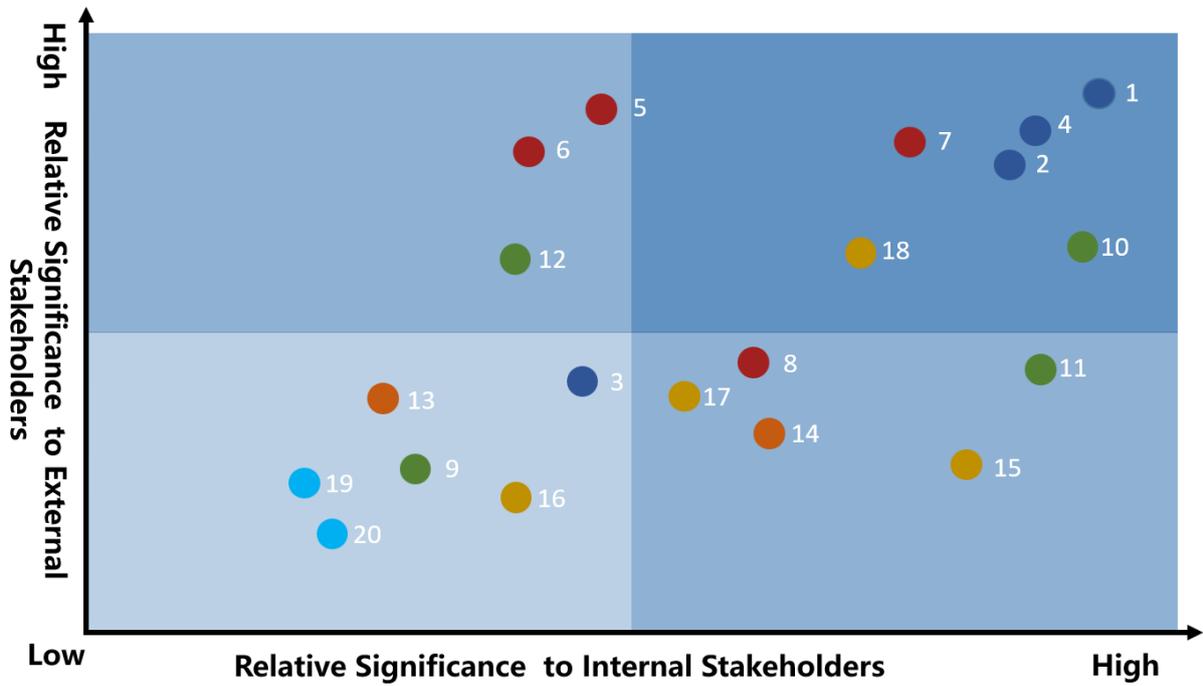
Stakeholders	Concerns	Communication mechanism	Performance of communication
The government and regulators	Execution and implementation of the laws, regulations and policies Give momentum to regional economic development Corporate governance and compliance operation	Abidance by laws, regulations and policies Daily communication and report Meetings and special researches	Comply with the laws, regulations and the Listing Rules Operate in accordance with the laws and in good faith and accept to be supervised and administered Create jobs and pay taxes
Shareholders/ investors	The safety, preservation and appreciation of assets Protect shareholder interests Earnings and returns Information disclosure in a normative and effective way	Regular reports and temporary reports Shareholders’ general meeting Investor meeting of exchange Results presentation, roadshows, etc.	Carry out standard corporate governance to guarantee asset safety Intensify risk management and internal control Information disclosure in a normative and effective way Good development prospects and profitability
Clients	High quality services Legal rights and interest of customers Treat customers in a just and fair manner Complaints to be dealt with without delay	Customer service center Customer service hotline Website, Official Weibo, WeChat, etc. Chairman and general Manager’s mailbox	Continue to improve service quality Safeguard the legal rights of customers Ensure just and fair treatment Handle complaints timely
Employees	Safety production Legal rights and interests of employees Remuneration incentive and welfare Sound working environment Opportunities for training and development	Employee Representative Conference Website, Weibo, WeChat, etc. Incentive mechanism for employee evaluation Regular training Chairman and general Manager’s mailbox	Create a safe and harmonious working environment Protect employees’ legal rights and interests Stick to the openness of factory affairs and democratic management Provide a sophisticated compensation incentive mechanism Offer good training opportunities Provide a solid platform for development
Suppliers	Honesty and credibility Payment in time Transparency in information Equal opportunities	Sunlight procurement website Bidding activities Centralized purchasing Chairman and general Manager’s mailbox	Integrity, credit, fairness and clean Mutual beneficial and win-win cooperation Open and transparent, fair competition and equal opportunities Adhere to contracts and act faithfully

Stakeholders	Concerns	Communication mechanism	Performance of communication
Communities	Community development Community charity	Community activities Mass media Website, Weibo, WeChat, etc.	Maintain a close relationship with the communities Support community development Organize activities for community charity
Port industry	Industry development Win-win cooperation Fair competition	Participation in industry associations Learn from and exchange with other companies Synergy and communication mechanism	Strengthen exchanges and achieve win-win cooperation Respect business ethics and compete fairly Push forward with the development and progress of the industry together
The public	Performance of social responsibilities Resources conservation Ecological protection	Website, Weibo, WeChat, etc. Press media Chairman and general Manager's mailbox	Provide high-quality products and services Support activities for social welfare Conserve resources and protect the ecological environment

We identify and review environmental, social and governance (ESG) issues that have a material impact on our business and stakeholders by the following ways and develop a materiality assessment matrix:



The Company's Board approved the implementation of the annual work plan for the sustainable development report. The Company solidly implemented the plan, improved the work mechanism, and continued to optimize the report content. In November 2023, we invited stakeholders to take part in the materiality assessment of ESG issues. We made the questionnaire online and collected 1,707 effective questionnaires. External stakeholders such as customers, suppliers, investors, regulators, associations, news media and the public accounted for about 50% of the total participants. We identified and confirmed the materiality of each ESG issue through statistical analysis of data and determined the key issues to be disclosed in the 2023 *Sustainability Report* based on evaluation results.



Sticking to Integrity and Innovation to Build an Intelligent Port

The Company accelerates the construction of a world-class marine port, actively promotes innovation-driven, transformation and upgrading and consolidates the competitive advantage of the main business of stevedoring, vigorously develops comprehensive logistics services and promotes coordinated development of industries, and continuously optimizes service quality, improves customer satisfaction and creates good returns for shareholders of the Company.



Adhering to a customer-centric approach, the Company launched the Qingdao-Port. Net 2.0 Port Supply Chain Integrated Service Platform. The platform integrates port supervision, terminal operations, logistics transportation, and other resources, breaking down information barriers in port logistics chains and deepening port business collaboration. Meanwhile, by offering online operations and electronic documents, it enhances the digitalization of the port, reduces carbon emissions, simplifies operational processes, and contributes to the construction of zero-carbon ports.



Qingdao-Port. Net 2.0 Port Supply Chain Integrated Service Platform Diagram

The Company innovated the mobile port digital twin system to expand real-time monitoring capabilities for port operations. By accelerating the construction of a financial shared service center, it successfully issued the first fully digitalized electronic invoice, achieving an automation rate of 82% for financial shared operations. Deepening the application of asset management systems, it conducted the first large-scale online and offline collaborative mid-year asset inventory work, advancing the full-cycle visualization management of port assets.

Science and Technology achievements

The Company adhered to the strategy of strengthening the port with technology, focused on the construction of internationally leading smart and green ports, and promoting the innovative spirit of the “Liangang Innovation Team”, achieving significant results in innovation and efficiency across the Group. In 2023, the Group received 16 major scientific and technological awards, with two technological achievements winning first prizes from the China Institute of Navigation and the China Port Association, respectively.

Fully Automated Container Terminal Task Force

A localization task force was established for the third phase of the fully automated container terminal project. It independently developed the Container Terminal Intelligent Management and Control System (A-TOS) based on a domestically-developed information platform, achieving millisecond-level berth selection, second-level equipment scheduling, and non-stop system upgrades, generally reaching an internationally leading level.





The Company earnestly implements the *Patent Law of the People's Republic of China* and other relevant laws and regulations related to intellectual property rights protection, strengthens management and protection for its own intellectual property, and respects and protects the intellectual property rights of other parties. In 2023, the Company obtained 134 domestic and foreign patents (including 2 international patents and 132 national patents) and 12 software copyrights.

The Company strictly abides by the norms of scientific ethics, respects the spirit of science, carries out scientific and technological innovation in accordance with the law, and avoids research, development and use of science and technology that endanger the natural environment, life and health, public safety, and ethics.

(II) Offering high-quality services

The Company regards service quality as the lifeline of enterprise survival, adheres to customer first, and focuses on the service concept of “I will respond to all your needs” to improve its comprehensive service capabilities continuously. In 2023, the Company implemented the purpose of serving customers in combination with the practice activity of “I do practical things for the people”. According to customer feedback and demands, the Company set rest cabins for foreign drivers, improved online query functions, and provided greater convenience for customers to handle business.



Construct driver rest stops

Offer heartwarming services to visitors

Improving the functions of port services

In order to further meet customer needs and enhance the port's competitiveness, the Company extends the port's industry chain and service chain and continuously improves service function of the port. The Company promotes infrastructure construction and enhances the hard power of infrastructures. The Group has built the world's most advanced automated container terminal, 400,000-ton ore terminal, 300,000-ton crude oil terminal, 200,000-ton bulk cargo terminal and storage tanks, pipelines, yards, warehouses and other ancillary facilities. In 2023, the Company accelerated the construction of the Northeast Asia international shipping hub, and realized the re-optimization of route layout, the re-improvement of service capacity, the re-innovation of service measures, and the re-upgrading of market expansion. A number of new engineering projects, such as the crude oil tanks at the Dongjiakou port area, were completed and put into use, further improving basic service capabilities and meeting customers' transportation needs.

The Company deepens cooperation with major shipping companies, adheres to the principle of “customer first”, and creates personalized service plans according to the needs of shipping companies. We actively seek more policy support, rely on smart empowerment, innovate more efficient operation modes to reduce operating costs for shipping companies. We focus on the research on the operation mode of sea-rail combined transportation, radiate to the deeper hinterland, and build a comprehensive logistics service channel with the lowest cost, the best service and the highest efficiency for customers, so that Qingdao Port has always become the most reliable partner of the majority of shipping companies.



In March 2023, the Company held earnest talks with iron ore customers and conducted in-depth exchange of market information with major steel mills to promote collaboration across the entire iron ore and steel production chain. The Company has extensively consulted customers to understand customer needs, consolidated and deepened the strategic partnership.



The Company conducts multi-level customer visits and customer symposiums every year guided by customer needs as orientation, extensively seeks for customer opinions, responds to customer concerns, continuously improves service quality, and intensifies cooperations. In 2023, the Company's management led teams to visit more than 100 customers and launched whole-process logistics, liner transportation and other businesses to boost new momentum for development.



In October 2023, Weihai Port Development Company held the “First International Trade Fair for Soda Ash, Caustic Soda and Industrial Salt”, engaged in face-to-face discussions with more than 20 domestic and international trading enterprises, earnestly solicited feedback and suggestions, and launched “Ten Commitments for External Services”.

Service quality management

The Company has formulated a number of management measures such as the *Freight Quality and Service Quality Management Measures* and established standardized customer service process to ensure the service quality to customers. The Company attaches great importance to customers' reasonable suggestions, and insists on analyzing their suggestions, giving feedback and improving existing practice accordingly in a timely manner. We carry out special activities such as “quality month” with various activity themes for every year. All employees participate the activities to improve service quality and enhance the service standards.

In service promotion or presentation, the Company strictly abides by the *Advertisement Law of the People's Republic of China*, the *Trademark Act of the People's Republic of China* and other laws and regulations, without making false promotion and presentation. In 2023, the Company was not subject to administrative penalties for false promotion and consumer fraud.

The Group established a comprehensive service hotline to offer more convenient, efficient, standardized, and intelligent port customer services. Oriented towards customer needs, the Group enhanced service quality and promptly and effectively addressed customers' needs to enhance service efficiency and customer satisfaction.

Customer Service Measures



- ✧ The Company set up a customer service center and opened a comprehensive service hotline of 1010-0532 to provide 24/7 “one-stop” manual services integrating on-site service and the market service, forming an interconnected pattern of “responding with one telephone number” covering the whole port, and further optimizing the port’s customer service hotline management model.
- ✧ With the concept of delivering attentive, considerate, enthusiastic, focus and reassuring services and the commitment of “keeping a smooth hotline and never refusing a request”, the Company assigned high quality and highly competent personnel with excellent professional skills to offer professional services to customers.
- ✧ The Company implemented “first inquiry responsibility system” for customer service to solve customer needs and improve service efficiency.
- ✧ The Company established customer service key performance indicators system. implemented quantitative management, comprehensively evaluated customer service work performance and improved customer service work quality.



Enhance Customer Service

In 2023, Qiangang Branch initiated a civilized service enhancement campaign to standardize service processes and improve customer experiences. Throughout the year, it conducted 312 sessions of specialized training on service language, business processes, customer service technics, etc., and established a good reputation for service by solving 378 unexpected customers problems and receiving 28 letters of thanks and 2 silk banners, and established a good reputation for service.

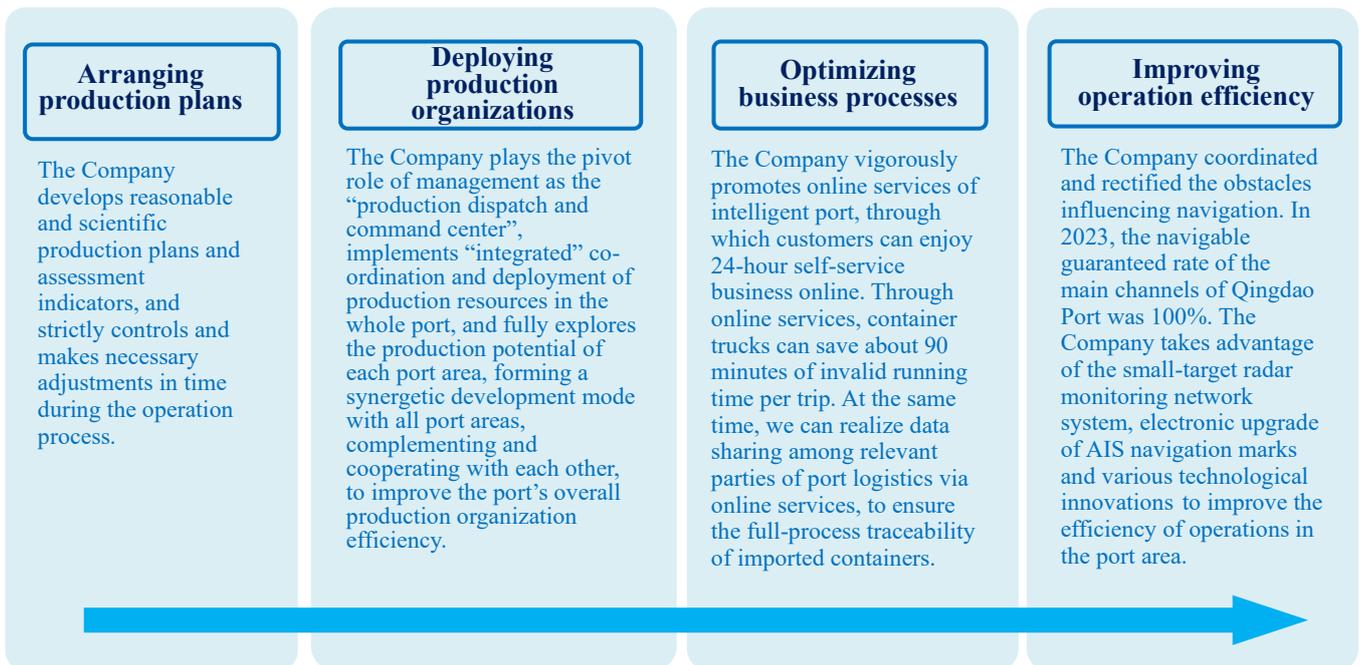


West United views high-quality customer service as vital for survival and development. In 2023, through pre-shift and thematic meetings, it educated all employees to firmly embrace a customer-first, service-first philosophy, practically enhancing its service brand to win customer trust, understanding, and support.



Service efficiency management

The terminal efficiency is one of the key service indicators that cargo owners and global shipping companies put great emphasis on. The Company scientifically arranges production plans, optimizes business processes, improves operation efficiency, reduces berthing time for ships, and provides customers with efficient services in whole-process. The Company has been taking the lead in the industry in terms of stevedoring efficiency, and the handling efficiency of containers and the iron ore maintain the top in the world. High-quality and high-efficiency services of the Company are highly recognized by domestic and overseas customers. In July 2023, during operations on the “Yuan Yi Hai” vessel, QDOT achieved a single-machine unloading rate of 3,057 tons/hour, breaking the world record for the 26th time for iron ore unloading. In January 2024, the fully automated container terminal bridge crane at Qingdao Port achieved an average operating efficiency of 60.2 TEUs/hour, breaking the world record for the tenth time.



By means of standardized operation training, skill training and multiple ways, the Company continuously improves the technical skills and practical ability of operating personnel. The Company organizes vocational skills competition every year to improve the employees’ work proficiency and skill levels. The Company continuously improves employees’ business skill and builds a team of high-quality industrial workers, which establishes the foundation for the Company to maintain industry -leading production efficiency.

In October 2023, at the First National Skills Competition for Tally Industry, Qingdao OST won the collective first prize and a special contribution award by securing the top team score, exemplifying their high level of professional skill and work ethic.



The Company comprehensively upgrades the whole-process operation efficiency standard, implements the quantitative service measures of “four commitments and eight guarantees”, and actively builds an internationally leading “Fast Efficiency Port” by improving the efficiency of ship arrival and departure, port operation efficiency, inspection operation efficiency, and sea-rail intermodal cargo operation efficiency. In December 2023, the China Customs Development Conference announced the results for the business environment assessment of top ten maritime port container cargo cross-border, the port of Qingdao scored the first place, and was awarded the highest and the only rank 4.5 stars.

The management team of the Company has been engaged in the port industry for many years, and has rich management experience. The Company has created the enterprise culture with unique characteristics of Qingdao Port, and cultivated a large number of advanced workers and high-quality and highly skilled staff represented by the “Gold Medal Worker” Xu Zhenchao, the “Model of the Times” and “Liangang Innovation Team”, which have laid the foundation for the Company’s innovative development and sustainable development.

Complaint management

The Company highly values the opinions and feedback from customers, identifies deficiencies in services through satisfaction surveys, customer visits, etc., and continuously improves service quality. We published a service hotline for public supervision and a complaint hotline to extensively and timely collect and understand customer demands. We formulated and implemented comprehensive customer complaint management measures, and arranged special personnel to handle customer complaints and clarify the acceptance responsibility and handling efficiency. In response to customer complaints, we continue to track and implement a closed-loop management system, reaching 100% of the complaint completion rate.

The following is the statistics of customer complaints received and handled by the Company’s headquarters through the formal appeal mechanism in 2023 (excluding subsidiaries, joint ventures and associates):

Number	Complaint type	Number of complaints
1	Number of customer complaints	30
2	Number of invalid complaints	5
3	Number of the handled complaints	25
4	Number of complaints to be handled	0

Customer privacy protection

While providing customers with considerate and meticulous services, the Company pays attention to protecting customers’ information and privacy. We established a comprehensive customer information protection system, strictly implemented confidentiality requirements in accordance with the contracts or agreements between both parties, and regularly checked the implementation of customer information protection system. We managed all kinds of customer information confidentially, set up limitations of access and use to customer information and signed confidentiality agreements with employees as required to strictly protect customer information and private information. In the event of the betrayal of customer information, we will immediately take remedial measures and report to the customer in time.

An aerial photograph of a port area. On the left side, there is a large, complex structure of red metal scaffolding and cranes, likely a container terminal. The water is a vibrant greenish-blue. In the lower right quadrant, a white barge is moving towards the right, leaving a white wake behind it. The overall scene is bright and clear.

Walking the Walk to Build a Green Port

Since building a green port is an important part of the Company's development strategy, it practices the sustainable development concept of preventing environmental pollution, reducing resource waste and advancing energy transformation, and actively identifies and responds to climate change risks, so as to promote the harmonious development between economic growth and ecological environment.

(I) Enhancing environmental protection to safeguard the blue sea and clear sky

The Company has implemented laws, regulations and normative documents, such as the *Environmental Protection Law of the People's Republic of China*, the *Marine Environmental Protection Law of the People's Republic of China*, the *Management Regulations on the Pollutant Discharge Permit*, issued and implemented the *Management Regulations on Shore Power for Terminals and Ships*, the *Implementation Plan for Emergency Response to Heavy Pollution Weather*, continuously improved the environmental protection management system, and formulated the *Key Points of Construction on Green Port* to clarify specific tasks, promoting the construction of green and low-carbon port.

Strengthening the prevention and treatment of air pollution

Focusing on key air pollutants in ports such as dust from bulk cargo handling, volatile organic compounds from oil operations, and emissions from vehicles and vessels, the Group actively implemented control measures, such as introducing micro air quality stations in port areas and ongoing implementing of long-term mechanism for monthly air quality reporting management. We installed positioning devices on non-road mobile machinery in port areas and launched the feature for environmental information input of vehicle and management on the “Qingdao-Port.Net”. The Group has constructed two sets of high-pressure shore power facilities and three sets of oil and gas recovery equipment at terminals, continuously enhancing its ability to control air pollution. By implementing requirements for high-voltage shore power for container ships and signing shore power usage agreements with shipping companies, the Group has promoted the normalized use of shore power.

CASE

Qiangang Branch strengthened its efforts in intelligent green development to achieve process and closed-loop production operations, implemented environmental measures such as covering goods, automatic spraying, and collecting and reusing dust-containing water. In 2023, Qiangang Branch was awarded the “Four-Star China Green Port”.



The Group comprehensively promoted environmentally friendly management at construction sites, preventing dust hazards through measures such as washing pool renovation, dust suppression through spraying, and covering earthwork. Over 600,000 square meters of earthwork were covered in 2023.



Optimizing the logistics and transportation structure

In order to effectively resolve the port logistics pressure brought by automobiles and solve the problems of exhaust emissions and mineral powder leakage pollution, the Company vigorously promotes clean transportation methods such as road-to-railway, road-to-waterway and road-to-pipeline. In 2023, the proportions of clean transportation of dry bulk cargo in the Qianwan port area and the Dongjiakou port area of the Company reached 96% and 78.9%, respectively, and the proportion of clean transportation of oil products at the entire port reached 92.7%. The volume of containers transported by sea-rail exceeded 2.20 million TEUs, significantly reducing carbon emissions from diesel trucks entering the port.



Pipelines transportation for oil



Railway transportation for oil

Building a green and safe oil port

The Company strives to build a green and safe oil port, and is actively working on oil and gas recovery, reduction of oil and gas volatilization and oil and gas monitoring. The Company has increased its investment, ensuring that oil loading lines and terminals for oil ships of ten thousand tons or more are equipped with oil and gas recovery devices as required. The Company accelerated the deployment of online equipment to monitor volatile organic compounds (VOCs) at the terminals, warehouses and other places, and establishes an interactive mechanism for the production exceeding the limit to control the volatilization of oil and gas during the loading process.

Deepening prevention and treatment of sea pollution

The Company takes effective measures to prevent and deal with sea pollution during the handling process in the port. Each handling company of the Company has signed an agreement with the third-party companies qualified on receiving and disposing of ship pollutants to provide support for the emergency disposal of ship pollutants. The cargo of oil shall be handled only after oil booms are laid as required to avoid leakage of cargo and miscellaneous goods into the harbor. The Company implements daily clearing of floating objects and intertidal zone rubbish in the port area to keep clean and prevent pollution.

Strengthening the construction of international sanitation port

The Company actively creates an international sanitation port. The Company enhances the environmental control on production and operation process to minimize the environmental impact of production operations and strives to create a green ecological environment. In 2023, the Company organized landscaping projects at each port area to improve the overall environment and optimize the green landscape. Approximately 450,000 seasonal flowers were planted throughout the year, enhancing the landscaping of the port area.

The Company continues to enhance sanitation management, carries out in-depth environmental inspections and sanitation improvement, further improving the environment of the port area. In 2023, the Group completed a cumulative disinfection of vectors in the port area, covering an area of 36.00 million square meters.

(II) Creating a green ecosystem to promote resource conservation

Based on the actual production of the port, the Company has actively focused on resource conservation, implemented environmental protection projects including energy-saving technology transformation, energy structure upgrading, water resources recycling and etc., strengthened exploration of management potential, promoted practicing economy, and improved resource utilization efficiency.

Energy-saving technology transformation

In 2023, the Company actively innovated in energy-saving technological transformation, increased the use of new energy, and gradually promoted the upgrading of equipment in production lines to achieve efficient use of energy. The Company has consistently advocated for applying ship shore power facilities, scaling up the application of permanent magnet motors and potential energy feedback systems, and innovating the operational mode of the production belt system, and with procedural optimization measures implemented to effectively reduce energy consumption.

CASE

Qingdao Port Tugboat Co., Ltd. launched China’s first intelligent hybrid tugboat. This tugboat has obtained four additional intelligent ship markings under the “Rules for Intelligent Ships 2020” - Intelligent Navigation, Intelligent Hull, Intelligent Machinery, Intelligent Energy Efficiency Management, and Intelligent Integration Platform. Compared to tugboats with similar horsepower, it saves over 300 tons of fuel and reduces CO₂ emissions by over 900 tons annually, demonstrating remarkable economic benefits and environmental.



QQCTN has revolutionized traditional high-voltage AC mobile power supply systems by introducing an automated DC power supply system for rail-mounted cranes, which is widely noted for the simplicity of power supply structure, low equipment weight, low installed capacity, and efficient clean energy utilization, decreasing energy consumption of equipment by 10%.



Energy structure upgrading

The Company actively optimizes the energy supply structure, forms a clean energy supply system with power as the core and multiple energy as the complementary, and reduces carbon emissions. The Company continuously promoted clean energy replacement for equipment and vehicles, preferred choosing clean energy for forklifts with small tonnage, tractors, empty container stackers, patrol vehicles and etc., continued to carry out the transformation of electric stackers, the pilot application of electric loaders and container front cranes.

The Group stepped up efforts to build a “zero-carbon” ports and vigorously promoted the application of new energy. In 2023, the Group tapped into the photovoltaic potential of the port area, constructed PV facilities on rooftops of warehouses and buildings roofs and on previously undeveloped land. The total area of constructed and under-construction PV facilities amounts to 100,000 square meters. Additionally, we built two intelligent battery swapping stations in the port area, purchased 20 hydrogen fuel cell trucks, and introduced a fleet of rental electric trucks.

CASE



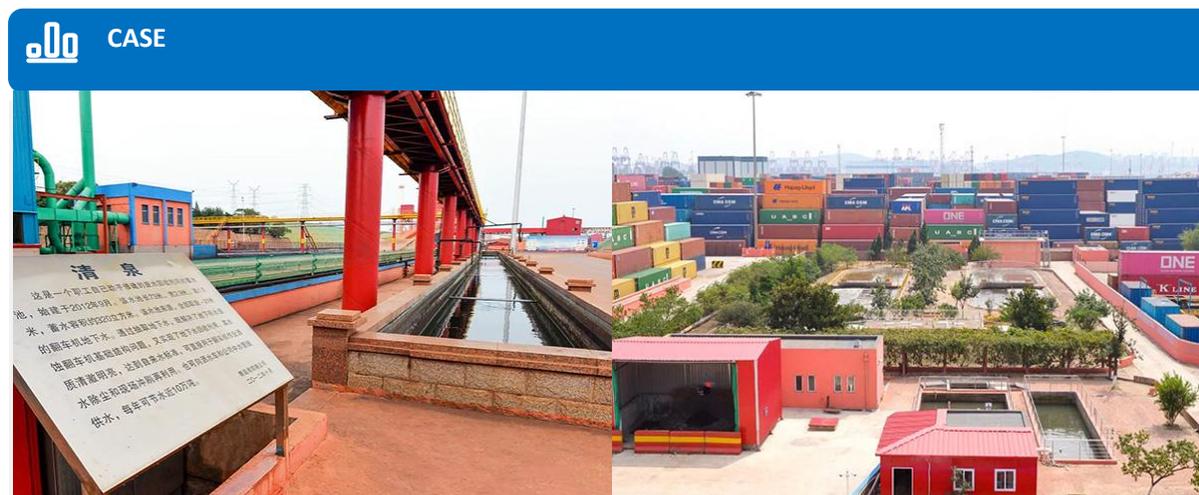
The Company actively promoted the adoption of new energy vehicles and the construction of supporting infrastructure, seeking to establish a cluster of fully intelligent battery swapping stations. In August 2023, the Company’s first self-invested and constructed fully intelligent battery swapping station was officially completed and put into operation.

QQCTN harnesses PV installation covering a floor area of 8,600 square meters. In 2023, the PV power station generated over 800,000 kWh of electricity, reducing external electricity purchases and CO₂ emissions by over 7.00 million tons.



Recycling of water resources

The Company ramped up the water conservation promotion and public awareness campaign to foster a conscious effort toward water conservation and establish a long-term water conservation management mechanism. Additionally, by promoting the adoption of new water-saving technologies, we undertook measures such as sewage treatment, water reclamation, and rainwater harvesting to ensure regulatory compliance in domestic sewage discharge practices, full first flush diversion, enhanced recycling and reuse of water resources, and ultimately increased utilization of non-traditional water sources.



In 2023, Qiangang Branch received the honorary title of “Water-Saving Enterprise of Shandong Province”. Qiangang Branch’s sewage treatment capacity is 1,000 tons/day, with the quality of its affluent satisfying the national first-grade standard. All treated water is used for stack yard spraying, road sweeping, etc., ensuring compliance in domestic sewage discharge operations and saving 1.30 million tons of fresh water annually.

(III) Highlighting environmental factors to respond to climate changes

In order to cope with the challenges of climate change, the Company actively implements the national goal of “carbon peaking, carbon neutrality”, pays attention to the impact of global climate change on port operation, adheres to the concept of green and low-carbon development, reduces pollutant emission and the impact of development on the environment. Combined with climate change scenarios, the Company analyzes the risks and opportunities of climate change that it faces, assesses related impacts, and formulates coping strategies.

		Risks	Measures
Entity risks	Acute risks: Typhoon, storm, drought, flood and other extreme weather	<ul style="list-style-type: none"> ➢ Damage docks and related facilities, cargo ships or cargo, resulting in damage and loss of assets ➢ Extreme weather causes a ship to deviate from its original route, making it difficult to arrive at the port on time ➢ Affect the smooth passing of a shipping lane and need dredging ➢ Crop failure leads to a decrease of cargo quantity, affecting a port’s throughput 	<ul style="list-style-type: none"> ➢ Formulate emergency response plans for natural disasters, such as the <i>Implementation Plan for Emergency Response under the Heavy Pollution Weather</i>, and constantly improve the natural disaster emergency response mechanism ➢ Promote development of diversified businesses and develop terminal and comprehensive logistic services

Risks		Measures
	Chronic risks: Sea level rise and growing foggy weather, last high temperature	<ul style="list-style-type: none"> ➢ Sea level rise and growing foggy weather affect a ship's route and the sailing schedule of a shipping company ➢ As the temperature rises, the terminal needs to be equipped with more refrigeration equipment to meet the needs of relevant customers; employees may not be able to work outdoors for a long time in the hot season, which affects operation efficiency
Transitional risks	Policy and legal risks	<ul style="list-style-type: none"> ➢ The government launched stricter policies and regulations to mitigate climate changes and increase compliance requirements of corporate operation ➢ China's trading pricing mechanism for carbon emissions is gradually improved, increasing business operational cost ➢ Lawsuits and claims related to climate risks
	Technical risks	<ul style="list-style-type: none"> ➢ The use of renewable energy, new technologies and equipment for energy saving and emission reduction makes original technologies and facilities outdated and depreciated
	Market risk and reputation risk	<ul style="list-style-type: none"> ➢ Customers have increased demand for low-carbon services and green terminals, and they are more inclined to cooperate with companies with excellent performance in sustainable development
		<ul style="list-style-type: none"> ➢ Scientifically arrange production plans, carefully deploy production organizations, improve operation efficiency ➢ Pay close attention to changes in environmental laws and regulations and respond in a timely manner ➢ Actively carry out energy saving and emission reduction and increase the proportion of clean energy ➢ Continuously study the feasibility and economic benefits of applying new technologies and equipment ➢ Accelerate the construction of a green and intelligent port, improve the efficiency of resource recycling and utilizing, and achieve a leading position in sustainable development industry

(IV) Environmental key performance indicators

The Company regularly checks the implementation of environmental protection policies and the environmental protection systems, corrects behaviors that do not conform to the Company's environmental protection policies and systems, and takes corresponding remedial measures. In 2023, the Group has invested approximately RMB201.21 million in environmental protection, reducing carbon emissions by 15,600 tons throughout the year.

The Group's hazardous waste primarily comprises waste batteries, waste lubricating oil, oil-contaminated water, and waste filter cores. We engage qualified third-party agencies to conduct waste transportation and disposal in compliance with regulations. In 2023, the Group launched a special rectification initiative for hazardous waste management in line with the new regulations regarding the storage pollution control and identification signs of hazardous waste, to enhance the standard of related management practices.

The Group's non-hazardous waste mainly includes scrap materials and household garbage. Scrap materials mainly include scrap steel, used steel wire ropes, and scrap tires. The Group actively recycled scrap materials to minimize resource consumption and waste emissions. Non-recyclable but economically valuable scrap materials are publicly auctioned to promote reuse of resources. All household garbage generated in workplaces is handled by specialized garbage collection companies. In 2023, the Group generated 11,000 tons of scrap materials and 9,120 tons of household garbage.

The Group consumes water resources primarily for production water and domestic purposes, without any material risks or issues affecting our ability to obtain suitable water resources. Production water is primarily used for dust suppression spraying, road sprinkling, and irrigation of grasslands. Priority is given to using reclaimed water from the port's domestic sewage treatment plant and dust-laden wastewater treatment facilities, supplemented by reclaimed water outsourced from external sewage treatment plants. Municipal water supply is used only when the primary water sources cannot meet our business needs. Domestic water, sourced entirely from mains supply, is mostly consumed to meet the everyday needs of employees. In terms of wastewater discharge, 100% of reclaimed water from domestic sewage treatment plants and dust-laden wastewater treatment facilities within the port area is recycled, with other domestic water properly treated before being channeled into the municipal sewage pipelines.

Statistical data of emissions ⁽¹⁾ in 2023

Name	Unit	Statistical data
Total greenhouse gas emissions ⁽²⁾ (Scope 1 and Scope 2) ⁽³⁾	Ton	689,322
- Direct greenhouse gas emissions (Scope 1):	Ton	135,631
- Indirect greenhouse gas emissions (Scope 2):	Ton	553,691
Greenhouse gas emissions per 10,000-ton throughput (Scope 1 and Scope 2)	Ton/10,000-ton throughput	10.38
Total hazardous waste produced	Ton	614
Hazardous waste per 10,000-ton throughput	Ton/10,000-ton throughput	0.009
Compliance rate of hazardous waste disposal	%	100
Total non-hazardous waste produced	Ton	20,120
Non-hazardous waste per 10,000-ton throughput	Ton/10,000-ton throughput	0.30

Statistics on the consumption of natural resources (including energy) in 2023

Resource type	Unit	Statistical data
Total comprehensive energy consumption ⁽⁴⁾	MWH	1,425,499
1. Direct energy consumption	MWH	534,707
(1) Petrol consumption	MWH	6,274
(2) Diesel consumption	MWH	515,036
(3) Natural gas consumption	MWH	13,397

2. Indirect energy consumption	MWH	890,792
(1) Electricity consumption	MWH	777,760
(2) Steam consumption	MWH	113,032
Total comprehensive energy consumption per 10,000-ton throughput	MWH/10,000-ton throughput	21.47
Total water consumption	1,000-ton	3,690
Including: Circulating water	1,000-ton	1,900
Comprehensive water consumption per 10,000-ton throughput	1,000-ton /10,000-ton throughput	0.06

Notes:

(1) Based on the nature of the Company's business, the emissions mainly include greenhouse gases. Since the Company is not a key pollutant emission unit, the importance of emissions data other than greenhouse gases is low, so it has not been disclosed. In addition, based on the nature of the Company's business, the packaging material data is not applicable to the Company.

(2) Greenhouse gas emissions include carbon dioxide, methane and nitrous oxide, which mainly arise from purchased electricity and consumption of fossil fuel. Greenhouse gas emissions are measured by carbon dioxide equivalents and calculated based on the *2019 Baseline Emission Factors for Regional Power Grids in China* issued by the Ministry of Ecological Environment and the *2006 IPCC Guidelines for National Greenhouse Gas Inventories (2019 version)* issued by the Intergovernmental Panel on Climate Change (IPCC).

(3) Scope 1 of greenhouse gas emissions refers to those directly from operations of the Company, while Scope 2 refers to indirect greenhouse gas emissions from internal consumption of (purchased or acquired) - electricity and steam.

(4) Refer to the *General Principles of Calculation for Comprehensive Energy Consumption* (GB/T2589-2008), the *National Standard of the People's Republic of China*, for accounting.

Environmental goals for 2024

- Carbon emission target: Direct greenhouse gas emissions per 10,000-ton throughput are less than or equal to 2.05 tons.
- Energy utilization efficiency target: Comprehensive energy consumption per 10,000-ton of production is less than or equal to 20.02 MWh.
- Waste reduction target: 100% of solid waste is managed following the standard operating procedures and disposed of in compliance with regulations, and 100% of non-road mobile machinery in the port area is duly registered and conform to the tailpipe emission standards.
- Water utilization efficiency target: The utilization rate of non-traditional water sources is not less than 50%, and 100% recycling of reclaimed water from domestic sewage treatment plants and dusty wastewater treatment facilities in the port area, compliance rate of sewage discharge and reuse, and the certification rate of pollution discharge permits are all 100%.

In 2024, the Company will take measures to reduce emissions and energy consumption including:

(1) Carry out special treatment for standardization of pollutant discharge permits. We will strictly implement the requirements of the *Regulations on the Administration of Pollution Discharge Permits*, update relevant information in a timely manner, and implement key issues such as records, execution reports, self-monitoring, and information disclosure.

(2) Strengthen the control of solid waste pollution. We will strictly implement the requirements of the new *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, to identify the types of solid waste in ports, and standardize the collection, archive and disposal.

(3) Strengthen the exhaust gas treatment of fuel machinery and equipment. We will solidly finish the dynamic adjustment of the registration for non-road-mobile machinery, and regularly carry out annual exhaust emission monitoring.

(4) Promote the construction of “carbon neutral” pilot demonstration area. We will actively carry out the creation of zero-carbon operating areas, zero-carbon terminals, and zero-carbon port areas, and encourage the purchase of green electricity to offset the indirect carbon emissions generated by purchased electricity.

(5) Enhance the utilization of rainwater and reclaimed water to reduce the consumption of potable water resources. We will prioritize the maintenance and management of water consumption equipment and technological upgrades to optimize water efficiency; standardize water usage practices, develop site-specific water-saving measures, increase water conservation advocacy and promotion efforts, foster a culture of water conservation among all staff members, and establish the company as a model for water-saving initiatives.

Unifying Employees and Safety to Construct a Safe Port

The Company vigorously improves the safety production system on safety production management, carries out a series of special activities to rectify major hidden dangers in safety production, and works hard on detailed and practical work of safety production strictly, continuously promoting the construction of a safe port.



(I) Cementing safety management

The Company strictly abides by the *Safety Production Law of the People's Republic of China*, *Emergency Response Law of the People's Republic of China*, the *Special Equipment Safety Law of the People's Republic of China*, and other laws and regulations, as well as normative documents, implements the accountability of enterprise entity for safety production in all respects, improves the quality and efficiency of safety training, improves institutional standards, and continuously enhances the level of safety basic management.

Improve the quality and efficiency of safety training. The Company organized all employees to study the important remarks of General Secretary Xi Jinping on safety production in depth, held training such as “the first lesson of start working”, basic management exchange and observation meeting, and strengthened safety culture publicity. We adhered to the normalized warning education for accident cases, actively carried out theme activities such as “Safety Production Month” and “119 Fire Protection Month”, continuously improved the safety culture literacy and safety risk prevention awareness of employees, and created a safety production atmosphere.

Implement primary corporate responsibilities. In accordance with the regulatory requirements, the Company has appointed safety directors, signed work safety target accountability agreements level-by-level, implemented a comprehensive work safety accountability system for all employees, and established an overarching safety responsibility framework.

Further develop related policies and standards. The Company has revised regulations and policies such as the *Provisions on Safety Management of Special Operations* and the *Management Measures on Work Safety* to ensure clear guidelines and procedures are in place for observation by staff. In 2023, the Company made headway in the establishment of a credit system for transportation work safety, with all stevedoring companies received Grade A or above, and the number of Grade AA units increased to four. Five units were upgraded during the work safety and production standardization assessment.



Safety Production Theme



Safety Production Theme Debate Competition



Safety Production Month Activity



Benchmarking Learning and Improvement Activity

The Company strengthens the safety training on work to improve employees' safety skills. The Company has formulated a comprehensive safety training system, stipulating that the training hours for general management and operation personnel are no less than 12 learning hours per year, and training hours for the management and operation personnel of the key post in units are no less than 20 learning hours per year. According to the needs of safety management, the Company formulates and implements safety production training work plans annually, conducting safety education and training on all on-job employees, new employees (including intern students), renters, renter-related personnel and temporary external labors.

 CASE

The date of June 2023 marked the 22nd National “Work Safety Month”. To instill the ethos of security-oriented development, the Group focused relevant efforts on the theme of “Raising Staff Awareness of Work Safety and Effective Emergency Handling” to carry out “Work Safety Month” activity broadly.

The Oil Port Company centralized the procurement and distribution of work safety learning materials focusing on studying the 15 Measures for Work Safety, and held safety-themed meetings to engage all employees in discussions about work safety awareness, risk identification, and the development of related measures.



Dagang Branch held a consultation day event dubbed “Work Safety Month”, distributed promotional materials on-site, answered questions and provided clarifications to employees regarding fire safety knowledge, work safety, work injury insurance, and employee services.



(II) Solidifying safety risk prevention

The Company continuously improved its hazard investigation and risk management systems, maintaining a consistent focus on addressing major accident risks. Essential innovative safety measures and practices were rolled out in all areas such as the container, liquid bulk cargo, and dry and break bulk cargo sections, to ensure the overall safety and stability at the port.

The Company established a security technology support and guarantee system. In the field of hazardous chemicals, we used industrial robots and remote control technology to reduce the number of personnel in hazardous positions and their operations. In key areas, such as hazardous workplaces, crude oil storage tanks, and grain systems, the Company promoted the implementation of automatic detection of safety status and intelligence risk warning to improve the level of intrinsic safety and ensure the overall controllability of key safety risks.

The Company implemented regular supervision and inspection of potential safety risks. The Company has set up a safety supervision team to implement all-weather and seamless safety supervision and inspection, investigate safety responsibilities, and urge the implementation of safety systems and safety measures. In 2023, we focused on work safety and the “Five Civilities” initiative (stevedoring civility, production civility, service civility, construction civility, and environmental civility) aimed at improving the management infrastructure. We identified 184 typical issues, addressed three “weak spots”, and promoted 29 exemplary practices.

The Company continued to strengthen safety management in key areas. In 2023, we selected and introduced 140 essential innovative safety measures and practices for a total of 306 application scenarios, reduced or eliminated safety risks associated with human-machine cooperation and interactive operations through information technology and equipment innovation, and gradually implemented automated risk detection and intelligent warning to enhance the essential safety standard and foster a safe environment.

CASE

Qiangang Branch promoted the pilot application of equipment lifecycle maintenance technology, installing internet-of-things sensors such as temperature and vibration instrument on machinery and equipment, realizing status monitoring and abnormal diagnosis of key parts of gantry cranes and stacker-reclaimers, and enhancing the intrinsic safety level of equipment.



(III) Improving emergency response capabilities

The Company established the emergency organization system, formulated and implemented contingency plan to support safety production in the port. Taking into account regional and seasonal risk characteristics, the Company conducted over 200 practical drills and over 150 emergency exercises for key areas such as high-rise buildings and hazardous material storage areas in the port area, further refining emergency plans, coordinating linkage mechanisms, testing vehicle equipment, and enhancing practical combat capabilities.

Qingdao Port Emergency Rescue Co., Ltd. and the nearby full-time fire rescue forces established the mechanism with the service force and the linkage, contributing to the construction of the National Hazardous Chemicals and Shandong Provincial Marine Disaster Emergency Rescue Center. In 2023, Qingdao Port Emergency Rescue Co., Ltd. actively participated in multiple rescue operations, including fires at power plant ancillary facilities, high-speed tank truck fires, and cotton warehouse fires, receiving recognition from higher authorities and praise from various sectors of society.



In 2023, Qingdao Port Emergency Rescue Co., Ltd. participated in emergency drills at the Shandong Provincial Emergency Rescue Center and was awarded the first collective prize.



In 2023, the Oil Port Company put into operation a virtual reality simulation emergency drill system, which simulates the actual operating environment of the port area and constructs immersive, interactive, and intelligent virtual emergency drill training sites by leveraging advanced technologies such as mobile internet and virtual reality, achieving virtualization and simulation of emergency response.

(IV) Employee occupational health

The Company strictly follows the *Law of the People’s Republic of China on Prevention and Control of Occupational Diseases*, adheres to the occupational disease prevention and control guideline of “prevention first and integration of prevention and control”, formulates and implements the *Management Measures for Prevention and Control of Occupational Diseases*, the *Management Measures of Physical Examination for Staff Health*, and other management systems, continues to improve management mechanisms including warnings and notifications, declarations, training and publicity, protective equipment management, hazard monitoring and evaluation, etc., which constantly improves the level of occupational health management and effectively protects employees’ occupational health.

The Company has formulated the corresponding outfit standard for labor protection equipment according to the environmental characteristics of production positions. We regularly provide staff with labor protection equipment such as helmets, work clothes and gloves. In addition, we strengthen the supervision over usage of labor protection equipment to ensure proper wearing and use and create a safe and healthy production and work environment for the staff.

The Company provides physical examination for staff annually, carries out occupational health examination for employees during the period of pre-the-job, on-the-job and off-the-job to occupational disease hazards, and establishes employee occupational health files. If the employee’s health status is inconsistent with the post requirements, we will transfer him to another post in time to avoid the risk of occupational disease or suspected occupational disease. In 2023, the coverage rate of employee occupational health examination was 100%.

The Company has passed ISO 45001 occupational health and safety management system certification. All subsidiaries of the Company involved in occupational disease hazard factors entrust third-party testing agencies to conduct regular occupational disease hazard factor testing, and issue the “Workplace Occupational Disease Hazard Factor Testing Report” to ensure that the operating environment meets the requirements.

The Company’s statistics of employee health and safety are as follows:

Health and safety indicator	Amount	Ratio
Number and ratio of work-related fatalities in 2021	1 (person)	0.01%
Number and ratio of work-related fatalities in 2022	0 (person)	0%
Number and ratio of work-related fatalities in 2023	1 (person)	0.01%
Number of days delayed due to work injury in 2023	901 (working days)	-

Note: ratio of work-related fatalities = number of work-related fatalities / Number of employees

Joining Hands to Achieve Win-win Development

The Company actively integrates into the national development of the “OBOR”, accelerates to build a world-class marine port. Through more cooperation with the other ports, upstream and downstream industries and suppliers, the Company strives to achieve regional quality resource sharing and boost regional coordinated development and win-win cooperation.



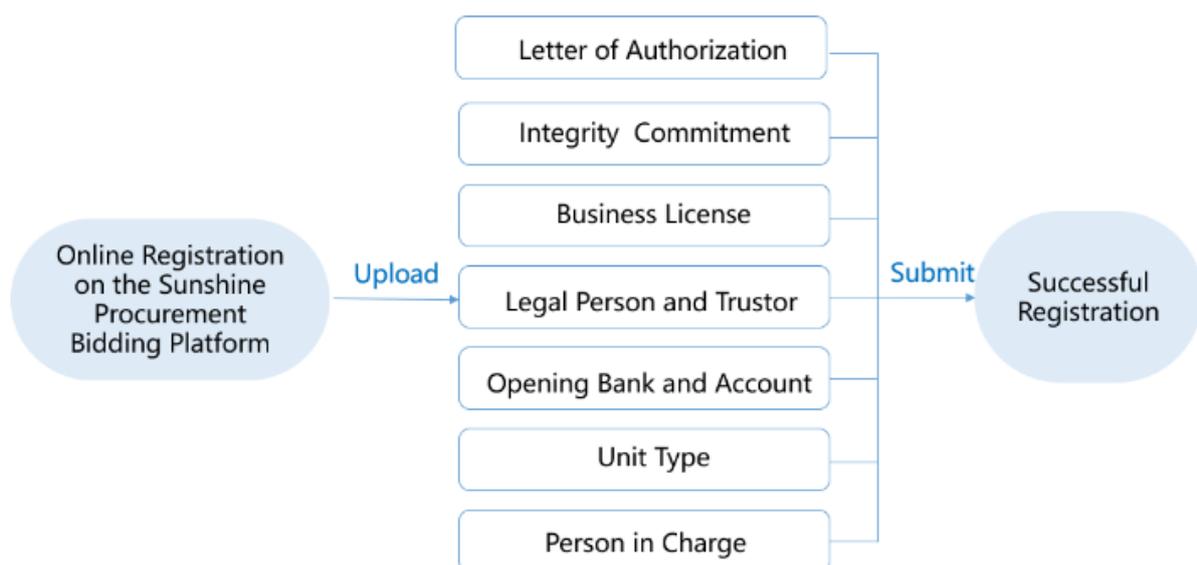
(I) Creating a sustainable supply chain

The Company abides by the *Bidding Law of the People's Republic of China* and other laws and regulations, standardizes bidding and procurement management activities, practiced the Group's requirements, we have revised the *Centralized Procurement Management Measures*, the *Supplier Management Measures*, the *Management Measures for Evaluation Experts* and other management systems, further clarifying the division of business and process, regulating employee behavior, reducing the impact of human factors, and protecting the legitimate rights and interests of the Company and suppliers.

The Group implements the centralized procurement policy, vigorously implements the “sunshine procurement” project, and sets up a full-time department material and equipment bidding procurement center (hereinafter referred to as the “**Procurement Center**”) to uniformly purchase the cargo, service and projects based on the principles of openness, fairness, justice and transparency. The implementation of the “sunshine bidding and procurement” project has played the advantages of large-scale and specialization of procurement, strengthened the risk control of the procurement process, effectively prevented the risks of procurement fraud and commercial bribery, and promoted cost control and capital saving. The Procurement Center innovates supplier management, takes the dynamic evaluation, selecting the good and abandoning the bad, efficiency and systematics as principles, forms a sound supplier management mechanism of daily management, regular evaluation and annual audit, and builds a supplier management system covering the event before and the event after the event. In 2023, more than 1,500 projects were tendered through the sunshine bidding and procurement platform. By the end of 2023, over 1,800 suppliers had joined the sunshine bidding and procurement platform, with the number of potential online supplier users exceeding 2,000.

The Group realizes the online operation of the whole bidding process, publicly recruits suppliers with advanced technology and efficient operation to the whole society through the sunshine bidding and procurement platform, continuously optimizes the supply chain and maintained the leading level and competitive vitality of suppliers. We make every effort to promote the upgrading of the procurement platform, realize the online payment of bid bond and agency fee through the data exchange between sunshine bidding and procurement platform and E-bank, realizing the online handling of procurement business more convenient. We further normalize the standardized deposit management, exempt the deposit for small projects, and reduce the transaction cost of suppliers. We lower the entry threshold and strive to create a sound and relaxed business environment.

Supplier review process on the Sunshine Procurement Bidding Platform



The Company regards suppliers as important partners, abides by policies and commitments to suppliers, and advocates the establishment of a business environment of fair competition, equality and mutual benefit. The Company has set up a supplier service hotline and opened a 24-hour customer service hotline to help suppliers solve problems and answer questions. In 2023, it answered tens of thousands of consultation and answer calls, effectively enhancing the guarantee of supplier service.



Answer questions for suppliers

Accept purchased materials and put into storage

The Company is committed to maintaining a fair and just procurement order, setting up a supervisory department to accept complaints from suppliers, encouraging the society and suppliers to report suspicious corrupt behaviors, and severely cracking down on violations of laws and regulations such as favoritism and black-box operations in the procurement process, so as to protect the legitimate rights and interests of both parties. Procurement Center regularly supervises and publicly reminds the incorruptible procurement, signs the Integrity Commitment Certificate with suppliers, issues a Letter to Suppliers on the bidding procurement platform, practicing the concept of open, shared and win-win supplier cooperation and opposing any form of unfair competition.

Geographical distribution of major partner suppliers in recent 3 years

Distribution area of suppliers	Number of suppliers in 2021	Number of suppliers in 2022	Number of suppliers in 2023
Qingdao	1,136	1,193	765
Shandong Province (excluding Qingdao)	537	575	499
Outside Shandong Province	751	1,138	590
Total	2,424	2,906	1,854

The Company concentrates on the performance of suppliers in terms of sustainable development. In the procurement process, we give priority to equipment and materials with reliable quality, energy saving, high efficiency and environmental protection, and prohibit the purchase of outdated products that are explicitly eliminated by the state. We also attach importance to whether suppliers have legal or moral risks in protecting the ecological environment, obeying labor standards, and protecting human rights. Moreover, we deliver the concept of sustainable development and management requirements to our suppliers and motivate them to fulfil their environmental and social responsibilities consciously.

Procurement Center carries out quantitative evaluation of suppliers' points and blacklisting management. In 2023, a total of 901 points were deducted from 281 suppliers as penalties, with 90 suppliers being blacklisted and 1,336 suppliers having their quotation qualifications suspended. The Company attracted a wide range of capable suppliers, with 374 new suppliers added throughout the year, effectively improving the quality and efficiency of centralized procurement.

(II) Cooperating with partners to seek common development

The high-quality development of enterprises benefits from a sound industry ecology. We actively carry out cooperation among international and domestic ports and join various industry association activities to promote industrial innovation and keep a harmonious relationship with enterprises in the same industry, so as to cooperate with partners to seek common development.

The Company closely focused on the upstream and downstream industrial chains, fully leveraged port resources to drive the development of industries near the port and coordinated the accelerated construction of Dongjiakou Port Area's industries such as minerals and grains, promoting the coordinated development of industries and ports.

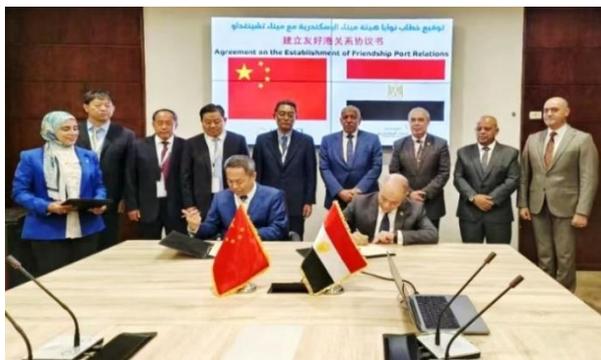
The Company continues to expand and consolidate overseas joint venture and cooperation projects. We jointly invested in the construction of the Abu Dhabi terminal project in the United Arab Emirates with COSCO SHIPPING Ports, and cooperated with CNPC and other partners to strengthen the management of overseas projects such as Kyaukpyu Made Island in Myanmar and Vijay Port in Guinea. We actively and prudently responded to unfavorable factors such as changes in the political and economic environment, and took multiple measures to maintain the safety and stability of overseas operating projects.

In 2023, the Company continued to deepen friendly exchanges and cooperation with international ports and established friendly relations with ports such as Aktau Port in Kazakhstan, Baku Port in Azerbaijan, Associated British Ports, and Alexandria Port in Egypt.

In March 2023, the Company launched the first cross-border automotive train service from Qingdao Port to Kazakhstan.



In June 2023, the Company's management visited Germany, France, and the UK to conduct a series of promotional activities, visiting sister-ports and business partners. The Company will strengthen exchanges and cooperation with sister-ports in areas such as technological innovation, port management, and personnel exchanges, continuously promoting friendly relations between ports and better serving economic and trade exchanges and cultural exchanges between China and port countries and cities.



Sign a friendly port agreement with Alexandria Port of Egypt



Sign a friendly port agreement with Associated British Ports

Focusing on the “dual-carbon” goal, the Company promoted the iteration and upgrading of port machinery and equipment. In 2023, the Company organized technical personnel to participate in the Maritime China to learn and absorb cutting-edge green technology, promoting the renewal and replacement of the Company’s new energy vessels and vessel equipment.



区关港联合研究中心

FTZ-CUSTOMS-PORT JOINT RESEARCH CENTER



In June 2020, Qingdao Port, together with Qingdao Area of Shandong Free Trade Zone and Huangdao Customs, established the FTZ-Custom-Port Joint Research Center to jointly deepen policy research, actively integrate into national strategies, improve trade facilitation, enhance port service efficiency, and promote regional enterprise development and overall social and economic development.

In October 2023, with the support of Qingdao Customs and Huangdao Customs, the customs code for the Qianwan Port Area was unified to 4218, and the port code was unified to CNQGD, changing the previous situation of “one port, different customs” and achieving one-time customs declaration and passage throughout the port area for customers. This move fully demonstrates the cooperative effect between customs and ports and is of great significance for promoting the coordinated and efficient utilization of port resources and facilitating customs clearance.



Annual meeting of FTZ-Custom-Port Joint Research Center of 2023

The Company strengthened exchanges and interactions with the industry and various professional fields, and actively participates in the innovation and development of the industry. We complied with the industry self-discipline rules, formulated and implemented the *Administrative Measures for Participating in Association Organizations*, and improved the code of conduct for participating in industry organizations. As at the end of the Reporting Period, the Group has joined a number of industry organizations such as the China Ports Association, and served as the chairman, vice-chairman or director unit of some industry organizations, playing an active role in strengthening internal and external communication and coordination in the industry and promoting the sound development of the industry.

List of Industry Association joined by the Group (Excerpt)	
• International Association of Ports and Harbor	• Shandong Shipping and Port Association
• China Ports Association	• Shandong Internal Auditors Association
• China Association for Quality	• Shandong Council for Brand Development
• China Tally Association	• Qingdao Safety Production Association
• China Association for Public Companies	• Qingdao Copyright Protection Association
• The Hong Kong Chartered Governance Institute	• Qingdao Standardization Association
• China Water Transportation Construction Association	• Qingdao Association for Science and Technology
• Port Branch of China Civil Engineering Society	• Qingdao Law Society
• National Association of Financial Market Institutional Investors	• Qingdao Lawyers Association
• China Society of Emergency Management	• Qingdao Quality Development Promotion Association

Adhering to People-orientation to Promote Outstanding Employees

Talents are the foundation for the development of the Company. Adhering to the “people-orientation and talent-rich port”, we are committed to building harmonious labor relations. We attract talents, build a platform for growth, protect the rights and interests of employees, benefit employees’ lives, help employees’ careers, and promote the common growth of employees and enterprises.



(I) Building a first-class talent team

The Company strictly complies with the *Labor Law of the People's Republic of China* and other relevant laws and regulations on employment of employees, and establishes and implements procedures for employment and resignation of employees in accordance with the laws. In the recruitment process, the Company forbids and eliminates all forms of discrimination regarding ethnicity, race, gender, age, family status, etc. to attract talents for the construction of world-class marine ports. As at 31 December 2023, the Company hired 3,095 employees, with its subsidiaries employing 6,355 employees. The number of employees was relatively stable.

In 2023, the Company went a step further in team building, pursued cadre management reform, and expanded the scale of professional technical personnel, to guarantee talent reserve for the development of the port.



Construction of the management team

The Company promotes the management model reform of managers by implementing the tenure system and contractual management, and implementing the *Contractual Management Work Plan for Managers* and *Interim Measures for Remuneration Management and Performance Evaluation of Management Members* to stimulate the initiative and enthusiasm of the managers, and further improve the management capability.



Construction of the professional technical team

The Company actively seizes the opportunity of policies, develops the full potentials of employees to improve their skills. Hence, 681 employees have been supported to pass the independent identification for occupational skill level certificates at five occupational levels, resulting in a stronger professional talent team.

As at 31 December 2023, the Company and its subsidiaries had 2,637 professional and technical personnel, among them, there were 340 persons with senior titles, 1,270 persons with intermediate titles and 1,027 persons with junior titles. The Company had 4,514 skilled personnel, including 488 senior technicians, 1,037 technicians, 1,762 senior workers, 610 intermediate workers and 617 junior workers.

As at 31 December 2023, the overall composition of the Company's staff is as follows:

Type of employees	Number of employees
Number of in-service employees in the parent company	3,095
Number of in-service employees in subsidiaries	6,355
Total number of in-service employees	9,450
By gender	
Male employees	8,091
Female employees	1,359
By age	
Under 30	2,132
30-50	5,762

Above 50	1,556
By profession	
Production personnel	6,308
Sales personnel	176
Technical personnel	1,321
Finance personnel	309
Administrative personnel	1,169
Other personnel	167
By education	
Postgraduate and above	406
Undergraduate	2,690
Junior college	4,112
Below junior college	2,242

Statistics of employment and loss of employees in 2023 was as follows:

Statistical classification	Classification breakdown	Number of new appointment (person)	Number of loss (person)	Employee Turnover ratio (%)
By age	Under 30	437	89	4.2
	30-50	2	322	5.6
	Above 50	0	152	9.8
By education	Postgraduate and above	130	55	13.5
	Undergraduate	2	124	4.6
	Junior college	307	178	4.3
	Below junior college	0	206	9.2
By gender	Male	387	459	5.7
	Female	52	104	7.7

Notes: 1. Number of losses includes retired staff and employees accompanying business adjustments, “under” means the number itself is not included while “above” includes.

2. Employee turnover ratio = number of loss in this category / total number of employees in this category as of the end of reporting period.

3. As the Company currently operates in Qingdao, Shandong Province with fewer employees working outside the city, the number of employees and its turnover ratio by regions have no significant impact on the Company. Therefore, the Company makes no statistics and disclosure on these indicators.

(II) Protecting employees' legitimate rights and interests

The Company attaches great importance to and effectively protects the legitimate rights and interests of employees. We strictly abide by laws and regulations such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and the *Prohibition of Child Labor Regulations* and normative documents, establish a labor employment system based on contract system, formulate and implement the Labor Rules and Regulations, the Provisions on Management of Rewards and Punishments for Employees (Trial) and other management system to effectively protect the legitimate rights and interests of employees. The Company has established a mechanism to review and supervise labor employment, by which the Company will conduct review in respect of new employee recruitment and daily human resources management to prevent the risks of employing child labor and forced labor. We continuously strengthen the supervision and inspection of compliance with labor laws and regulations on subsidiaries and joint stock companies, identify potential employment risks, and urge the responsible department to report and rectify the problems found in a timely manner. In 2023, there was no illegal behavior such as employment of child labor, forced labor and labor discrimination found in the Company.

Democratic rights

The Company is committed to building harmonious labor relations. We continue to improve the democratic management system including the workers' congress, labor union unionists' congress and the democratically appraised managers, deepen implementation of the mechanism of open and democratic management of the factory, to effectively guarantee the employees' right to know, participate and supervise.

The Company cares about and attaches importance to the reasonable needs of employees. We support the labor union to carry out its work according to law, and listen to the opinions of employees through democratic forms such as workers' congress and labor union unionists' congress on matters involving the vital interests of employees, such as wages, welfare, labor safety and health, social insurance, etc..



The Company holds commendation meetings on May Day and May Fourth Day

The Company lays stress on the demands of employees, constantly upgrades the communication and feedback mechanism. We adhere to relying on employees wholeheartedly, widely solicit public opinion through 15 democratic channels such as labor research, chairman / general manager mailbox and support hotline, and report the work situation every month, collect and handle approximately 1,200 opinions and suggestion from employees. In 2023, the Group carried out the activity of putting forward suggestions at all levels and collected development strategies of 7,000, guiding employees to open up ideas and take an active part in port reform and development.

The Company actively builds a democratic management system with reasonable procedures and complete structure to ensure that employees' opinions to be learned and suggestions to be implemented. The Company builds the Labor Law Supervision Committee of Labor Union, further exerting the supervision and inspection role of labor unions in labor protection and safeguarding the rights and interests of employees.



Employee representative meeting of the Company



Grass-roots companies hold employee representative meeting



Discussions with grass-roots employee representatives



The management of the Company participate in the labor survey



Public column about factory affairs in grass-roots units



Information publicity in grass-roots groups

In 2023, Dagang Branch and Weihai Port Development Company were awarded the “Model Workers’ Home in Shandong Province”, while Oil Port Company and QQCTU were awarded the Qingdao Municipal “Harmonious Consultation and Win-Win Cooperation” Star Demonstration Units, receiving recognition from higher-level trade unions for harmonious labor relations.

Remuneration and welfare policies

The Company has formulated a scientific and fair employee remuneration system, under which, the growth of remuneration is determined based on employee work performance, economic environment and supply and demand of human resources market in accordance with the principle of “synchronizing with the growth performance of the Company and the improvement of labor productivity”.

The Company pays pension, medical care, unemployment, work-related injuries, childbirth and other social insurances for the employees, and provides the employees with high temperature subsidies, heating subsidies and other welfare benefits. We establish an enterprise annuity plan for employees to protect their rights and long-term interests. We set up a supplementary medical insurance of medical aid for serious disease system to provide guarantee for employees with critical illness, so as to reduce their worries.

Closely following the latest national policies, the Company strives for welfare such as refund of subsidy for post stability, one-time employment subsidy and exemption, housing subsidy for new employees, etc. for eligible employees.

Employee rights protection performance indicators

Statistical classification	2021	2022	2023
Collective contract coverage (%)	100	100	100
Enterprise annuity coverage (%)	100	100	100
Notice of significant events (%)	100	100	100
Democratic supervision coverage (%)	100	100	100
Percentage of employees participating in labor union (%)	100	100	100
Percentage of minority employees (%)	0.52	0.53	0.78
Occupational training coverage (%)	100	100	100
Occupational health check rate (%)	100	100	100
Social insurance coverage (%)	100	100	100
Physical examination and health coverage (%)	100	100	100

Working hour management

Strictly abiding by the laws and regulations related to the working hours of employees, the Company conducts working hour management by formulating a scientific working hour management system and setting up shifting systems for different types of posts. The Company will pay overtime payment or arrange for the transfer of rest to employees who work overtime.

Employee holidays

The Company safeguards the legitimate rights and interests of employees for taking normal leave and ensures that employees could enjoy public holidays and paid time off. In addition, the Company still retains positions for employees returning to work according to maternity leave/nursing leave regulations.

Staff holidays

Name of holidays	Number of vacation days
Statutory holidays	New Year's Day, Spring Festival, Qingming Festival, Labor Day, Dragon Boat Festival, Mid-Autumn Festival, National Day, etc., implementing the national standards
Paid leave	According to the accumulated years of working, the employees could enjoy leave for 5 days, 10 days and 15 days
Maternity leave	158 days
Nursing leave	15 days
Nursing leave (caring for parents)	10 days for only child, 7 days for non-only child
Parental leave (accompanied delivery)	12 days
Breastfeeding leave	For children are less than one-year old, female employees have 1 hour leave per day
Marriage leave	3 days
Funeral leave	1 to 3 days
Home leave to visit spouse leave	30 days
Home leave to visit parents leave (unmarried)	20 days / year; 45 days / 2 years
Home leave to visit parents leave (married)	20 days / 4 years

Notes: The above staff holidays are subject to compliance with relevant laws, regulations and company rules.

(III) Facilitating employee career development

The Company strives to create a stage for employee development and unblock employees' career development channels. The Company firmly believes that as long as employees are willing to learn and work hard, everyone can become a talent. The Company respects people, cultivates people, brings up people, and uses advanced culture to unite people, uses flexible mechanism to motivate people. The Company creates conditions, builds a platform, encourages its employees to show their talents, gives a position to those who are promising, and promotes the comprehensive development of employees, so as to achieve a harmonious and win-win situation between the enterprise and employees.

Employee promotion

The Company establishes a comprehensive talent development management system and sets up four types of professional development sequences for management staff, professional technicians, skilled workers, and operating workers, to ensure that all employees can achieve development in their own fields. The Company carries out democratic recommendation, competition for employment, recommendation and evaluation, etc., strengthens the post certification of technical qualification, and puts more efforts in completing the incentive mechanism in the employee promotion system. Furthermore, we carry out the employment recruitment and selection work in all respects to inspire rural migrant workers to improve their work abilities and performance, and to provide employment protection for the production needs of employers.

The Company pays attention to talent training and development and vigorously promotes talent training plan. In 2023, the number of the Company who newly obtained national high, medium and primary professional and technical titles reached 300, who newly obtained chief technicians, super technicians, senior technicians, technicians and senior workers reached 172. The educational background, knowledge and ability structure of management personnel, technical workers and other key positions have changed to high-skilled and high-quality aspects, providing talent guarantee for the development of the Company.

Employee training

New improvements have been made in the construction of learning-oriented employees and learning-oriented organizations in the Company. The Company also provides targeted improvement training for employees of different businesses and levels, employees of different job types, grades and genders have equal opportunities to participate in training, so as to give strong talent support and knowledge reserve for accelerating the construction of a world-class marine port.

In 2023, the Company’s overall situation of employee training is as follows:

Overview of employee training data	Duration or ratio
Average training hours	No less than 88 learning hours
Percentage of employees trained (%)	100%
By gender	
Male employees who received training (%)	100%
Female employees who received training (%)	100%
Average training hours of male employees	No less than 88 learning hours
Average training hours of female employees	No less than 88 learning hours
By employee category	
Management (%)	100%
Non-management (%)	100%
Average training hours of management	No less than 88 learning hours
Average training hours of non-management	No less than 88 learning hours

The Company built a mobile learning platform named “Zhiniao” and promoted a convenient and flexible learning model, to provide a more convenient and comprehensive learning channel for employees. The platform has multiple modules such as skills training, legal lectures, and online testing, providing a wealth of learning content to meet the diverse learning needs of employees.

Focusing on the four major projects including management talent training, innovative talent empowerment, professional talent improvement, and full-staff job promotion, the Company organizes and implements training by combining online and offline, practice and theory, and centralization and decentralization. We organized 110 training sessions, such as staff ability improvement training and newly appointed middle level management training, through offline key training and online learning training. Training was also conducted for professional skills through the Zhiniao platform, with 1.15 million participants in online training and 470 examination sessions organized. The Group’s coverage rate of employee training reached 100%, and the average annual training hours per employee were no less than 88 hours. We accelerate business and comprehensive ability training through ideological and political education, quality development, visiting outside and job-rotation training.



Improvement training for middle level management



Training for new employees



Invite experts for on-site lectures



Select employees to participate in industry training

Employee talents

The Company strives to build a team of high-quality industrial workers who have ideals and beliefs, master technology and innovation, and dare to take responsibility and dedication. We vigorously promote the spirit of labor, model workers, and craftsmanship, build a broad stage for employees to train skills and become talents, and create a strong atmosphere of respecting labor, knowledge, talents and creation.



Company Vocational Skills Competition

In September 2023, the Company held a vocational skills competition, with over 1,000 employees from various business positions of the Company, competing fiercely in 48 competitions. Through the technical training and competition of all employees, the majority of employees are encouraged to improve their professional skills with higher enthusiasm.

The Group builds a big stage for employees to grow into talents and forge a high-quality and high-skilled workforce. With a good training mechanism and learning environment, many pioneers of the Group have successfully emerged in the industry and even in the whole country. In 2023, Wang Zhaojun and Liu Xinjie of Oil Port Company were awarded the honorary title of “National Technical Expert”; Sun Rixin of Dagang Branch was awarded the honorary title of “Chief Technician of Qilu”; Wei Zhihao and five other employees of West United were awarded the honorary title of “Technical Expert of Shandong Province”.

(IV) Creating a healthy and happy workplace

The Company pays attention to the humanistic care for employees, solidly carries out the practice activity of “I do practical things for the public”, regards employee satisfaction as the starting point and end point of the work, and adheres to the principle of “sincere intentions, real money, real measures, real effects”, continuously innovates methods and to help employees with practical things and solve problems, improving employees’ sense of gaining and happiness.

The Company regularly carries out a series of suggestion activities of “I love the port, I have suggestions, I want to speak”, listens to the employees’ voices in time by smooth “employee voice hotline” to understand the employees’ sentiment and opinion and serve the employees sincerely.

Employee health

The Company adheres to the development concept of people-orientation, and cares for the health and life of employees with practical benefits. The Company organizes employee to do physical examination every year with the coverage rate of 100%. The Company built health cabins for employees, carries out health education activities, and regularly invites medical experts to hold health lectures and carry out free clinic activities to meet the health needs of employees.



Establish “Health Houses”



Organize health consultations

In 2023, the Group organized 3,700 employees to carry out the recuperation activity, and continued to carry out visiting activities for caring frontline production employees, among which, in the activity featuring “delivering coolness in summer”, the Company visited more than 38,000 in total and distributed things of cooling protection from heat with a worth of RMB3.60 million.



Delivery coolness in summer



Delivery warmth in winter



Team building activities



Staff recuperation activities

Employee cares

The Company has formulated and implemented the Work System of Normal Care for Various Special Groups to provide help for overseas employees, employees with difficulties, single young people from other places and other special groups, so as to build a harmonious and happy port family.



Company leaders visiting and comforting the families of overseas employees

The Company strengthened the service guarantee for frontline employees and visited 2,900 employees at key positions, paid attention to the ideological trends of employees, held answer activities about science knowledge with prizes to do a good job in staff education. On the eve of the Spring Festival, the Group launched the New Year Warm Heart Action to distribute caring goods to the frontline employees and their families.

The Company implements the “Seven-one” contact assistance mechanism. Everyone of the Company’s management contacts a grass-roots Party Branch, a grass-roots team, an old member of the Party, a member of the Party with difficulties in life, an employee with difficulties in life, an excellent talent and an overseas employee’s family, offering caring and assistance to counterparts. Through visits, discussions and exchanges, asking the people for their needs and plans, understanding the situation of the port, answering questions and solving doubts to convey the Company’s care, we consolidate the minds of the people, strengthen policy transmission, and help grass-roots development.



The Company upholds the traditional Chinese virtues of respecting, caring, honoring, and supporting the elderly, showing care and support for retired employees. During the Double Ninth Festival in 2023, the Company organized a “Go Home and Visit” activity for retired employees, allowing them to visit terminals, hear reports, witness the Company’s development changes, and expressed care and respect for the elderly comrades.

Employee activities

The Company organizes labor unions in accordance with the *Labor Union Law of the People's Republic of China*, conducts labor union activities, and safeguards the legitimate rights and interests of employees. The Company pays attention to strengthen the ideological and political guidance of employees, organizes and carries out a variety of celebration activities on International Women Day of 8th March, International Labor Day of 1st May, Party's Day of 1st July, National Day of 1st October and other important days, enlarging the typical demonstration effect, to guide employees to adhere to their ideals and beliefs, improve moral cultivation, personal sentiment and cultural taste, and to promote the construction of a harmonious enterprise.

In March 2023, the Company held a celebration and commendation meeting for International Women's Day, where awards, interviews, and talent shows were organized to recognize and motivate individual female workers and teams, inspiring all female workers to unite and strive for further achievements.



In May 2023, the Company held the fourth Workers' Sports Games, with representatives of employees, their families, clients, business partners, and members of the community attending the opening ceremony. Apart from traditional athletic events, the games included fun competitions, creating a lively atmosphere filled with laughter and cheers.



The fourth Workers' Sports Games of the Company

The Company organized chess and ball games, hiking, tug-of-war, and group skipping rope activities, guiding employees to uphold their ideals and beliefs, strengthen their career pursuits, enhance their moral character and cultural taste, increase cohesion and execution, and build a harmonious enterprise.



Dancing competition for employees



Employee cultural and artistic performances



Night school badminton training



Employee calligraphy training classes



Fellowship activities for single young employees

The Company catered to the needs of employees' physical and mental development, encouraged and supported internal associations to organize activities such as photography, calligraphy, and painting. It continued to promote the "Ten Opinions on Caring for and Supporting Female Workers and Building Harmonious Families". We implemented single youth fellowship activities quarterly in each port area, established the third Dongjiakou port area night school lesson for employees, organized a series of cultural theatrical performances to enrich employees' spare time life and enhance corporate cohesion.

Repaying the Society to Shoulder Responsibilities

The Company actively responds to the call of the country, assists rural revitalization, leverages industry advantages, implements maritime rescue, organizes voluntary services, facilitates community development, continues to give back to the society, and realizes the common development of the company and society.



(I) Supporting regional development

The Company actively undertakes social responsibilities, fulfills corporate citizenship obligations, pays attention to the public interest demands, and promotes the harmonious development of society. The Company implements the development idea of “closer relationship with the local Party committee and government, deeper integration into local economic and social development, and more prominent contribution to local economic growth”, pays attention to and participates in the construction of local communities, develops in coordination with local logistics, warehousing, commerce, trade, manufacturing, finance and other industries, provides employment opportunities for local communities and increases tax sources to promote regional economic prosperity and social stability.

In 2023, the Company donated RMB200,000 to the “Special Fund of Guarding Country by Frontier Inspection Police of Shandong Provincial Public Security Police Special Care Foundation”, aiming to motivate public security police officers to better maintain social stability and contribute more to local economic development.

CASE

The Group organized employees to participate in Qingdao City’s urban civilization construction by conducting voluntary service activities focusing on beautifying the environment, promoting civilization, and anti-fraud education at nearby communities and scenic spots.



During the Arbor Day in 2023, QQCT organized young volunteers to participate in voluntary tree planting activities at Xiaozhu mountain, planting over 500 trees.



The Company attaches great importance to communication with the local government and community residents to enhance understanding and trust, and form a win-win situation of harmonious coexistence and common development. The Company strengthens the co-construction and sharing of local communities, and promotes the prosperity and development of regional economy and society through various means such as attracting local people to employment and participating in sports events.

CASE

In 2023, Qingdao Port Tugboat Co., Ltd. gave full play to its advantages in maritime operations, participating in over 6,000 hours of channel clearance and inspection, conducting 42 maritime emergency responses, salvaging 7 overturned fishing boats, rescuing 11 injured or fallen individuals from foreign vessels, ensuring the safety of people’s lives and property. Core crew members were mobilized for Enteromorpha salvaging, effectively controlling the impact of Enteromorpha green tide on Jiaozhou Bay, and ensuring the navigational environment of the port.



Execute emergency missions



Receive praise from rescuers



Completed towing tasks for non-powered LNG ships

(II) Contributing to social welfare

In 2023, the Company actively invested in social welfare undertakings, focusing on community residents, children and the elderly, and port customers. It carried out various forms, rich content, and port specific volunteer service activities. Based on the children's care project “Hope House”, aiming at improving the living environment for children from impoverished families, the Company carried out joint construction activities with the community, and continued to provide volunteer services such as poverty alleviation, caring for the elderly and children, and youth education.

The Company advocates the volunteer spirit of dedication, fraternity, mutual help and progress, and encourages employees to participate in community public welfare and charitable donation activities. To innovate voluntary service models, guide grassroots league organizations to set up joint volunteer service teams with municipal and district volunteer associations and other units to carry out in-depth and practical service projects such as youth caring and youth growth.

 CASE

In 2023, the Group’s voluntary service team carried out activities of voluntary blood donation with over 81400 milliliters of blood in total by 243 employees, and became an important force for local voluntary blood donation.



In February 2023, core members of the fully automated container terminal's young technology team visited two primary schools in Qingdao, educating over 200 students on shipping knowledge and the meritorious deeds of the “Liangang Innovation Team”, promoting patriotism and dedication.



In May 2023, QQCTN participated in organizing activities for the National Science and Technology Week, popularizing knowledge about automated terminal technology to college students visiting the port, sharing the inspiring stories of the “Liangang Innovation Team” and promoting the spirit of scientists.



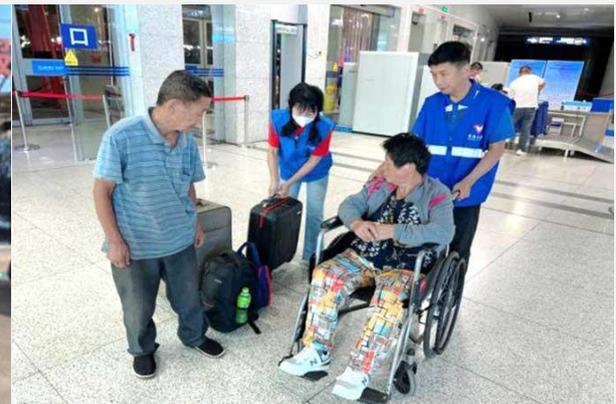
Regular civilized supervision and volunteer service activities are conducted, including monthly traffic guidance and safety assurance at nearby primary schools, maintaining good external relations and enhancing the Company's social image.



Fire safety knowledge education was conducted 12 times for joint patrol and joint action units in surrounding communities and schools, distributing over 500 educational pamphlets.



Young employees visited home-based elderly care service centers to offer condolences and provide autumn and winter health care knowledge.



Conducting holiday transportation services to ensure smooth traffic flow, providing passengers with safe and convenient travel.



Regular environmental protection voluntary service activities are carried out, with young employees assisting community residents to clean up old furniture and garbage during holidays, demonstrating the positive image of contemporary youth contributing to society.

Public welfare role models around us

On 11 July 2023, Wang Dayong, an employee of Qiangang Branch, successfully completed the collection of hematopoietic stem cells donation after more than 5 hours, providing sustained life support for patients with severe blood disorders. In a thank-you letter sent by the recipient's family, it was written, "You are like a beacon in my life, bringing hope to our entire family and giving me hope for rebirth...".



Wang Dayong undergoing hematopoietic stem cell collection

Two donors, Wang Le and Wang Dayong

As early as January 2014, Wang Dayong embarked on his blood donation journey. Over the next nine years, he donated blood 49 times, totaling 4,000 milliliters of whole blood. In February 2023, Wang Dayong, an employee of Qiangang Branch, was awarded the "National Voluntary Blood Donation Contribution Award Silver Medal" by the National Health Commission and the Red Cross Society of China.

In 2016, Wang Dayong joined the Red Cross Car Charity Alliance of the West Coast New Area of Qingdao and obtained the "Certificate for Red Cross First Aider". He has participated in the security of major events such as Half Marathon and the International Beer Festival at the West Coast New Area of Qingdao. In recent years, he has accumulated over 2,000 hours of volunteer service.

We believe that an enterprise cares their employees, serve customers, protect the environment, give back to society and create value can win the respect of society and build the foundation of sustainable development. In the future, the Company will actively fulfill its corporate social responsibility, join hands with the public, pass on its humanistic care, and make efforts tirelessly to promote social development and create a better future for human civilization.

Appendix:

Corporate information

1. **CHINESE NAME OF THE COMPANY:** 青島港國際股份有限公司
2. **ENGLISH NAME OF THE COMPANY:** Qingdao Port International Co., Ltd.
3. **REGISTERED OFFICE:** No. 12 Jingba Road, Huangdao District, Qingdao, Shandong Province, the PRC
4. **LEGAL REPRESENTATIVE:** Mr. SU Jianguang
5. **REGISTERED CAPITAL:** RMB6,491,100,000
6. **PLACE AND DATE OF LISTING:**
 - (1) Main Board of the Stock Exchange of Hong Kong Limited, 6 June 2014
 - (2) Main Board of the Shanghai Stock Exchange, 21 January 2019
7. **ABBREVIATED STOCK NAME:** Qingdao Port
8. **STOCK CODE:** (1) stock code of H share: 06198.HK (2) stock code of A share: 601298.SH
9. **BOARD SECRETARY:** Ms. SUN Hongmei
10. **TELEPHONE:** 86-532-82982133
11. **FACSIMILE:** 86-532-82822878
12. **EMAIL:** qggj@qdport.com
13. **WEBSITE:** <http://www.qingdao-port.com>
14. **Scope of Business:** Readers can query through the National Enterprise Credit Information Publicity System which is <https://sd.gsxt.gov.cn/index>

Index for Standards

(I) Environmental, Social and Governance Reporting Guide Content Index

Subject areas	Contents and indicators	Corresponding chapter
A. Environmental		
Aspect A1: Emissions	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 and land, and generation of hazardous and non-hazardous waste.	Enhancing environmental protection to safeguard the blue sea and clear sky
	A1.1 The types of emissions and respective emissions data	Environmental key performance indicators
	A1.2 Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Environmental key performance indicators
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Environmental key performance indicators
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Environmental key performance indicators
	A1.5 Description of measures to mitigate emissions and results achieved	Enhancing environmental protection to safeguard the blue sea and clear sky
	A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Enhancing environmental protection to safeguard the blue sea and clear sky
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Creating a green ecosystem to promote resource conservation
	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)	Environmental key performance indicators
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Environmental key performance indicators
	A2.3 Description of energy use efficiency initiatives and results achieved	Creating a green ecosystem to promote resource conservation Environmental key performance indicators
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Environmental key performance indicators
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Not applicable
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimizing the issuer's significant impacts on the environment and natural resources.	Walking the walk to build a green port
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Walking the walk to build a green port
Aspect A4: Climate Changes	General Disclosure Policies on identifying and responding to material climate-related matters that have and may have an impact on the issuer.	Highlighting environmental factors to respond to climate changes
	A4.1 Description of climate-related matters that have and may have an impact on the issuer and the actions taken to manage them	Highlighting environmental factors to respond to climate changes

Subject areas	Contents and indicators	Corresponding chapter
B. 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.	Building a first-class talent team
	B1.1 Total workforce by gender, employment type, age group and geographical region	Building a first-class talent team
	B1.2 Employee turnover rate by gender, age group and geographical region	Building a first-class talent team
Aspect B2: Health and Safety	General Disclosure, Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Uniting employees and safe to construct a safety port
	B2.1 Number and rate of work-related fatalities for past three years	Uniting employees and safe to construct a safety port
	B2.2 Lost days due to work injury	Uniting employees and safe to construct a safety port
	B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored	Uniting employees and safe to construct a safety port
Aspect B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Facilitating employee career development
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Facilitating employee career development
	B3.2 The average training hours completed per employee by gender and employee category	Facilitating employee career development
Aspect B4: Labor Standards	General Disclosure, Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Protecting employees' legitimate rights and interests
	B4.1 Description of measures to review employment practices to avoid child and forced labor	Protecting employees' legitimate rights and interests
	B4.2 Description of steps taken to eliminate such practices when discovered	Protecting employees' legitimate rights and interests
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	Creating a sustainable supply chain
	B5.1 Number of suppliers by geographical region	Creating a sustainable supply chain
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Creating a sustainable supply chain
	B5.3 Description of practices relating to identify environmental and social risks at every stage of the supply chain, and how they are implemented and monitored	Creating a sustainable supply chain
	B5.4 Description of practices relating to promote the use of environmental protection products and services when selecting suppliers and how they are implemented and monitored	Creating a sustainable supply chain
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	Rendering quality services

Subject areas	Contents and indicators	Corresponding chapter
	relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not applicable
	B6.2 Number of products and service-related complaints received and how they are dealt with	Rendering quality services
	B6.3 Description of practices relating to observing and protecting intellectual property rights	Sticking to integrity and innovation to build an intelligent port
	B6.4 Description of quality assurance process and recall procedures	Not applicable
	B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored	Rendering quality services
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.	Honesty
	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	Honesty
	B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Honesty
	B7.3 Description of anti-corruption training for directors and staff	Honesty
Aspect B8: Community Investment	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	Supporting regional development Contributing to social welfare
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport)	Supporting regional development Contributing to social welfare
	B8.2 Resources contributed (e.g. money or time) to the focus area	Supporting regional development Contributing to social welfare

(II) Global Reporting Initiative (GRI) Content Index

Standard number and description	Corresponding chapter
Universal standards	
GRI 1: Fundamentals 2021	
GRI 2: General Disclosure 2021	
Organizing and reporting practices	
2-1 Organizational details	Appendix: Corporate information
2-2 Entities included in the organization's sustainability reporting	ABOUT THE REPORT
2-3 Reporting period, frequency and contact point	ABOUT THE REPORT
2-4 Restatements of information	Not applicable
2-5 External assurance	Not applicable
Activities and works	
2-6 Activities, value chain and other business relationships	About Us
2-7 Employees	Building a first-class talent team
2-8 Workers who are not employees	Not applicable
Governance	
2-9 Governance structure and composition	About Us
2-10 Nomination and selection of the highest governance body	About Us
2-11 Chair of the highest governance body	Appendix: Corporate information
2-12 Role of the highest governance body in overseeing the management of impacts	About Us
2-13 Delegation of responsibility for managing impacts	About Us
2-14 Role of the highest governance body in sustainability reporting	Governance structure for sustainable development
2-15 Conflicts of interest	Honesty
2-16 Communication of critical concerns	Governance structure for sustainable development
2-17 Collective knowledge of the highest governance body	Governance structure for sustainable development
2-18 Evaluation of the performance of the highest governance body	Governance structure for sustainable development
2-19 Remuneration policies	Protecting employees' legitimate rights and interests
Strategy, policies and practices	
2-20 Process to determine remuneration	About Us
2-21 Annual total compensation ratio	Not applicable
2-22 Statement on sustainable development strategy	Governance structure for sustainable development
2-23 Policy commitments	Not applicable

Standard number and description	Corresponding chapter
2-24 Embedding policy commitments	Not applicable
2-25 Processes to remediate negative impacts	About Us
2-26 Mechanisms for seeking advice and raising concerns	About Us
2-27 Compliance with laws and regulations	About Us
2-28 Membership associations	Cooperating with partners to seek common development
Stakeholder engagement	
2-29 Approach to stakeholder engagement	Governance structure for sustainable development
2-30 Collective bargaining agreements	Protecting employees' legitimate rights and interests
GRI3:Material Topics 2021	
3-1 Process to determine material topics	Governance structure for sustainable development
3-2 List of material topics	Governance structure for sustainable development
3-3 Management of material topics	Governance structure for sustainable development
Topic standards	
GRI 201: Economic Performance 2016	
201-1 Direct economic value generated and distributed	Chairman's statement
201-2 Financial implications and other risks and opportunities due to climate change	Highlighting environmental factors to respond to climate changes
201-3 Defined benefit plan obligations and other retirement plans	Protecting employees' legitimate rights and interests
201-4 Financial assistance received from government	Not applicable
GRI 202: Market Presence 2016	
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Not applicable
202-2 Proportion of senior management hired from the local community	Not applicable
GRI 203: Indirect Economic Impact 2016	
203-1 Infrastructure investments and services supported	Repaying the society to shoulder responsibilities
203-2 Significant indirect economic impacts	Not applicable
GRI 204: Procurement Practices 2016	
204-1 Proportion of spending on local suppliers	Not applicable
GRI 205: Anti-Corruption 2016	
205-1 Operations assessed for risks related to corruption	Honesty
205-2 Communication and training about anti-corruption policies and procedures	Honesty
205-3 Confirmed incidents of corruption and actions taken	Honesty
GRI 206: Unfair Competitive Behavior 2016	

Standard number and description	Corresponding chapter
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Honesty
GRI 207: Tax 2019	
207-1 Approach to tax	Honesty
207-2 Tax governance, control, and risk management	Honesty
207-3 Stakeholder engagement and management of concerns related to tax	Not applicable
207-4 Country-by-country reporting	Not applicable
Environment	
GRI 301: Materials 2016	
301-1 Materials used by weight or volume	Environmental key performance indicators
301-2 Recycled input materials used	Environmental key performance indicators
301-3 Reclaimed products and their packaging materials	Not applicable
GRI 302: Energy 2016	
302-1 Energy consumption within the organization	Environmental key performance indicators
302-2 Energy consumption outside of the organization	Environmental key performance indicators
302-3 Energy intensity	Environmental key performance indicators
302-4 Reduction of energy consumption	Environmental key performance indicators
302-5 Reductions in energy requirements of products and services	Environmental key performance indicators
GRI 303: Water Resources and Sewage 2018	
303-1 Interactions with water as a shared resource	Creating a green ecosystem to promote resource conservation
303-2 Management of water discharge-related impacts	Creating a green ecosystem to promote resource conservation
303-3 Water withdrawal	Creating a green ecosystem to promote resource conservation
303-4 Water discharge	Creating a green ecosystem to promote resource conservation
303-5 Water consumption	Creating a green ecosystem to promote resource conservation
GRI 304: Biodiversity 2016	
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable
304-2 Significant impacts of activities, products and services on biodiversity	Enhancing environmental protection to safeguard the blue sea and clear sky
304-3 Habitats protected or restored	Not applicable
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not applicable
GRI 305: Emissions 2016	

Standard number and description	Corresponding chapter
305-1 Direct (Scope 1) GHG emissions	Environmental key performance indicators
305-2 Energy indirect (Scope 2) GHG emissions	Environmental key performance indicators
305-3 Other indirect (Scope 3) GHG emissions	Not applicable
305-4 GHG emissions intensity	Environmental key performance indicators
305-5 Reduction of GHG emissions	Environmental key performance indicators
305-6 Emissions of ozone-depleting substances (ODS)	Not applicable
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable
GRI 306: Waste 2020	
306-1 Waste generation and significant waste-related impacts	Environmental key performance indicators
306-2 Management of significant waste-related impacts	Environmental key performance indicators
306-3 Waste generated	Environmental key performance indicators
306-4 Waste diverted from disposal	Environmental key performance indicators
306-5 Waste directed to disposal	Environmental key performance indicators
GRI 308: Supplier Environmental Assessment 2016	
308-1 New suppliers that were screened using environmental criteria	Creating a sustainable supply chain
308-2 Negative environmental impacts in the supply chain and actions taken	Creating a sustainable supply chain
Society	
GRI 401: Employment 2016	
401-1 New employee hires and employee turnover	Building a first-class talent team
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Protecting employees' legitimate rights and interests
401-3 Parental leave	Protecting employees' legitimate rights and interests
GRI 402: Labor/Management Relations 2016	
402-1 Minimum notice periods regarding operational changes	Not applicable
GRI 403: Occupational Health and Safety 2018	
403-1 Occupational health and safety management system	Protecting employees' legitimate rights and interests
403-2 Hazard identification, risk assessment, and incident investigation	Protecting employees' legitimate rights and interests
403-3 Occupational health services	Protecting employees' legitimate rights and interests
403-4 Worker participation, consultation, and communication on occupational health and safety	Protecting employees' legitimate rights and interests

Standard number and description	Corresponding chapter
403-5 Worker training on occupational health and safety	Protecting employees' legitimate rights and interests
403-6 Promotion of worker health	Protecting employees' legitimate rights and interests
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Protecting employees' legitimate rights and interests
403-8 Workers covered by an occupational health and safety management system	Protecting employees' legitimate rights and interests
403-9 Work-related injuries	Protecting employees' legitimate rights and interests
403-10 Work-related ill health	Protecting employees' legitimate rights and interests
GRI 404: Training and Education 2016	
404-1 Average hours of training per year per employee	Facilitating employee career development
404-2 Programs for upgrading employee skills and transition assistance programs	Facilitating employee career development
404-3 Percentage of employees receiving regular performance and career development reviews	Facilitating employee career development
GRI 405: Diversity and Equal Opportunity 2016	
405-1 Diversity of governance bodies and employees	About Us
405-2 Ratio of basic salary and remuneration of women to men	Not applicable
GRI 406: Non-discrimination 2016	
406-1 Incidents of discrimination and corrective actions taken	Building a first-class talent team
GRI 407: Freedom of Association and Collective Bargaining 2016	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not applicable
GRI 408: Child Labor 2016	
408-1 Operations and suppliers at significant risk for incidents of child labor	Protecting employees' legitimate rights and interests
GRI 409: Forced or Compulsory Labor 2016	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Protecting employees' legitimate rights and interests
GRI 410: Security Practices 2016	
410-1 Security personnel trained in human rights policies or procedures	Not applicable
GRI 411: Rights of Indigenous Peoples 2016	
411-1 Incidents of violations involving rights of indigenous peoples	Not applicable
GRI 413: Local Communities 2016	
413-1 Operations with local community engagement, impact assessments, and development programs	Repaying the society to shoulder responsibilities
413-2 Operations with significant actual and potential negative impacts on local communities	Not applicable
GRI 414: Supplier Social Assessment 2016	

Standard number and description	Corresponding chapter
414-1 New suppliers that were screened using social criteria	Creating a sustainable supply chain
414-2 Negative social impacts in the supply chain and actions taken	Creating a sustainable supply chain
GRI 415: Public Policy 2016	
415-1 Political contributions	Not applicable
GRI 416: Customer Health and Safety 2016	
416-1 Assessment of the health and safety impacts of product and service categories	Not applicable
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Not applicable
GRI 417: Marketing and Labeling 2016	
417-1 Requirements for product and service information and labeling	Offering high-quality services
417-2 Incidents of non-compliance concerning product and service information and labeling	Offering high-quality services
417-3 Incidents of non-compliance concerning marketing communications	Not applicable
GRI 418: Customer Privacy 2016	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not applicable

Readers' Feedback

Dear readers:

Thank you very much for reading *Sustainability Report of 2023 of Qingdao Port International Co., Ltd.* We sincerely invite you to put forward suggestions for the report, so as to help us continuously improve the quality of the report. Please fill in the following feedback form and send it to us by mail, fax or email. Thank you for your valuable advice.

I. Please score from 1 to 5 (1 being the lowest and 5 being the highest) for the following questions:

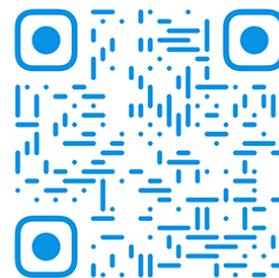
Contents	Scores
1. Your overall opinion on this sustainability report	
2. Your opinion on whether this report reflects significant economic, social and environmental impacts of the Company	
3. Your overall opinion on our communication with stakeholders	
4. Your overall opinion on information disclosure in this report	
5. Your overall opinion on the format and design of this report	

II. Your comments on this report and suggestions on the report for the next year (attached pages allowed):

III. Your contact details:

Name:		Phone Number:		Email:	
Address:					

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You can scan the QR code above to follow our website.
We will sincerely consider your comments and suggestions and properly protect your personal information.



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