



**Building resilience,  
embracing a shared future**

## About this report

CITIC Pacific Limited's (CITIC Pacific) Environmental, Social and Governance (ESG) Report provides a summary of our commitment to corporate sustainability, detailing our performance and key accomplishments as we integrate ESG objectives into our business strategies to promote sustainable transformation across the organisation. This report covers the financial year from 1 January 2023 to 31 December 2023 (the reporting period).

## Reporting boundaries

This report encompasses the ESG performance of CITIC Pacific's businesses including special steel manufacturing, property development and operations, power generation, healthcare and the distribution of consumer products. It also covers the ESG performance of CITIC Pacific Mining and its Sino Iron project, which CITIC Pacific manages on behalf of its parent company, CITIC Group (CITIC). The report includes qualitative and quantitative information regarding the company's approach, progress and initiatives in managing material environmental, social and governance aspects.

## Reporting framework

This report has been prepared taking into account international ESG reporting standards and objectives including GRI and the United Nations Sustainable Development Goals (UNSDGs). We have incorporated stakeholder inclusiveness, sustainability context and materiality to define the report content following the principles of accuracy, balance, clarity, comparability, reliability, completeness and timeliness. In the coming years, we aim to strengthen our transparency and disclosure, adding further depth and detail to the report.



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# Chairman's Message

Last year, CITIC Pacific voluntarily introduced our first ESG report because we believe that sustainability is fundamental to our organisational resilience and long-term success. As CITIC's largest non-financial platform, we must make significant advancements towards a green industrial ecosystem to meet CITIC's ESG targets and contribute toward China's climate goals. The reporting process not only enhanced our transparency to stakeholders, but also helped us review and track progress towards ESG objectives. Most importantly, it galvanised efforts across the organisation by reinforcing our commitment and strengthening our culture of sustainability.

Our focus on sustainability is reflected in the depth and reach of ESG initiatives across our businesses. Take our mainland property business as an example – it recently completed a comprehensive review of sustainability requirements to enhance its green building targets and guidelines, following international best practice and leading green building standards. At CITIC Pacific Special Steel, cross-functional teams mapped out a Life Cycle Assessment and the carbon footprint of key products while creating the industry's first Product Category Rules for Automotive Components to support carbon reduction in the supply chain. In our energy business, new energy generation has doubled year-on-year and now represents 15% of our installed capacity, even while we upgrade the energy efficiency of existing coal-fired facilities. The newest Ligang Phase V power station, for example, uses the latest ultra-supercritical power generation technology and world-leading emission reduction technology which reduce carbon emissions by 20% and air emissions by more than 20%. At Dah Chong Hong, both the motor and consumer products businesses are reviewing ways to upgrade their portfolios and better serve evolving market needs, prioritising the new energy vehicle market, planet-friendly foods and low-carbon logistics. At CITIC Pacific Mining, the installation of major equipment and all-steel modules for the High-Pressure Grinding Rolls (HPGR) system has been completed. By crushing material more efficiently, the system is expected to reduce the total energy requirement for concentrate production by 7% when operational.


It is very clear that engaging our people is vital to the success of our ESG efforts. We aim to ensure that every employee understands the value and importance of their individual contribution. To promote enhanced ESG awareness and engagement, we have organised training sessions and internal campaigns around themes including ESG risk management, climate change, carbon markets and green building.



## Chairman's Message

From high-level business decisions such as investments in wind farms to simple changes like bringing a reusable lunchbox to the office, we are harnessing the potential of our people to power our sustainability journey. Some of these initiatives may seem like simply good business – and they are – but we recognise that every incremental change to our daily operations is important. Our priority is to progress in the way we do business in the long term, evolving to not only meet ESG objectives, but to better support our planet and our communities. With a strong culture of sustainability taking root, we are making important strides forward.

Thank you for your ongoing support as we strive towards a cleaner, greener and safer world.



**Zeng Chen**  
*Chairman*



# About CITIC Pacific

## 2023 fast facts



Revenue

**HK\$193.7** billion



Profit

**HK\$10.3** billion



Total assets

**HK\$432.9** billion



Employees

**51,000+**

Note: Data above excludes  
CITIC Pacific Mining

CITIC Pacific is a diversified business platform headquartered in Hong Kong with over 30 years of history and operations that extend across the special steel, property, energy, health, consumer products distribution and other industries. As a wholly owned subsidiary of Hong Kong-listed CITIC Limited (267.HK), which is 53% owned by CITIC Group, a state-owned enterprise, CITIC Pacific serves as CITIC Group's largest non-financial subsidiary and capital investment platform. CITIC Pacific also manages CITIC Pacific Mining and its Sino Iron project on behalf of our parent company.

At CITIC Pacific, we build businesses with distinctive competitive advantages by leveraging our China heritage and global perspective. We evaluate long-term growth opportunities for synergy and development potential, guided by a strategy that is customer-centric and commercially driven. By adopting international best practices across our operations, we aim to deliver operational excellence and sustainable value for our stakeholders, including our parent company and its shareholders, employees and the communities in which we operate.

## Company structure



## About CITIC Pacific

### Our businesses



#### Special Steel

The special steel business comprises two listed manufacturers, CITIC Pacific Special Steel (000708.SZ) and Nanjing Steel (600282.SH) with a total annual capacity of 30 million tonnes. Together, they operate a strategic footprint of facilities including six steel plants, two raw material processing facilities and two plants for downstream and complementary products. As a leader in domestic special steel production with a wide international customer base, our products extend across special steel bars, plates, seamless steel tubes, forged steel, wires, casting billets, strip steel, deformed steel and clad plate.

#### Property

Positioned as a developer and manager of premier properties, CITIC Pacific Properties is focused on mixed-use, commercial and residential projects with operations that extend across the commercial lifecycle to include investment, project development, marketing and property management. It currently owns and manages properties in key cities in the Yangtze River Delta, the Greater Bay Area, the Yangtze River Economic Belt and the Bohai Rim Economic Circle.



#### Energy

CITIC Pacific Energy invests in and manages power plants in China with a total installed capacity of 8,100MW and supporting businesses that extend across the industrial supply chain from coal mining and shipping to power sales and heat supply. The company also invests in and manages green energy generation including photovoltaic and wind power.

## About CITIC Pacific

### Our businesses



#### Consumer products

Dah Chong Hong (DCH) is a leading distributor of motor and consumer products headquartered in Hong Kong. With more than 70 years of history, DCH distributes over 2,000 brands with operations in 13 Asian economies. Leveraging an intimate understanding of Asian markets, consumers and supply chain dynamics, the company brings brands to market and products to shelves across a wide range of consumer industries.

#### Healthcare

CITIC Pacific's health business includes medical and elderly care services, as well as healthcare distribution. The medical services business operates hospitals and provides integrated elderly services in Zhejiang and Jiangsu provinces, while the distribution business supplies pharmaceuticals, medical supplies and devices to healthcare providers.



#### Mining

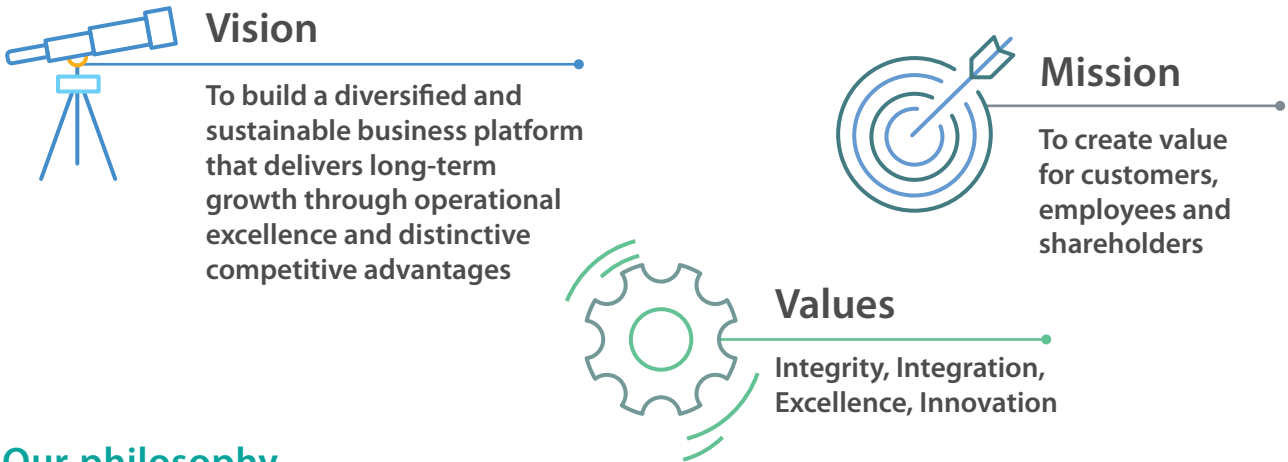
CITIC Pacific Mining is the developer and operator of Sino Iron, the largest magnetite iron ore mining and processing operation in Australia. Located in Western Australia's Pilbara region, Sino Iron features a six-line processing facility where magnetite ore is transformed into a high-grade concentrate, ideal for lower-emission steelmaking. Supporting infrastructure includes a state-of-the-art gas-fired power station, desalination plant and a purpose-built port export facility.



## About CITIC Pacific

### Corporate culture

CITIC Pacific's value system is a product of over 30 years of development and is guided by the corporate culture of CITIC Group. This value system informs our daily decision-making and represents who we are, how we act and what we believe in. Those who make CITIC Pacific their home are individuals willing to work diligently, adapt and learn, and most importantly, embrace our values.

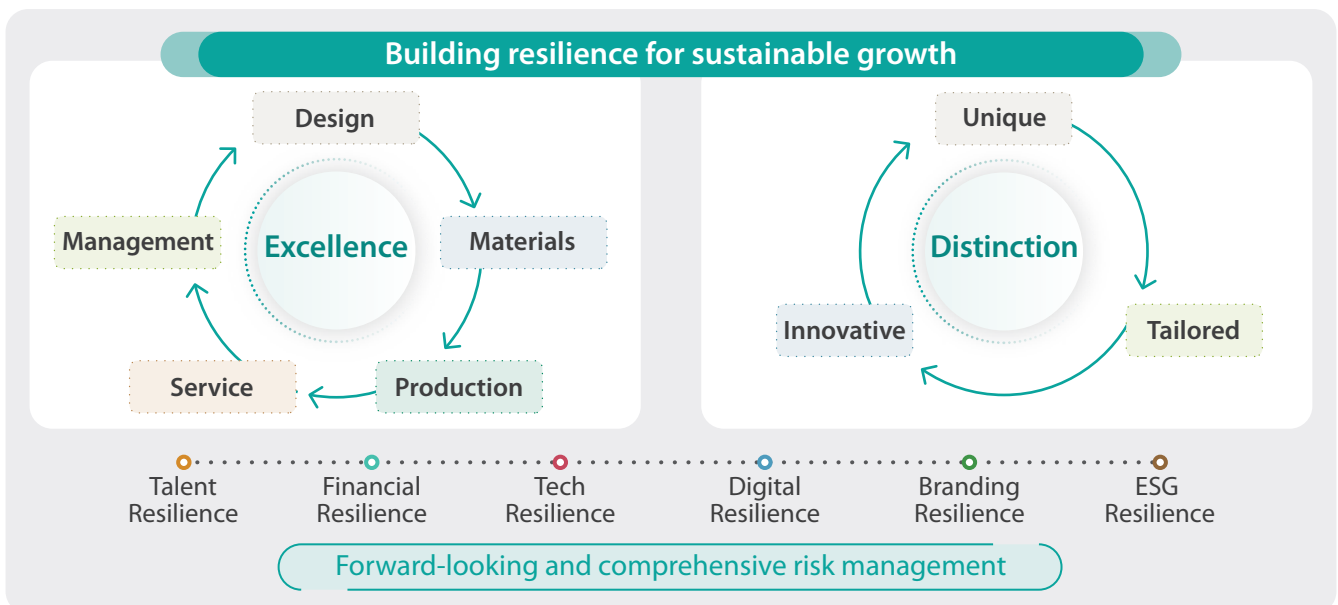


### Our philosophy

At CITIC Pacific, we have shaped and refined a business philosophy to deliver “excellence” and “distinction” in everything we do.

This approach continues to safeguard our long-term viability and foster enterprise resilience. We strive to deliver “excellence” in our products and services through effective management, advanced production processes, the use of quality materials and a high standard of design. “Distinction” refers to our commitment to craft unique, tailored and innovative solutions that meet the evolving needs of our diverse customers. We dare to be pioneers.

Supported by a forward-looking and comprehensive risk management system, these principles guide our efforts to strengthen our organisational resilience through areas such as talent management, finance, technology, digitalisation, branding and ESG.



# Our Approach to ESG

As a company with diverse businesses and operations both in China and overseas, CITIC Pacific is focused on sustainability to promote responsible business growth and value creation for our nation, our parent company and our many stakeholders. By adopting a long-term view and pursuing a path of excellence in both sustainability and performance, we strive to build a strong foundation for future development.

CITIC Pacific reviews ESG opportunities and risks in alignment with our operational and development objectives, taking into account the interests of our stakeholders as well as policy guidance and the ESG goals of our parent company. To support the integration of ESG into our strategy, a taskforce has been established to develop and implement sustainability practices and monitor performance. Collaborating with both internal and external stakeholders, the taskforce is responsible for adopting a structured approach to our sustainability agenda, supporting the organisation in its effort to make continual progress on ESG objectives and drive long-term value for our stakeholders. Aligned with our corporate objectives, each of our subsidiaries is working to deliver sustainability enhancements according to the unique nature and challenges of its respective industry. Collectively, these measures not only ensure our continued regulatory compliance, but generate efficiencies, stimulate product innovation, defend market share, foster goodwill and help us contribute to greener communities.

## ESG progress and achievements in 2023



### Environment

- ✔ CITIC Pacific Special Steel pioneered the world's first green and low-carbon Product Category Rules (PCR) evaluation criteria for the special steel used in automotive components. The life cycle assessment criteria are designed to guide government policies, steel customers and steel companies in making responsible product choices and identifying carbon reduction opportunities in the supply chain. In recognition of this milestone achievement, the company garnered the "Excellence in Life Cycle Assessment" Steelie Award issued by the World Steel Association.
- ✔ Following a thorough review of best practices in green building, CITIC Pacific Properties has adopted three green building targets to enhance sustainability and efficiency. By 2025, the company aims to obtain dual certification for green and sustainable development either nationally or internationally for more than 50% of new office and commercial developments and 80% of new residential projects. By 2030, CITIC Pacific Properties targets to have 100% of newly built projects obtain dual certification for green and sustainable development.
- ✔ CITIC Tower, the company's headquarters in Hong Kong, completed an energy-saving, barrier-free and smart technology renovation project including air conditioning, elevators, lighting and other equipment upgrades to create a low-carbon, environmentally-friendly, healthy and comfortable office space. In 2023, CITIC Tower received its first WELL Health-Safety Rating, demonstrating our commitment to the health and safety of staff and visitors.
- ✔ At the end of 2023, CITIC Pacific Energy's total installed renewable energy capacity exceeded 1.6 million kW, accounting for 15% of the company's total installed capacity. Electricity generated by new energy projects doubled against last year to exceed 427 million kWh.



## Our Approach to ESG

- Following ongoing investment in green energy projects, CITIC Pacific Energy completed its first Green Electricity Certificate (GEC) transaction and sold a total of 10 million kWh of renewable energy in 2023. This is a milestone in the company's transition towards sustainable power.
- In recognition of widespread sustainability efforts, Dah Chong Hong won the SocietyNext Foundation's InnoESG Award, the Hong Kong ESG Award from the Chinese Manufacturers' Association of Hong Kong, and the Outstanding Award of Source Separation of Commercial and Industrial Waste from the Environment Protection Department of Hong Kong. The company has been certified as a green organisation in Hong Kong by the Environmental Campaign Committee for 10 consecutive years.



### Social

- CITIC Pacific was recognised as a "Caring Company" by The Hong Kong Council of Social Service and received both the "Award of Excellence" and "Platinum Award" from the Community Chest of Hong Kong.
- Xingcheng Special Steel, a subsidiary of CITIC Pacific Special Steel, became the world's first special steel company designated as a Global Lighthouse in recognition of its industry-leading intelligent manufacturing and digitalisation.
- Advocating for healthy living, CITIC Pacific and Dah Chong Hong supported the "Hong Kong Streetathon 2023", while CITIC Pacific Properties provided equipment for runners in the 2023 Yangzhou Jianzhen Half Marathon.



### Governance

- CITIC Pacific released its first ESG report to the public in 2023 and has prepared and issued the *CITIC Pacific ESG Work Guidelines (2023)* to guide subsidiary efforts.
- CITIC Pacific reviewed and revised its risk strategy and risk appetite system, releasing an updated *Risk Strategy Guideline for 2023-2025* as well as a *Risk Appetite Statement for 2023*.
- CITIC Pacific Special Steel was awarded the special steel industry's first ISO 37301:2021 (compliance management system) certification by the British Standards Institute in recognition of its robust and effective systems of corporate governance.

## Our Approach to ESG

### Stakeholder engagement

CITIC Pacific recognises the vital role of stakeholder communication and engages stakeholders through diverse channels to understand their concerns and expectations. The perspectives of both internal and external stakeholders are factored into the development of our ESG strategy, policies, practices and goal setting. This enables us to effectively enhance our long-term strategies and ESG performance.



### Materiality assessment

Through ESG materiality assessment, we aim to identify the key areas of focus for ongoing ESG development and initiatives, positioning the company to best capture emerging opportunities and protect against ESG-related risks.

During the reporting period, the company reviewed and updated the materiality matrix by benchmarking industry best practices, referring to expert opinions and feedback from stakeholders in consideration of international frameworks such as the Global Reporting Initiative (GRI) and the United Nations Sustainable Development Goals (UNSDGs). As a diverse business operating across sectors, we considered the materiality of each ESG aspect to our subsidiaries independently and also to CITIC Pacific as a whole, based on factors including relevance, likelihood and severity. A total of 18 ESG aspects qualified as most material to CITIC Pacific.



# Our Approach to ESG

CITIC Pacific materiality matrix



**Environment**

- 1 Addressing climate change
- 2 Water management
- 3 Emissions and waste management
- 4 Biodiversity
- 5 Green technologies, products and services

**Customers and value chain**

- 6 Product quality and service
- 7 Supply chain management
- 8 Privacy and data security
- 9 Industrial cooperation
- 10 Innovative development

**Governance**

- 11 Corporate governance
- 12 Business ethics
- 13 Risk and crisis management

**People**

- 14 Employee rights and benefits
- 15 Occupational health and safety
- 16 Human resources development
- 17 Talent attraction and retention

**Community**

- 18 Community participation

# Corporate Governance



CITIC Pacific is committed to ensuring the highest standard of corporate governance. The board of directors (the board) upholds robust corporate governance practices that protect the interests of our stakeholders, promote enterprise value and sustain long-term development. We attach great importance to our management practices, *Code of Conduct*, corporate policies and standards, which together form the basis of our approach to sound governance. Our corporate governance practices are reviewed from time to time to ensure they meet stakeholders' expectations, comply with legal and professional standards and reflect the latest local and international developments. We respect and are committed to comply with the laws, rules and regulations of each country and region in which we operate.

## Associated UNSDG



## Board of directors

The board determines the overall strategy of CITIC Pacific, providing direction and approvals in relation to matters concerning the company's activities, policies and plans. It plays a leading role in defining the purpose and values of the company, cultivating a forward looking, performance-driven and innovative culture. It is also responsible for ensuring effective risk management and internal control systems are in place.

Our board members hail from diverse and international backgrounds with deep expertise appropriate to the requirements of CITIC Pacific's businesses, which enrich leadership perspectives and enhance decision-making.

Matters specifically reserved for the board include the review of business plans and monitoring of business performance, key projects and developments, the approval of financial statements, appointments of directors and senior management, terms of reference of management committees and the development of various corporate policies.

The board meets regularly to discuss CITIC Pacific's strategic development, taking into account evolving internal and external environments to ensure alignment between the company's purpose and strategy. Day-to-day business operations and certain functions are delegated to the executive committee and other committees which report to the board.

## Corporate Governance

### Management committees

The board has established committees to discharge its functions and provided sufficient resources to enable the committees to undertake their specific responsibilities. The board sets clear terms of references for board committees to oversee the implementation of various corporate policies that promote sustainability and responsible governance.

#### Executive committee

The executive committee comprises the chairman, president, chief financial officer, vice presidents and senior executives of all business units and corporate departments. Meeting regularly, the executive committee serves as a forum for senior leadership to discuss and communicate business strategies and objectives and make timely decisions on relevant matters. It reviews operational performance and provides advice to the board on strategic decisions including resource allocation, financing and business opportunities.

#### Investment committee

The investment committee oversees capital allocations, evaluates investment proposals, feasibility, risks and opportunities of each investment both at the CITIC Pacific and subsidiary levels. It ensures investments are aligned with the company's strategic direction and sustainability objectives by considering factors such as strategic value, environmental impact, social responsibility and governance practices. The committee oversees and approves annual operational and capital budgets, as well as the full lifecycle of investments.

#### Asset and liability management committee

The asset and liability management committee is responsible for monitoring and controlling the financial position and risks of CITIC Pacific in aggregate and at the subsidiary level, according to relevant treasury and financial risk management policies. It reviews the company's financing plans and financial instruments, oversees fund management, cash flow positions and hedging policy. It also manages financial risks and sets limits on exposure in relation to counterparties, interest rates, credit, liquidity, currencies, commodities, commitments and contingent liabilities.

#### Remuneration committee

The remuneration committee is responsible for the oversight of remuneration for CITIC Pacific and its subsidiaries, including salary, benefits, bonuses and other incentives. Remuneration packages are decided with reference to corporate objectives, company performance and in consideration of local market practices and regulatory requirements.

#### Risk management committee

The risk management committee is dedicated to identifying, measuring, monitoring and developing mitigation strategies for business risks. The committee reports and provides recommendations to the board and executive committee on risk exposure, progress and actions taken. It also advises on future risks and management strategies to ensure that we maintain a robust and effective risk management framework.

#### Procurement management committee

The procurement management committee is responsible for managing and guiding CITIC Pacific's procurement practices, including the formulation of procurement-related policies and rules.

## Corporate Governance

### Digitalisation committee

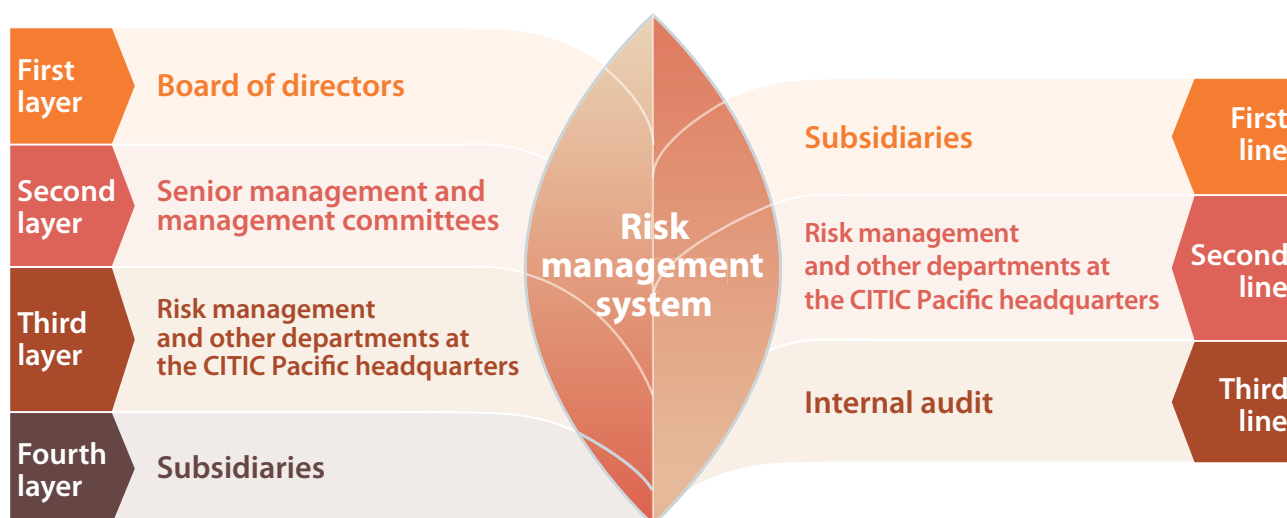
The digitalisation committee reviews and approves CITIC Pacific's digitalisation strategies and plans. It ensures the company's digitalisation practices are aligned with the development strategies, policy framework and initiatives established by the management as well as CITIC Group.

### Risk management

CITIC Pacific has established a comprehensive risk management and internal control system designed to reduce business risks to an acceptable level through defined mechanisms and processes that identify, assess, monitor and mitigate risks in our business activities.

### Risk management system

CITIC Pacific's risk management and internal control system comprises "Four levels" and "Three lines" based on the corporate governance structure. It clarifies the risk management responsibilities of the board, risk management committee, risk management and various functional departments and business units, while establishing comprehensive risk management protocols. The risk management division takes the lead in organising functional departments and subsidiaries to efficiently carry out various daily risk monitoring, risk indicator tracking, regular reporting and other works.



### Risk management practices

In addition to our risk strategy and risk appetite system, CITIC Pacific continuously optimises risk management procedures, identifies and evaluates potential risks and formulates actionable and effective plans for risk mitigation. By regularly reviewing and improving our policies, adjusting business strategies, upgrading technologies and strengthening our management systems, we continually strengthen the effectiveness of our risk mitigation and control mechanisms.

In 2023, the company issued two policy documents, the *Risk Strategy Guidelines for 2023-2025* and the *Risk Appetite Statement for 2023* to further enhance risk appetite management, define acceptable levels and types of risk, ensure regular monitoring and management of key risk indicators and promote the systematisation of all risk management efforts. By integrating risk management and ESG considerations into our governance procedures and decision-making processes, we have adopted a holistic approach to achieve our objectives and navigate operational and environmental uncertainties.

## Corporate Governance

### Raising risk awareness

CITIC Pacific believes that elevating the risk awareness of employees can reduce and prevent potential risks. Throughout the reporting period, the company and its business units conducted various risk management training programmes for all employees, such as comprehensive risk management, anti-fraud legislation and anti-monopoly compliance. Through comprehensive risk management and special training courses, the company fosters a robust culture of risk management and enhances our ability to respond efficiently to risk.

### Ethics and integrity

At CITIC Pacific, we foster a culture of integrity by adopting a multifaceted approach that encompasses training, transparent communication and a strong emphasis on our corporate values.

We respect and adhere to the laws of the countries in which we operate and have instituted a rigorous system for business ethics and compliance oversight to foster an environment of integrity, trust, responsibility and self-discipline through internal supervision and external auditing.

### Anti-corruption

To maintain a high standard of integrity in all aspects of our daily business activities, CITIC Pacific has adopted guidelines and policies in its *Code of Conduct* which provides a set of defined ethical standards and requires employees to strictly obey all relevant laws and regulations in the execution of their professional and personal activities. It articulates CITIC Pacific's strong stance against all forms of corruption and unethical behaviour including bribery, fraud, money laundering, conflict of interest, unfair competition and intellectual property management. *The Code of Conduct* serves as a crucial resource, providing clear guidance on managing various situations that may emerge during daily operations, including strict investment, procurement and tendering processes. CITIC Pacific's *Code of Conduct* and its policies are regularly reviewed and updated to ensure they remain relevant and effective amid evolving industry standards and emerging sustainability issues.

### Whistleblowing

To safeguard the interests of our company, CITIC Pacific has also instituted an internal whistleblowing mechanism including reporting principles, procedures and channels, to guide and protect employees in handling suspected cases of misconduct or violations involving the company or its employees. It discourages allegations made in bad faith while protecting whistleblowers from retaliation.

### A culture of integrity

CITIC Pacific upholds a strong culture of professional and personal integrity and conducts regular business ethics training for directors and employees. To enable employees to develop a deep understanding of ethical principles and their practical application in the workplace, we conduct integrity courses and educational campaigns that encourage individual vigilance and responsibility. During the reporting period, the CITIC Pacific headquarters conducted a total of 13 courses related to integrity and business ethics, with over 27,000 participants from both the headquarters and subsidiaries. Our businesses also held integrity and ethics trainings and campaigns that included policy sharing, case studies, videos, conferences, online courses and assessments.



# Environmental Stewardship



As the world continues along its path of development, environmental stewardship has become increasingly essential to protect our global future and counter the growing risks of climate change, loss of biodiversity and resource depletion. As a company with businesses in the industrial sector, we recognise the impact our operations have on the natural environment, as well as their increasing financial, regulatory and reputational implications. Accordingly, we believe that reducing our environmental footprint is a fundamental duty and critical to our long-term ability to create value for our stakeholders.

## Associated UNSDGs



## Climate risk and resilience

Climate change is one of the most significant challenges facing the world today and we believe it is the responsibility of both the public and private sectors to take urgent action to reduce carbon emissions. Balancing green development with business growth objectives, we incorporate climate-related risks and opportunities into our strategic planning and decision-making. With reference to the recommendations of the International Sustainability Standards Board (ISSB) and the Task Force on Climate-Related Financial Disclosures (TCFD), we strive to manage our climate-related impacts through governance, strategy, risk management, metrics and targets.

## Climate-related governance

CITIC Pacific has incorporated ESG considerations into our development decisions and risk management framework, including those related to climate risk and opportunity. The ESG taskforce works closely with business units and headquarters functions to review climate-related strategies, assess risks and opportunities as well as track our climate-related performance.

Our businesses have also begun to integrate climate change governance into existing environmental management strategies with dedicated task forces, management systems, climate risk assessments and response strategies. CITIC Pacific Special Steel,

## Environmental Stewardship

for example, has formed a governance structure in which the strategy, risk and ESG committee is responsible for climate-related matters and is served by three functional divisions, a dual-carbon leadership team, a dual-carbon working group and a dual-carbon promotion office. In 2023, CITIC Pacific Mining's carbon reduction committee finalised its charter based upon the four pillars of governance, risk management, emission reduction strategies, and metrics and targets aligned with the latest ISSB requirements.

### Strategies to address climate-risk and opportunities

Climate change carries risks for our businesses. Increasing temperatures, flooding and extreme weather events can adversely affect our assets, operations, employees and suppliers while rapid evolution in policy and customer preferences may also impact our ability to generate long-term value. As part of our climate risk assessment process, we have identified potential risks and implemented appropriate mitigation strategies.

#### Climate-related risks and mitigation

Risk type	Potential impact	Our response
Physical risks	<ul style="list-style-type: none"> <li>Supply chain or operational disruptions</li> <li>Damage to assets and property</li> <li>Reduced productivity</li> <li>Weather-related health and safety hazards</li> <li>Increased operational costs</li> </ul>	<ul style="list-style-type: none"> <li>Continually identify and assess climate change risks and opportunities</li> <li>Establish emergency response teams</li> <li>Develop crisis management plans including business continuity and operating protocols for extreme weather events</li> <li>Retrofit/incorporate climate-resilient design and safeguards in new and existing projects and facilities</li> <li>Cooperate with meteorological agencies on technology applications</li> <li>Assess the climate preparedness of critical vendors and suppliers</li> </ul>
Transition risks	<ul style="list-style-type: none"> <li>Increased operating expenditure due to policy changes</li> <li>Increased capital expenditure from adopting new technologies to displace old and inefficient systems</li> <li>Loss of market share to sustainable and climate-resilient products and competitors</li> </ul>	<ul style="list-style-type: none"> <li>Develop low-carbon products and processes</li> <li>Increase investment in renewable energy sources and energy efficiency</li> <li>Formulate greenhouse gas emission inventories to provide a database for the company's greenhouse gas emission reduction and climate risk response strategy development</li> <li>Launch green campaigns and training sessions to raise environmental awareness among employees</li> </ul>

## Environmental Stewardship

Climate change is also creating opportunities. It is stimulating business innovation and driving the development of new industries to facilitate the transition to a lower carbon economy. Each of CITIC Pacific's business segments has adopted wide-ranging carbon reduction strategies that reflect the nature of its individual industry and operations. Through these initiatives, we aim to future-proof our business and enhance our capability to succeed in a zero-carbon world.

### Carbon reduction strategies



- Systematically improve carbon emissions through green technology, green products and green synergy
- Establish a systematic, efficient and company-wide innovative R&D synergy platform and continue to invest in innovative R&D and the application of cutting-edge, green and low-carbon technologies
- Develop and promote a new generation of advanced green materials to provide strong support for carbon reduction throughout the product life cycle
- Focus on green supply chains, low-carbon standards and policy formulation and green finance to achieve low-carbon development throughout the entire process and value chain



- Employ innovative design, green technology and eco-friendly materials across property development projects
- Perform energy audits in managed properties to identify areas to improve efficiency
- Increase the use of renewable energy



- Enhance power generation efficiency by reducing the rate of coal consumption in our facilities
- Expand and further invest in new and clean energy projects



- Study and assess low emission power generation and transport opportunities
- Track and monitor the energy intensity of operations
- Improve the energy efficiency of production processes
- Optimise the approval process for investment projects to include energy efficiency and greenhouse gas emission assessment



- Adopt "green office" principles in the workplace, with a focus on recycling and reducing waste
- Increase the use of solar and renewable energy
- Install high-efficiency HVAC and refrigeration equipment
- Adopt low emission vehicles and policies in logistics fleets



## Environmental Stewardship

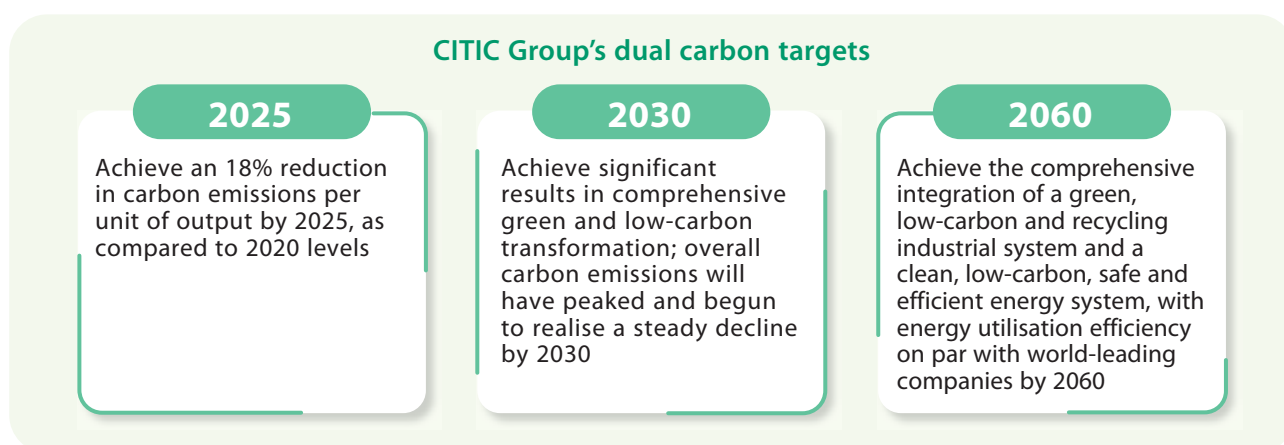
### Climate-related risk management system

In order to strengthen our ability to respond to climate-related risks, CITIC Pacific and its subsidiaries regularly review and monitor physical and transition risks, optimising our response strategies based on assessment results, including reducing emissions, enhancing efficiency, utilising new energy and diversifying supply chains to reduce the impact of potential risks on the enterprise.

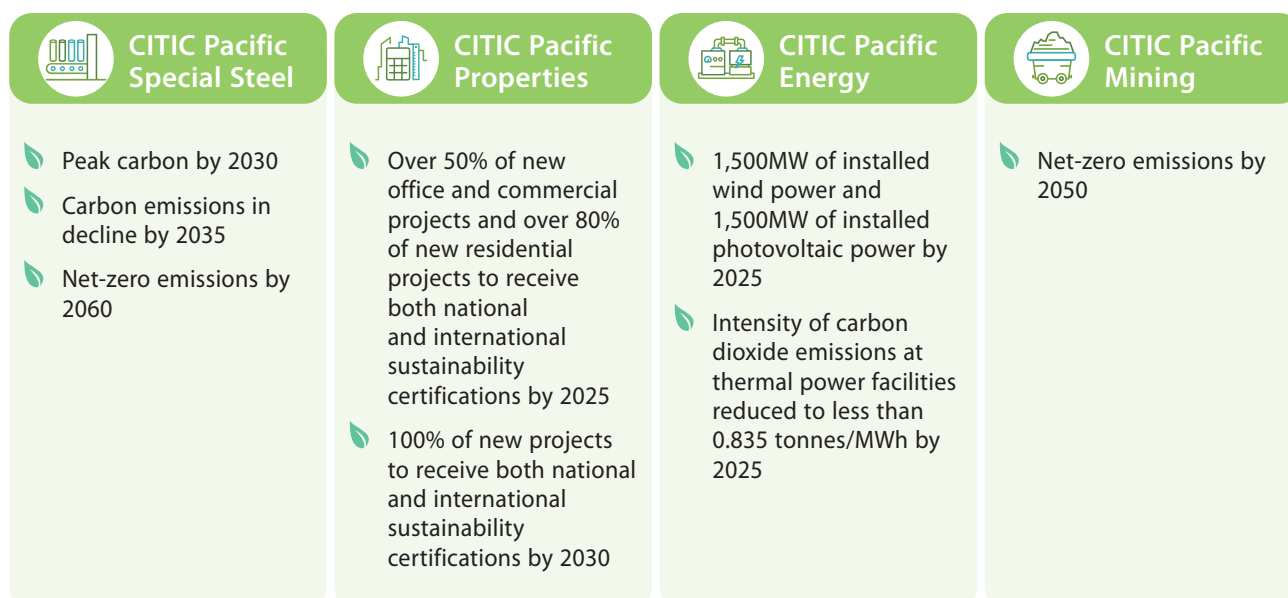
We also continue to strengthen employee awareness and understanding of climate change risks through training and informative campaigns to encourage participation and a sense of responsibility in the resolution of climate-related challenges.

### Metrics and targets

CITIC Pacific and its parent company, CITIC, are fully committed to supporting China's national target of achieving carbon neutrality by 2060. CITIC Group's *White Paper on Carbon Emissions Peaking and Carbon Neutrality* outlines a robust carbon asset management system and dual carbon targets.



As the capital investment platform and the largest non-financial subsidiary of CITIC Group, CITIC Pacific has adopted this dual carbon roadmap and implemented carbon management strategies across our business segments. Each of our businesses is working towards the development of specific metrics and targets in accordance with CITIC's objectives and its own operational nature.



## Environmental Stewardship

### Carbon and energy reduction

As the consumption of energy from fossil fuels and purchased electricity is our largest source of carbon emissions and a key driver of climate change, continually improving the energy efficiency of our business operations and facilities is critical to the achievement of our carbon reduction targets.

#### Enhance energy efficiency

Our businesses have implemented a wide range of initiatives during the year to upgrade technologies and infrastructure for enhanced energy efficiency in support of their individual carbon reduction strategies.

#### CITIC Pacific Special Steel advances near-zero carbon emission electric furnace technology

Jingjiang Special Steel, a subsidiary of CITIC Pacific Special Steel, has carried out a series of projects on the research and industrial application of near-zero carbon emission electric furnace smelting technology for the iron and steel industry. This is a key initiative undertaken by CITIC Pacific Special Steel in support of the government's dual carbon strategy. It also serves as a pilot project for low-carbon smelting technology and the first national-level demonstration of short-process electric furnace steelmaking. This innovation project aims to become China's first technological innovation platform to produce special steel with near-zero carbon emission. Upon completion, it will provide a model for the development of low-carbon special steel products nationwide and contribute to the industry's ongoing development.

#### CITIC Pacific Energy's high-efficiency, clean coal-fired power project

In 2023, CITIC Pacific Energy began the construction of Phase V of the Ligang high-efficiency and clean coal-fired power project which features two new 1,000MW power generators. The project utilises world-class, ultra-supercritical and high-efficiency power generation technology to achieve a more clean and efficient use of coal. Simultaneously, it employs the world's most advanced pollutant emission reduction technology. Upon completion, the Ligang Phase V coal-fired power generators will produce 20% less carbon emissions and at least 20% less flue gas pollutant emissions than older generators.



## Environmental Stewardship

### Enhancing processing efficiency at CITIC Pacific Mining

CITIC Pacific Mining is continuously researching processing solutions to reduce energy requirements. In 2023, CITIC Pacific Mining completed the installation of major equipment and all-steel modules for a new High-Pressure Grinding Rolls (HPGR) system. This system is able to crush material more efficiently and is expected to reduce the total energy requirement for concentrate production by 7% when operational.

Furthermore, the company's in-country beneficiation processes produce a high-grade magnetite concentrate export product, Cape Preston Concentrate. When used in ironmaking, this feedstock requires less energy, resulting in lower carbon emissions at the blast furnace compared to typical Pilbara direct shipping ore mines. Studies shows that across the steel cycle, from mine pit to blast furnace, CITIC Pacific Mining feedstock delivers a savings of up to 10% in carbon emission intensity.

### Dah Chong Hong conducts energy audits to promote energy saving initiatives

In 2023, Dah Chong Hong launched a comprehensive energy audit, conducting on-site inspections in multiple subsidiaries to review the energy usage structure of its business operations and energy efficiency of its facilities to identify areas for potential energy savings and draft improvement plans. After the inspection, relevant subsidiaries have implemented a number of energy-saving renovations, for example, upgrading facilities and equipment such as lighting and freezer systems to improve energy efficiency and reduce carbon emissions.



## Environmental Stewardship

### Renewable energy utilisation

We aim to continually increase the proportion of green energy in the company's total operational electricity consumption. To reduce our overall carbon footprint, CITIC Pacific focuses on both investing in large-scale renewable energy projects through CITIC Pacific Energy, as well as increasing the utilisation of solar energy by installing photovoltaic facilities across our many properties.

#### Green power expansion at CITIC Pacific Energy

CITIC Pacific Energy continued to expand its green energy portfolio through organic development and acquisition, including both centralised and distributed power generation projects. The Ximeng Phase I wind power project, with 1,000MW of capacity, was completed and connected to the grid in 2023. At the end of the year, CITIC Pacific Energy's total installed renewable energy capacity exceeded 1.6 million kW, accounting for 15% of the company's total installed capacity. Electricity generated by new energy projects exceeded 427 million kWh, representing a twofold increase year-on-year.

With increasingly stringent domestic and international carbon emissions requirements, there is a rising demand for green power and green energy offset certificates. The Lidian Group under CITIC Pacific Energy is actively responding to market trends and meeting customer needs by developing new sales models for green energy. In 2023, Lidian Group completed its first green certificate transaction and sold a total of 10 million kWh of renewable energy, representing a significant milestone in this new business sector and paving the way for the future sales of green energy certificates.



#### Clean energy initiatives across the company

To reduce carbon emissions and operating costs, our subsidiaries are investing in a number of solar power and photovoltaic projects.

- By the end of 2023, CITIC Pacific Special Steel's total installed photovoltaic capacity exceeded 120MW, which is expected to generate 135 million kWh of green electricity and reduce carbon emissions by 78,000 tonnes per year.
- Dah Chong Hong recently launched an initiative to review renewable energy opportunities as a means to reduce operating costs and enhance the energy efficiency of its warehouse facilities. The installation of solar panels on its Xinhui Logistics Park will generate an annual average of 4.15 million kWh of photovoltaic power and reduce carbon emissions by an estimated 3,400 tonnes upon completion.
- CITIC Pacific Mining installed 18 sets of 1,600W solar panels and energy storage battery systems for lighting towers at its tailings dam to reduce traditional energy usage.

## Environmental Stewardship

### Enhance carbon measurement systems

To meet our carbon targets and help our partners achieve their own environmental objectives, our businesses are working on a number of initiatives to measure, monitor and reduce the carbon footprint of our operations and products. These efforts include carbon calculations, data collection systems and the adoption of new environmental standards.

#### CITIC Pacific Special Steel awarded carbon footprint and carbon management certifications

In 2023, CITIC Pacific Special Steel developed a multi-dimensional carbon evaluation system that extends across the entire mine-to-finished products lifecycle of coke, iron and steel. The company also completed the carbon footprint certification of four major bearing products and seven different process routes, providing critical information to identify carbon reduction potential in the value chain.

Its subsidiary, Xingcheng Special Steel became the first company in China's steel industry to obtain the EATNS carbon management systems certification established by the Shanghai Environment Energy Exchange. The certification requires companies to follow plan-do-check-act principles in the adoption of a robust lifecycle carbon management system which extends across carbon emissions, assets, trading and neutrality activities during production and operations.

#### CITIC Pacific Properties builds an intelligent carbon emission management e-platform

CITIC Square in Shanghai launched an intelligent carbon management platform to create a comprehensive data centre, which consolidates several systems for the efficient and centralised management of personnel, equipment, events and space. Through the intelligent management of building carbon emissions and other information, the platform provides a foundation for the formulation of carbon reduction strategies, the identification of energy-saving potential and monitoring improvements to reduce overall energy consumptions and carbon emissions.



## Environmental Stewardship

### Green building

We promote green building in the daily management of our offices and operational facilities, as well as the construction and life cycle management of our property development projects. It is our objective to minimise carbon emissions during the design, construction, operation and maintenance processes to help the company achieve its climate-related goals.

#### Green renovation at CITIC Tower in Hong Kong

Our Hong Kong headquarters, CITIC Tower, constructed in 1997, underwent a series of energy efficiency, health and safety renovations, managed and implemented by CITIC Pacific Properties. The renovation enhanced the comfort and security of public spaces, increased natural light and upgraded the air-conditioning, lighting and elevator systems. The project was a finalist in the Royal Institution of Chartered Surveyor (RICS) Hong Kong Awards 2023 and was “Highly-commended” under the Refurbishment/Revitalisation Team of the Year award. In 2023, CITIC Tower was also successfully granted a WELL Health-Safety rating from the international building safety certifier.

#### Green building design and certification at CITIC Pacific Properties

CITIC Pacific Properties is committed to incorporating green, low-carbon and healthy-living concepts into its project lifecycle management. The company continues to enhance the application of green building technology, aiming for a higher percentage of green-certified developments built to increasingly high environmental standards.

- **Projects under construction** must meet national green building design requirements of one star or above. They will utilise designs and processes that conserve energy and reduce emissions throughout the project construction cycle including prefabricated assembly, energy-saving doors, windows and glass and external wall thermal insulation.
- **Projects under operation** must incorporate features and systems including intelligent energy management, waste sorting and recycling, renewable energy facilities, water recycling and reuse to reduce the environmental impact of operation.
- **Green building certifications:** Elegant Mansion in Suzhou received a gold score from the WELL precertification for its residential developments. The Nanjing T Center received the LEED gold precertification and a two-star green building precertification with reference to the *Assessment Standard for Green Building* issued by Ministry of Housing and Urban-Rural Development of the PRC.



## Environmental Stewardship

### Air emissions management

The air emissions generated by our industrial operations include sulphur dioxide (SO<sub>2</sub>), nitrogen oxides (NO<sub>x</sub>) and particulate matter. To minimise our environmental impact, we have implemented stringent emission control measures and cleaner technologies in compliance with local regulatory requirements and international best practice. Our industrial businesses regularly review methods of reducing or eliminating waste gases and air emissions as we work towards the world's goal of achieving closed-loop, zero-waste production systems.



#### Ultra-low emission renovation

- Implemented key environmental management projects such as desulphurisation and denitrification technology enhancements, dust bag upgrades and renovation, and the closure of open-air material yards, to meet ultra-low emission requirements
- By the end of 2023, subsidiaries of CITIC Pacific Special Steel including Xingcheng Special Steel, Qingdao Special Steel and Tianjin Pipe completed ultra-low emissions renovations including facility upgrades, fugitive emission controls and monitoring and cleaner transport systems



#### Equipment upgrades

- Completed the denitrification modification of two generator sets to reduce the emissions of nitrogen oxides during start-up and deep peak-regulation in 2022-2023
- Retrofitted the diesel engines of all mobile factory machinery in 2023 to align with China II emission standards and completed an upgrade of shore-to-ship power facilities using shore-side power instead of onboard generation while berthed to reduce waste gas emissions from nautical traffic

#### Policy enhancements

- Lidian Group formulated comprehensive management requirements for the technology, equipment, operation and maintenance of waste gas treatment facilities, and set up a special environmental protection control room for the centralised monitoring of waste gas emissions and the operation of treatment facilities



#### Fibrous minerals management programmes

- Conducts mandatory air quality monitoring and air filtration in addition to providing personal protective equipment for designated areas within the mine site to manage the dust of fibrous minerals produced during the mining process
- Installed eight monitoring stations to continuously monitor dust levels (PM10) and seven Continuous Emission Monitoring Systems (CEMS) have been installed at the power station to monitor air pollutants such as nitrogen oxides and carbon monoxide in 2023



## Environmental Stewardship

### Waste management

Across our business, we have formulated protocols that guide the generation, categorisation, storage, transit, recycling, disposal and treatment of the hazardous waste and non-hazardous waste specific to each business unit, ensuring waste is managed appropriately. Through partnerships with suppliers and stakeholders, we actively seek opportunities to optimise resource utilisation and close the loop on material cycles.



- 🌿 **Solid waste management:** Formulated *Solid Waste Management Regulations* and conducts regular whole-process management reviews of solid waste disposal
- 🌿 **Solid product waste recycling:** Ensures that solid product waste is 100% returned to the production plant or recycled by commissioned external agencies for the purpose of reuse



- 🌿 **Ash utilisation:** Lidian Group constructed two more ash storage facilities with a capacity of 40,000m<sup>3</sup> each in 2023, to maximise the storage space for the comprehensive utilisation of fly ash
- 🌿 **Sludge power generation technology:** Lidian Group fully utilised coal-fired coupled sludge incineration power generation technology, burning more than 200,000 tonnes of sludge on average each year



- 🌿 **Ore mining:** Adopted a waste rock management programme by referencing industry best practices, setting detailed objectives, targets, management actions and contingency measures for waste rock management
- 🌿 **Logistics and inventory:** Encourages suppliers to use biodegradable and recyclable packaging materials as well as wooden or steel-made packaging and transport devices; purchases goods with uniform packaging size to optimise storage space and save costs of transport
- 🌿 **Container recycling programme:** In 2023, a total of 816,000 beverage and food containers were recycled at the mining site, bringing the total number of containers recycled since the launch of the programme to more than 3 million



- 🌿 **Waste disposal:** With extensive automotive maintenance and repair services, DCH carefully handles motor waste including used tyres, batteries, engine oils and lubricants to ensure they are recycled or disposed of without damaging local ecosystems; DCH has also implemented the Waste Electrical and Electronic Equipment (WEEE) e-waste management scheme, ensuring all appliances and other e-waste are handled responsibly
- 🌿 **Recycling programme:** Dah Chong Hong Logistics participated in the "Recycling Fund: Pilot Scheme to Enhance the Efficiency of Plastic Waste Recycling of Local Commerce and Industry" of the Hong Kong Environmental Protection Department to recycle LDPE membranes, bubble wraps, plastic bags and other plastic packaging materials; the Dah Chong Hong Logistics Centre in Yuen Long recycles about 500 kilograms of plastics per month



## Environmental Stewardship

### Water resources management

Our water management strategy is designed to mitigate water scarcity and pollution with a focus on refining our operations to decrease water usage, enhance our systems for water recycling and reuse, and ensure all wastewater undergoes proper treatment before discharge. We are committed to collaborating with local communities and implementing innovative solutions to contribute to the sustainable management of water resources.



- Conducted awareness campaigns and specialised training programmes to cultivate a culture of water conservation within the company
- Installed facilities such as water-saving faucets and automatic water flow sensors to reduce water wastage



- Established a water conservation taskforce to manage and inspect the water consumption of each workshop and department; regulates water consumption management through equipment upgrades, including a smart water platform which enhances the safety, monitoring and control of water utilities as well as the use of differentiated and cascade water supply systems to reduce total water consumption
- Achieved a water reuse rate of 97%; ongoing efforts to increase efficiency have resulted in a new low of 1.85m<sup>3</sup> of new water used per tonne of steel produced in 2023



- Constructs rainwater recycling systems to collect rainwater runoff from roofs and roads for use in landscape irrigation and street washing, according to the "sponge city" design concept which utilises water conservation and urban green spaces to protect against flooding and water shortages
- Regularly supports new developments with water treatment and recycling facilities to filter out mud and debris so water can be recycled as for landscaping, dust control and washing equipment



- Installing a two-stage tailings dewatering facility as well as a water recycling system in the tailings dam; approximately 90% of the tailings water can currently be reused in the beneficiation process



## Environmental Stewardship

### Biodiversity conservation

The main causes of global biodiversity destruction include habitat destruction, over-consumption of biological resources, climate change, environmental pollution and biological invasion. CITIC Pacific proactively identifies the potential biodiversity impacts of its own businesses, promotes an understanding of the risks and opportunities across its businesses and develops strategies to mitigate biodiversity impacts.



**Greening:** Xingcheng Special Steel planted protective groves and greenery around the harbour shoreline and along the banks of the shipping canal of its factory site to enhance the local water quality; the total green area at the Xingcheng Special Steel site is now 11,500m<sup>2</sup> and 100% of the port's perimeter has been planted with protective greenery



**Life-cycle management:** To ensure the protection of biodiversity-sensitive areas and key species, the company commissions external environmental agencies to conduct biodiversity impact assessments on project sites before commencement, with the aim of minimising the impact on the ecological environment, and carefully monitors the local ecology during project development and implements ecological restoration plans when a project is completed



**Environmental monitoring:** Continuously monitors the impact of its mining projects, including invasive weeds, wildlife, coral health, coastal beach stability and restoration opportunities; all environmental condition monitoring results are reported to the local government in accordance with environmental protection protocols

**Awareness enhancement:** Provides regular training programmes to promote ecological awareness and 2023 training themes included the prevention and control of invasive species in the waters where the project is located as well as an observation of whale migration to highlight the wide-ranging impacts of local water quality

### CITIC Pacific Mining participates in palaeoarchaeological projects

In 2023, CITIC Pacific Mining worked closely with the Western Australian Museum and the Foundation for the Western Australian Museum to provide logistical and financial support for the excavation of *Diprotodon Optatum* fossils, in close consultation with first nations land owners to ensure the project's ethical implementation. These fossil excavations were made possible through the company's support and are of great scientific significance to the study of biodiversity, geodiversity and the natural environment of Western Australia.



## Environmental Stewardship

### Key environmental performance indicators

Indicators	Unit	2023
<b>Waste gas</b>		
Nitrogen oxide (NO <sub>x</sub> ) emissions	tonnes	8,144.14
Sulphur dioxide (SO <sub>2</sub> ) emissions	tonnes	3,413.16
Particulate matter emissions	tonnes	6,082.96
<b>Wastewater</b>		
Chemical oxygen demand (COD) emissions	tonnes	155.99
Ammonia nitrogen emissions	tonnes	26.07
Total phosphorus emissions	tonnes	0.14
Wastewater discharge	m <sup>3</sup>	4,271,747.00
<b>Greenhouse gases</b>		
Total greenhouse gas emissions (Scope 1 and Scope 2)	tonnes	50,216,121.64
Greenhouse gas emissions per 100 million Hong Kong dollars of revenue	tonnes/100 million Hong Kong dollars	25,924.69
<b>Direct greenhouse gas emissions (Scope 1)</b>		
Gasoline	tonnes	3,997.56
Diesel	tonnes	21,670.02
Coal gas	tonnes	2.35
Liquefied petroleum gas	tonnes	53,212.06
Natural gas	tonnes	668,050.51
Coke	tonnes	3,398,390.61
Coal	tonnes	42,072,928.09
Intermediate process emissions	tonnes	2,141,062.36
<b>Indirect greenhouse gas emissions (Scope 2)</b>		
Purchased electricity	tonnes	3,629,599.94
Implicit emissions of carbon sequestration product (deductible)	tonnes	(1,772,791.86)

## Environmental Stewardship

Indicators	Unit	2023
<b>Waste</b>		
Hazardous waste total	tonnes	2,279.01
Hazardous waste per 100 million Hong Kong dollars of revenue	tonnes/100 million Hong Kong dollars	1.18
Non-hazardous waste total	tonnes	2,304,414.68
Non-hazardous waste per 100 million Hong Kong dollars of revenue	tonnes/100 million Hong Kong dollars	1,189.68
<b>Energy consumption</b>		
Total energy consumption`	MWh	159,420,078.36
Energy consumption per 100 million Hong Kong dollars of revenue	MWh/100 million Hong Kong dollars	82,302.57
Direct energy consumption	MWh	147,076,524.17
Gasoline	MWh	16,324.80
Diesel	MWh	82,460.39
Coal gas	MWh	17.49
Liquefied petroleum gas	MWh	239,889.92
Natural gas	MWh	3,416,462.87
Coke	MWh	9,384,138.29
Coal	MWh	133,937,230.41
Indirect energy consumption	MWh	12,343,554.19
Purchased electricity	MWh	6,375,554.19
Renewable energy electricity	MWh	5,968,000.00
<b>Resource consumption</b>		
Total water consumption	m <sup>3</sup>	54,027,100.13
Water consumption per 100 million Hong Kong dollars of revenue	m <sup>3</sup> /100 million Hong Kong dollars	27,892.15
Total paper consumption	tonnes	7,052.17
<b>Packaging materials</b>		
Total packaging materials used for finished products	tonnes	14,511.58
Packaging materials used per 100 million Hong Kong dollars of revenue	tonnes/100 million Hong Kong dollars	7.49

Note: Data above excludes CITIC Pacific Mining and CITIC Pacific Health.

# Value Chain and Customer Management

At CITIC Pacific, we recognise that our customers, both businesses and consumers, are fundamental to our long-term success and remain committed to providing the highest level of value, quality and service. To remain competitive and serve the evolving needs of our many markets, we prioritise continuous improvement and satisfaction along the entire customer journey, from purchase to after-service.

We also aim to foster an ethical and sustainable value chain by carefully reviewing the suppliers and partners we choose to work with, ensuring our commitment to quality, environmental protection, business ethics and compliance is reflected at every level of the supply chain. From material sourcing and supplier selection to delivering products and services to end-users, we collaborate with our partners to promote the sustainable development of the whole industry value chain.

To ensure the sustainability of our supply chain, we:

- Implement strict internal controls and quality management systems to ensure the safety, reliability and quality of our products
- Allocate and invest in research and development and equipment upgrades that reduce production costs, enhance value and ensure uninterrupted supply
- Adopt renewable energy, low-carbon materials and energy efficient solutions to contribute to our customers' net-zero transition
- Evaluate and improve customer service, satisfaction and convenience
- Develop supplier management policies and procedures to guide the supplier selection process
- Collaborate with business partners to drive positive environmental and societal impacts, creating mutual benefit
- Promote ethical labour practices, social responsibility and customer responsible data collection

## Associated UNSDGs



## Value Chain and Customer Management

### Product and service quality

Across our business, we have adopted a comprehensive approach to product quality throughout the design, sourcing and manufacturing processes. Using the latest technology and materials, we ensure that our products are of the highest quality by adhering to strict standards and embracing continual improvement to serve evolving customer needs and build market competitiveness. We embrace responsible marketing practices and the protection of consumer privacy to promote a strong company brand and reputation as the foundation of our long-term development.

### Product quality management

Across our operations, CITIC Pacific and our subsidiaries have established robust quality management systems including strict quality control and testing requirements. A number of our subsidiaries including those under CITIC Pacific Special Steel, CITIC Pacific Properties and Dah Chong Hong have obtained ISO 9001 (quality management system) certifications, showcasing our commitment to quality throughout the development, manufacturing, warehousing and delivery process.

As we continue to explore new technologies and materials to improve quality at every stage of the product life cycle, our subsidiaries also strive to obtain industry-specific quality certifications. For example, CITIC Pacific Special Steel has received numerous certifications from industrial bodies, including the International Automotive Task Force (ISO/IATF), American Petroleum Institute (API), Aerospace Quality Management System (AS), and Nuclear Safety Regulations (HAF). Additionally, CITIC Pacific Special Steel has obtained certifications such as the heat treatment and material testing laboratory certification (NADCAP-MTL/HT) of the National Aerospace and Defense Contractors Accreditation Program, the Special Process Certification for Steel Smelting (TPG-STL), the CE certification of the European Union, the Japanese Industrial Standards (JIS), the ACRS certification of Australia, the S-mark certification of Argentina and the marine steel certifications of nine leading classification societies.

Dah Chong Hong and its subsidiaries have also obtained important industry certifications. The company's food manufacturing centre in Yuen Long, Hong Kong is ISO 22000 (food safety management) and HACCP certified, with a comprehensive food safety and quality policy as well as carefully monitored risk management, hygiene, supplier management and quality assurance protocols. DCH Auriga, its healthcare distribution business, has obtained ISO 13485 (medical devices) certification as assessed by SGS Hong Kong.

### Customer service management

Our business is built around our customers and we strive to create a service culture that prioritises their needs and well-being. Throughout the organisation, we are dedicated to delivering exceptional customer service and incorporating customer feedback to enhance our offering. Our subsidiaries have implemented protocols and policies that monitor feedback, safeguard customer interests and help ensure we fulfil all service obligations, such as call centres, complaint monitoring and regular communication with key accounts.



# Value Chain and Customer Management

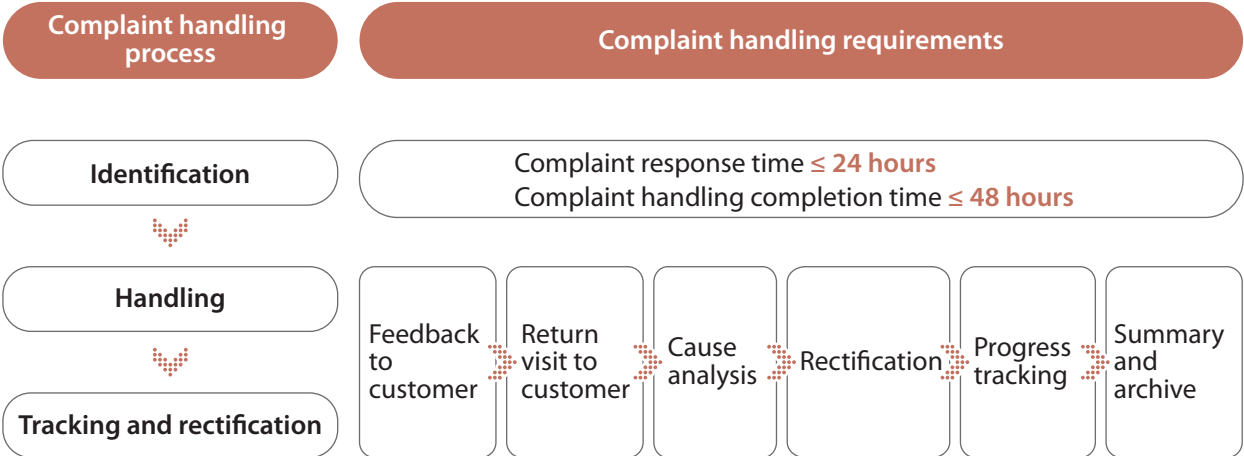
## Process control procedures for customer service



### Closed-loop complaint management at CITIC Pacific Special Steel

CITIC Pacific Special Steel has implemented a comprehensive feedback management system, ensuring customer concerns are addressed promptly and consistently. This process includes three key steps: complaint identification, complaint handling and complaint tracking and improvement. With the system operating efficiently and effectively, CITIC Pacific Special Steel is now one of the top performers in the industry in terms of complaint response and processing time. The company has achieved a 100% customer complaint processing rate in the past three years.

#### Customer complaint management system



## Value Chain and Customer Management

### Enquiry resolution at CITIC Pacific Properties

CITIC Pacific Properties adheres to the “2-1-5-7” principle when addressing customers enquiries, complaints, repair reports and other requests. This principle stipulates the team should contact the customer within 2 hours, develop a preliminary plan within 1 working day, resolve the complaint within 5 working days where possible, while monitoring and providing reminders of any open cases every 7 days until resolution is achieved. CITIC Pacific Properties has also established a dedicated customer service hotline, providing customers with reliable customer service through an easily accessible communication channel.

CITIC Pacific Properties also actively coordinates and resolves any issues reported by owners of properties that have been sold and delivered. The company conducts regular customer satisfaction surveys to better understand owners’ needs for product and service improvement, gathering valuable insight on product positioning and service standards for future projects.

### A digitised wellness platform at CITIC Pacific Health

To better serve the health and wellness needs of seniors, CITIC Pacific Health’s elderly care services constructed a digital platform which utilises apps, smart wearable devices and interactive video monitoring systems to help seniors independently track their health status. Patients using the platform are given access to a personal e-health profile for ongoing self-monitoring.



CITIC Pacific Health also developed a CITIC Pacific Nursing Home mini-program on the WeChat platform and connected it with the Health Jianguyin platform of the National Health Commission, combining online booking with in-home services. This mini-program utilises the latest connectivity technology to serve the increasing demand for home care services for seniors.

## Responsible marketing

CITIC Pacific not only aims to deliver products and services of the highest quality and value, but also strives to provide customers with transparent and trustworthy information to better inform purchasing decisions. We embrace ethical marketing practices and support a philosophy of sustainable consumption. As digital technology continues to evolve, we also carefully protect data privacy, safeguarding the lawful rights and interests of our customers in every aspect of our operations.



## Value Chain and Customer Management

### Marketing compliance

In the promotion of our products and services, CITIC Pacific strictly complies with the laws and regulations of the countries in which we operate. We have formulated internal management policies to strengthen promotional communications, ensure the accuracy and truthfulness of the information, and prohibit misleading and fraudulent behaviour.

### Protecting the customer's "right to know" at CITIC Pacific Properties

To ensure prospective buyers fully understand a building's construction quality and attributes, CITIC Pacific Properties sets up exhibition spaces in the marketing centres of each property project to provide detailed information about the building including construction and installation procedures, doors, windows and guardrails, plumbing and electrical works, and exteriors. In the model unit of each project, a list of products and brands included in the final delivery is also displayed at the doorway. Optional products and brand upgrades in the model unit are clearly marked to avoid misleading customers. The company embraces transparency and faithfully protects the customer's "right to know", to empower and promote informed decisions.

### Information security and customer data protection

CITIC Pacific places great importance on customer data protection and information security. We adhere to all applicable laws and regulations in the locations where we operate, as well as the *Personal Data Policy* of CITIC Group, to mitigate data security risks and ensure that all customer data is responsibly managed.

The company has established a comprehensive data security policy and set up a digitalisation committee to develop data security strategies and monitor performance. We have implemented a rigorous risk management system, including regular risk assessment and penetration testing, strict access control standards and technologies, a disaster preparedness and recovery plan and comprehensive emergency management protocols. To ensure the effectiveness of our data security system, we conduct ongoing monitoring and regular audits to review and improve our data security strategies and processes. We also strive to improve the awareness and capabilities of our employees through investments in regular training on data security and technology innovation.

We ensure that all customer data is responsibly managed in full compliance with applicable legal requirements as relates to the safe management of personal data, including its collection, retention, processing, disclosure and utilisation. We uphold the privacy of third parties and maintain the confidentiality of information received during business operations. In accordance with our policy, the extent of collection must be lawful, reasonable and appropriate. The other party must fully understand the purpose, reason, method and scope of personal data collection. During the reporting period, CITIC Pacific did not experience any data breaches, major information security accidents or complaints related to consumer privacy and data security.

### Promoting sustainable consumption

In light of escalating global environmental concerns, there is a growing consensus on the need to transform traditional consumption patterns and embrace sustainable consumption. CITIC Pacific has been proactive in promoting a culture of sustainable product development, responsible decision-making, recycling and repurposing.

## Value Chain and Customer Management



### CITIC Pacific Properties

- Recently completed its second season of “Green Action for All” activities, which were centered around the themes of “green”, “health” and “public welfare” in an effort to promote a healthy and eco-friendly lifestyle and held a total of 105 onsite activities, attracting over 29,000 participants in 2023
- A series of “Embracing Nature” events were hosted by Shanghai CITIC Square, including the “City and Youth” sustainability forum, “Nature Energy” music festival and green shopping season, at which the company collaborated with green brands to encourage environmentally-friendly living practices



### Dah Chong Hong

- In its motor business, DCH is strengthening its new energy vehicle portfolio and has introduced several electric vehicle models to the Hong Kong market, while partnering with several electric vehicle brands to offer a wide range of services in the mainland
- In its consumer products segment, DCH regularly introduces environmentally responsible products, from sustainably-sourced seafood and meat alternatives to homewares designed for a smaller environmental footprint; for example, DCH recently launched Electrolux’s new vacuum cleaner series made from 71% recycled plastic and initiated a partnership with Ecostore, offering products that are sourced from natural plants and minerals, with packaging made from 100% recycled sugar-based plastic

## Innovation and development

Innovation is essential to business survival, particularly in the face of unprecedented market evolution. Enhancing products and services not only drives financial performance, but is key to maintaining market leadership and sustaining long-term competitiveness. Across our diverse businesses, we adhere to a customer-centric approach, beginning with a deep understanding of market needs and embracing collaboration to ensure the rapid and meaningful application of cutting-edge technologies.

CITIC Pacific Special Steel consistently pushes the boundaries of technological innovation and has made multiple breakthroughs in resolving bottlenecks in the production of special steel. Xingcheng Special Steel, with its advanced technology in high-purity steel smelting, was the first to use and optimise the continuous casting process, and its high-end bearing steel continues to lead the continuous casting market. Meanwhile, through independent research and development, Xingcheng Special Steel developed a new product design that effectively addresses issues related to impurity, uniformity and organisation control. This led to the production of high-strength, ultra-pure spring steel that has set a new standard for lightweight automobiles.

Daye Special Steel conducted extensive research on controlling toxic elements, trace elements, non-metallic inclusions and overall uniformity in the steel used for main bearings. This research has resulted in the production of durable, high-performance bearing steel. To date, Daye Special Steel has set three world records for main bearings used in integral shield machines, including diameter, single-unit weight and load-bearing weight. Tianjin Pipe completed a series of challenging projects including material and model design for ultra-high-pressure submarine pipelines, the design of critical structures for complex conditions and the production of high-pressure pipelines with high large-wall thickness. The company successfully developed two steel-grade, high-end pipeline products that facilitated the launch of the first 100-billion-cubic-metre gas field in the Bohai Sea, the first of these products fully produced in China using local materials.

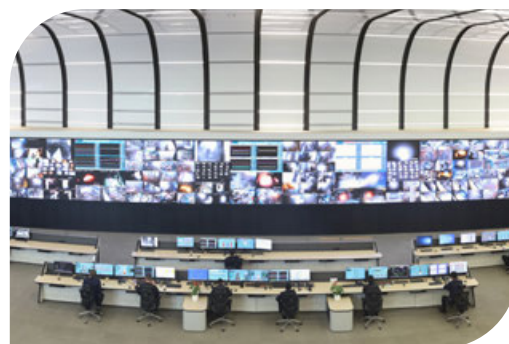
## Value Chain and Customer Management

### CITIC Pacific Special Steel's Xingcheng Special Steel becomes the first special steel company recognised by the Global Lighthouse Network

In December 2023, the World Economic Forum introduced the latest Global Lighthouse Network, a group of manufacturers demonstrating leadership in the transformative application of Fourth Industrial Revolution technologies. CITIC Pacific Special Steels's subsidiary, Xingcheng Special Steel, was the first and only special steel company included in the Global Lighthouse Network.

To meet the fast-growing global demand for customised steel products while navigating volatile raw material and energy-supply issues, Xingcheng Special Steel has deployed over 40 Fourth Industrial Revolution technologies including advanced analytics-powered process simulation and optimisation, as well as AI-enabled energy management. As a result, the factory has increased customised orders by 35%, further reduced product defective rates and decreased energy consumption by 10.5% per tonne of steel.

The inclusion in the Global Lighthouse Network showcased CITIC Pacific Special Steel's advancement in intelligent manufacturing. It is also a testament to CITIC Pacific Special Steel's strong innovation capabilities and dedication to industry advancement.



DCH Logistics China adopted an innovation-driven development strategy featuring 5G+ intelligent logistics, with a focus on the application of big data and cloud technologies, and constructed 5G base stations in the logistics park. Through these efforts, DCH Logistics has enhanced its efficiency and lean management by digitalising its operations and supply chains. In 2023, DCH Logistics was recognised as a logistics industry leader in 5G+ Industrial Internet application at the China 5G+ Industrial Internet Conference.

## Supply chain management

Our commitment to ethical business practices extends to our procurement processes and business partnerships. We have a set of procurement policies at both the CITIC Pacific and subsidiary level to govern supply chain activities, which include selection guidelines and screening processes for suppliers and business partners to prevent instances of illegal and unethical behavior such as bribery, fraud, worker abuse and child labour. These measures are designed to uphold a culture of high ethical standards and prevent any conflicts of interest with suppliers or engagement in illicit activities.

### Vendor selection process

During the vendor selection process, we prioritise suppliers that value employee welfare, embrace fair labour practices and support community development. We also encourage our suppliers and business partners to invest in green and sustainable practices. Where possible, we seek to increase procurement from local suppliers or small-medium size enterprises to support local economic and social development. During the supplier review and audit process, we assess the ESG management and performance of our suppliers in areas such as business ethics, environmental protection and labour relations. We prioritise suppliers with higher levels of ESG performance while phasing out those that are noncompliant.

## Value Chain and Customer Management

### Supply chain management guidelines and practices



- Regularly assesses the environmental and social risks of suppliers based on internal policies, including the *Risk Index and Risk Evaluation*, which require all vendors to sign a *Supplier Code of Conduct*, with specific requirements on human and labour rights, environmental protection, workplace safety and privacy protection; oversees the implementation of corrective actions to reduce ESG risks in the supply chain where necessary



- Stipulates the use of green materials and equipment by suppliers in the bidding process; requires strict compliance with ethical, environmental and labour-related regulations



- Improving the protocols for supplier review, access, supervision, evaluation and exit; developed processes to assess environmental, social, business ethics, anti-corruption and other ESG risks, including supervision mechanisms and inspections



- Sources from vendors with who satisfy all legal requirements, have strong environmental polices and ISO 14001 certification where applicable; conducts in-depth assessments of business ethics, environmental stewardship, and labour practices through site visits and document reviews; provides feedback and re-evaluation for suppliers failing to meet standards



- Improving the protocols for supplier access, evaluation and supervision by strengthening policies and developing information management systems



- Uses resource management and automated information management systems to collect and analyse supplier information, ensuring effective identification and control of ESG risks

## Value Chain and Customer Management

### Promoting supply chain sustainability

CITIC Pacific and our businesses understand the importance of working closely and growing together with suppliers. We have collectively implemented measures such as trainings, exchange programmes and joint seminars to systematically enhance supplier knowledge and management capabilities. These joint efforts are designed to foster a sustainable business ecosystem and promote win-win cooperation with long-term benefits.

#### Green and low-carbon supply chain training

To educate suppliers and ensure their alignment with procurement requirements, CITIC Pacific Special Steel enlists the help of professional training organisations to engage its supply chain partners in educational discussions regarding green and low-carbon initiatives. The company encourages alloy suppliers to provide carbon footprint data as part of the tendering process to support ongoing carbon emission reductions and energy efficiency. CITIC Pacific Special Steel also offers advice on potential environmental risks in the upstream supplier selection and contract execution phases, with the goal of fostering mutually beneficial partnerships and advancing the sustainability of the raw material supply chain.

Additionally, CITIC Pacific Special Steel has established a green supply chain working group and organised roundtables with numerous supply chain partners. At these roundtables, suppliers are encouraged to support the company's carbon emission reduction targets, particularly by selecting sustainable materials and processes in their product design and R&D, with the aim of reducing the total energy consumption and carbon emissions of the final product.

### Supply chain security

Due to the nature of our manufacturing and consumer-facing businesses, a dependable supply of goods is critical for smooth and efficient operations. Manufacturers require a consistent flow of raw materials to produce goods, while consumers rely on consistent access to essential items, such as food, medical supplies and household staples. Any disruptions to the supply chain can lead to production delays, shortages, and even impact health and well-being.

#### Our approach includes:



##### Supplier diversification

- Evaluating suppliers based on factors such as quality, reliability and cost
- Establishing relationships with multiple suppliers to ensure a reliable and diverse supply chain



##### Supply chain visibility enhancements

- Implementing software tools that allow for the real-time tracking of shipments and inventory
- Monitoring supply chain performance metrics to identify potential disruptions
- Developing contingency plans for possible disruptions



##### Careful stock management

- Determining the appropriate level of safety stock, including the use of data analytics tools to identify trends and optimise inventory levels
- Implementing inventory management software
- Leveraging emerging technologies such as blockchain to increase visibility and transparency in the supply chain

## Value Chain and Customer Management

### Industry collaboration and mutual development

In the pursuit of sustainable development, CITIC Pacific views its peers, industry organisations, research institutes and universities as important partners in creating social value. Through various collaborations and joint projects, we seek to further industry advancement in key areas, leading our diverse industries toward a more sustainable future.

#### Strengthening technical cooperation and research

- CITIC Pacific Special Steel has released its first Special Steel Product Category Rules (PCR) for Automotive Applications. This PCR is a product lifecycle assessment tool that aims to establish a green and low-carbon evaluation criterion of special steel properties including strength, weight, service life, near-net shape and stability. This standard has been developed to contribute to the global goal of decarbonisation by emphasising and promoting the development of low-carbon, high-quality special steel. In recognition of this milestone achievement, the company garnered the “Excellence in Life Cycle Assessment” Steelie Award issued by the World Steel Association.
- During the year, CITIC Pacific Special Steel and the University of Science and Technology Beijing held a signing and inauguration ceremony for a joint R&D centre and test site. With the centre’s commencement, the company aims to contribute to the rapid development, low-carbon transition and industry-academia-research integration of the steel industrial chain. It is hoped that enhanced strategic cooperation between the industry and academia will strengthen R&D capabilities, promote the training of high-calibre researchers, and result in new technology applications in the advanced metal materials industry.

#### Contributing to the green development of the property industry

CITIC Pacific Properties participated in both the “Green Operation of Low-Carbon Property Management in the ESG Era” forum hosted by the Shanghai Property Management Association and the “ESG Ecosystem and Sustainable Development of Property Management” forum hosted by the China Property Management Association. During these events, the company shared its expertise in green property management, holding in-depth discussions with industry partners on the complexities of the ESG ecosystem to contribute to the sustainable development of the industry.

#### Deepening cooperation through hospital alliance

CITIC Pacific Health has established strategic partnerships with research institutes and industry associations while strengthening cooperation with ministries and commissions, local governments, large enterprises and industry leaders. One of its subsidiaries, Jiangyin Lingang Hospital and Shanghai East Hospital organised a hospital alliance to enhance patient care, establishing new medical centres and collaborations with sister institutions. This cooperation will serve to enhance hospital service delivery through a new collaboration model and contribute to the health industry’s ability to serve patients.



# People



At CITIC Pacific, we are dedicated to fostering an innovative, diverse and thriving workforce. Over the years, we have demonstrated a steadfast commitment to our employees by focusing on equality, opportunity, talent development, safety and wellness. Through open communication, performance-based compensation and comprehensive staff development programmes, we empower our workforce to create a positive impact within our organisation and the communities we serve.

## Associated UNSDGs



## Diversity and equal opportunity

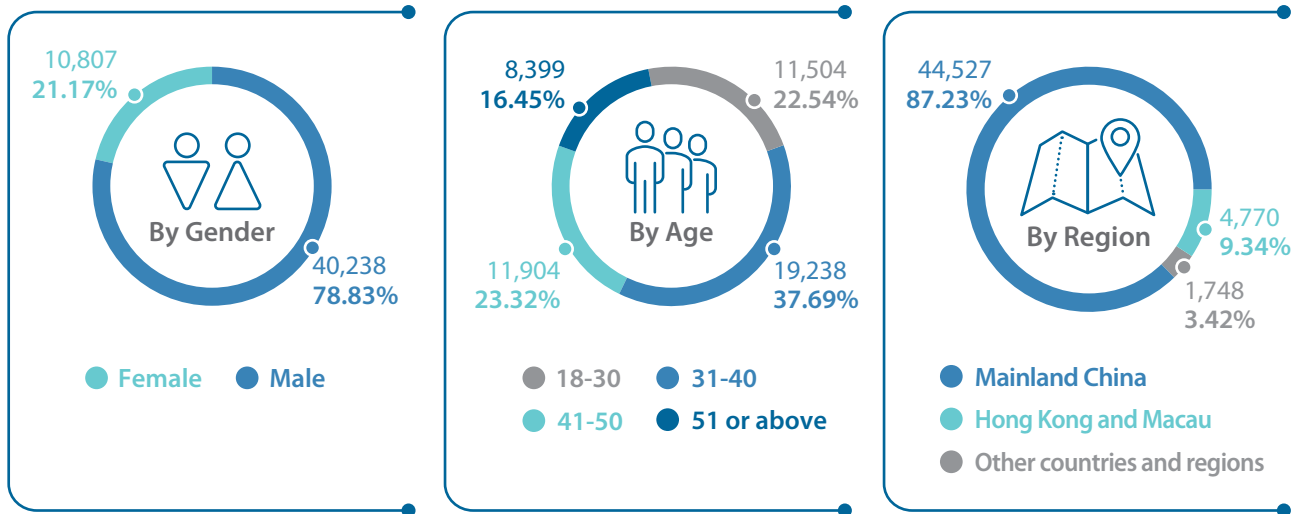
CITIC Pacific believes that diversity of backgrounds, perspectives and experiences is a driving force behind innovation and success. We strive to offer equal opportunities in an environment where employees feel empowered to contribute their unique talents and perspectives.

To respect the individuality of our employees and provide a fair working environment, we have a range of policies in place to promote a diversified workplace and enable our employees to realise their full potential.

In addition to merit-based talent management and educational programs that promote inclusivity, we have implemented policies and initiatives that prevent discrimination, favouritism, harassment and any form of bias. Our commitment to anti-discrimination and equal opportunity is set forth in the *Code of Conduct*, which enshrines our commitment to providing equal opportunity and protection for all employees, regardless of race, religion, sex, age, nationality or disability. The company also strictly prohibits and had no incidents of any form of child labour or forced labour during the reporting period.

## People

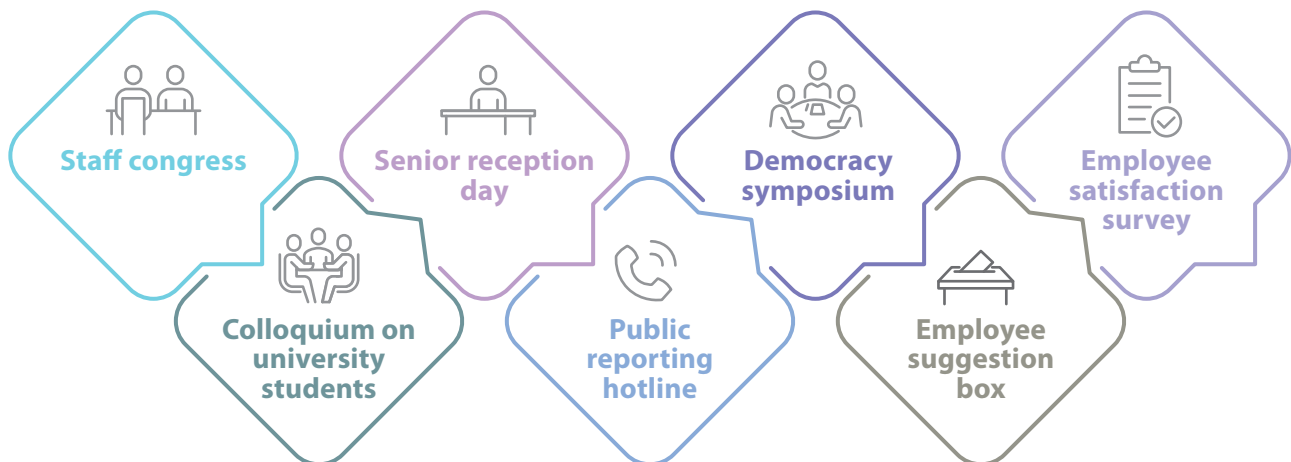
CITIC Pacific complies with all relevant labour laws and regulations of the markets in which we operate. We promote fair pay and the prevention of both conscious and unconscious bias through transparent performance appraisals and assessments. Any employee who encounters unfair treatment is encouraged to inform our human resources administration.



Note: Data above excludes CITIC Pacific Mining

We prioritise open communication with our employees and actively encourage feedback to identify areas for improvement. Through various channels such as surveys, town hall meetings and confidential reporting mechanisms at both the CITIC Pacific headquarters and subsidiary level, we protect every employee's right to information, participation and expression. We strive to create a culture of trust, transparency and continuous improvement across the organisation, ensuring employees feel heard, valued and empowered.

### Employee communication and feedback channels



## People

To promote employee communication and sharing, CITIC Pacific has established the “CITIC Pacific People (CPer)” App where we share the latest company information and encourage employees to contribute content on diverse topics including health, environmental protection and daily living. Our subsidiaries also embrace a culture of open communication. For example, this year CITIC Pacific Energy introduced its first staff congress, held quarterly symposium, conducted an employee satisfaction survey and encouraged employees to suggest improvements.

### Talent management

People are the bedrock of our success as an organisation. CITIC Pacific has developed a robust talent management system comprising recruitment, employee compensation and benefits and training to enhance employee satisfaction and stability.

At the same time, to support career development and enable our talents to achieve their full potential, we offer a range of training programmes, workshops and seminars that cater to employees’ specific needs and career goals. These programmes focus on enhancing technical skills, fostering leadership capabilities and promoting sustainability awareness.

### Talent acquisition and retention

At CITIC Pacific, we recognise that attracting and retaining talent is essential to our long-term success. We follow all relevant employment regulations and have established human resources policies to strengthen employee management. Following the recruitment principles of “Open, Fair, Just, Competitive and Meritocratic”, we have built a leading employer brand and work diligently to attract capable and competitive talent. We offer a transparent recruitment process, appropriate recognition, and competitive compensation and benefits packages. To ensure fairness, we publicly disclose job opportunities and employ multiple channels, such as headhunting, social recruitment and referrals to identify suitable candidates. Our candidate selection process is tailored to the position and may comprise written examinations, interviews and evaluations to assess core competencies, professional abilities and management qualities in relation to the job requirements.

With employee stability essential to maintaining a strong and effective labour force, we closely monitor turnover rates and investigate irregularities. When employees leave our company, we collect feedback and suggestions through interviews, employee discussions and questionnaires, which inform targeted improvements in our approach to talent management.

### Compensation and benefits

We believe in recognising and rewarding our employees in a transparent and equitable manner. Employees at CITIC Pacific are rewarded with competitive remuneration packages that are commensurate with their respective roles and responsibilities, as well as the associated challenges and complexities of their jobs. To ensure internal equity and market competitiveness, we annually review remuneration packages including working hours, leave, salary and benefits by referencing the compensation of comparable positions in the market. We promote employee health, wellness and stability through a comprehensive benefit system including social security, employee health benefits and supplemental insurance.

## People

### Training and development

At CITIC Pacific, we recognise that employee development not only benefits the individual but is a driving force for the long-term development of the company. To support career development and enable our people to achieve their full potential, we offer a wide range of training programmes, workshops and seminars at both the headquarters and subsidiary level that cater to employees' specific needs and career goals. These programmes focus on enhancing technical skills, fostering leadership capabilities and promoting sustainability knowledge.

During the reporting period, CITIC Pacific Headquarters and its subsidiaries invested over RMB30 million in training and development, with an average of 29.27 training hours completed per employee.

#### Training Programmes at CITIC Pacific's Headquarters



##### The Future Business Leader Trainee (FBLT) Programme

- A 5-year graduate management trainee programme that aims to cultivate future leaders



##### The Enterprise Talent Programme (ETP)

- A 5-year training programme for employees at both the headquarters and subsidiary level that aims to strengthen cross-functional, cross-industry and cross-regional talent



##### The Leadership Development Programme (LDP)

- A systematic training programme provided to selected employees, aiming to enhance global thinking and leadership



##### Cross-business exchange training programme

- A training programme for employees to learn about CITIC Pacific's many business sectors through site visits and training sessions that explore business and management models, corporate culture, innovation and synergy opportunities



##### Online training courses and e-learning opportunities

- A broad selection of online trainings developed in collaboration with internationally-renowned training institutions available to both headquarters and subsidiary employees; a total of 54 courses were conducted in 2023 for over 90,000 participants, covering topics including national policies, global opportunities, artificial intelligence and digitalisation, ESG, enterprise resilience, and compliance and risk management



## People

### The Future Business Leader Trainee (FBLT) Programme

The FBLT Programme was established in 2020 to build a strong pipeline of future leaders in collaboration with CITIC Pacific's diverse businesses. In 2023, 18 graduates were recruited into the second FBLT cohort and will participate in three development stages and placements in various businesses. Ultimately, we aim to accelerate their potential through broad exposure and customised training, creating a strong tier of new talent for the company's long-term business growth.

### The Enterprise Talent Programme (ETP)

The ETP was established in cooperation with our subsidiaries to support the company's strategic direction and business development needs. The 5-year programme aims to provide young talent from different sectors with specialised training, broadening their horizons and enhancing engagement. The training covers a diverse range of important themes including global awareness, project management, transformation and agility, digitalisation, and leadership through targeted training programmes, hands-on exercises, job rotation and leadership forums.



### The Leadership Development Programme (LDP)

CITIC Pacific collaborated with world-renowned business schools to establish the LDP in 2020, providing tailored training sessions to middle and senior management as well as the first-line managers. It focuses on a combination of business theory and practice through company visits, commercial case studies and cross-business exchanges. By the end of 2023, four cohorts have completed the training programme, totalling more than 100 participants.



## Safety management and occupational health

We hold the health and safety of our employee's paramount. To safeguard our workforce, CITIC Pacific and its subsidiaries have implemented robust safety policies and procedures, covering areas including hazard identification, risk assessment, emergency response protocols and frequent safety training.

Our subsidiaries regularly review and upgrade safety standards according to international best practice. As at the end of the reporting period, a number of our subsidiaries including those under CITIC Pacific Special Steel, CITIC Pacific Energy, CITIC Pacific Properties and Dah Chong Hong have obtained ISO 45001 (occupational health and safety management system) certifications.

### Safety management

We have established a strong culture of safety awareness and accountability throughout the organisation with an emphasis on regular communication, review and improvement. We strictly comply with the laws and regulations of the countries in which we operate and have established robust safety management organisational structures and production safety responsibility systems to minimise safety risks.

To ensure the ongoing effectiveness of our risk identification, assessment and control process, we conduct regular inspections and audits designed to assess hidden dangers and mitigate potential risks to safeguard employees. By proactively identifying safety risks, we aim provide a fatality and injury-free work environment and had no material non-compliance incidents related to occupational health and safety in 2023.





## People

### Emergency response

In addition to workplace safety and production safety policies, CITIC Pacific and its subsidiaries have established comprehensive emergency management procedures, systems and rescue plans to ensure our personnel respond safely and effectively in emergency situations. During the reporting period, CITIC Pacific and its businesses conducted a wide-range of drills and trainings covering various emergency scenarios to enhance response capabilities.



- Conducted regular building escape drills to ensure employees are able to evacuate in a timely manner and receive necessary assistance in the event of an emergency



- Organised LNG station gas leakage emergency disposal drill activities, covering gas leakage inspections and repairs, personnel evacuation and other processes to enhance the company's emergency response, coordination and organisation and to verify the feasibility and operability of the company's emergency management plans



- Developed a 3D live remote exercise platform and conducted a total of 31 emergency preparedness drills and threeflight drills, covering fire accidents, personal injury and mechanical accidents



- Supervised quarterly emergency rescue drills at all branches, subsidiaries and management offices according to building types



- Maintains a Mine Safety Management System (MSMS) and emergency response management system; the emergency response team regularly conducts rescue drills to raise awareness of emergency scenarios, accumulate practical experience and strengthen emergency response capabilities



- Established an emergency response team and organised 116 fire drills with a total of 7,461 participants

## People

### Promoting a culture of safety

To promote and strengthen employee awareness of workplace safety, CITIC Pacific and its subsidiaries regularly organise trainings and activities across a broad range of topics including firefighting, first aid, traffic safety and the safe operation of machinery. Through systematic learning and hands-on practice, we continually enhance safety knowledge and awareness to ensure the safety of our teams.



- Organised five CPR and first aid skills training with a total of more than 400 participants, helping employees learn life-saving techniques to assist with cardiac and respiratory arrests and other emergencies
- Xingcheng Special Steel deployed 98 Automated External Defibrillators (AEDs) and organised training for all staff with a total of 150 people obtaining Allied Health Assistant (AHA) certificates and 980 people obtaining International Red Cross Primary Rescuer Certificates
- Daye Special Steel organised 22 training sessions on topics such as working at height, emergency rescue, fire safety, occupational health and the prevention of heat stroke for a total of 6,632 participants



- Organised various types of safety training and safety promotion activities during Safety Month and Fire Safety Month
- Lidian Group released production safety and safety warning videos and organised safety management exams for a total of 1,450 participants



- Organised Work Safety Month activities for all development projects under construction with the theme of "Everyone Speaks Safety, Everyone Knows Emergency Response"
- Held various activities during Fire Prevention Month and special safety inspections
- Organised safety trainings and exams to enhance employees' safety knowledge



- Regularly organised Health, Safety and Environmental Protection Forums to promote awareness and foster a strong culture of safety stewardship. This year, the forum included an introduction to innovative technological solutions for the delivery of medical care to employees working in remote mines



- Organised 982 security training sessions across various workplace health and safety topics for a total of 33,887 participants

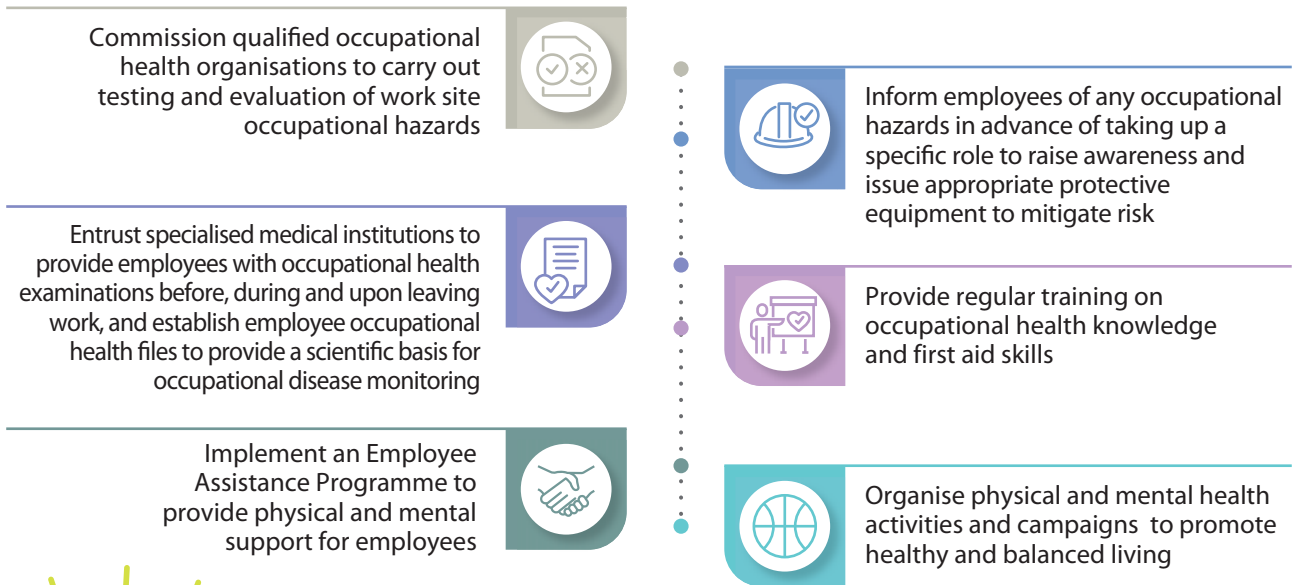
# People

## Occupational health and wellness

CITIC Pacific attaches great importance to occupational health and labour conditions, ensuring strict compliance with the relevant laws and regulations of the countries in which we operate. We have established comprehensive internal management systems to provide healthy and hygienic working conditions, including occupational disease risk identification and control mechanisms to identify and assess occupational hazards.

The company also promotes mental and physical wellness, supporting employees with relevant training and care. Through programmes such as our Employee Assistance Programme, we aim to promote well-being, emotional balance and personal growth, because we understand that professional contribution is inextricably linked to physical and mental wellness.

### Employee wellness support system



## People

### Employee wellness at DCH

Dah Chong Hong is committed to providing strong support for employee wellness. During the year, the company distributed compression socks, sunglasses, waist-mounted fans, hand-held fans and sports wristbands to frontline employees to enhance their comfort when working outdoors. The Dah Chong Hong Occupational Safety and Health Group also launched quarterly mental health campaigns to publicise simple and effective ways to reduce stress. The company provides communication channels and support options for employees experiencing adverse mental health conditions and organises regular health-themed activities to promote wellness and help alleviate psychological pressure.



In 2023, Dah Chong Hong participated in the Occupational Health Award co-organised by the Occupational Safety and Health Council of Hong Kong, in collaboration with the Labour Department, Department of Health, Pneumoconiosis Compensation Fund Board and Occupational Deafness Compensation Board. The company was awarded the Bronze Award in the Mental Health Friendly Organisations Award (Corporate or Organisational Group), which recognises Dah Chong Hong's outstanding performance and contribution to the promotion of occupational safety and health culture in Hong Kong.

To promote well-being and a healthy work culture, CITIC Pacific and its businesses have also organised a wide range of engagement and team building activities. These activities included team sports competitions, holiday celebrations, employee birthday parties, fitness classes and handicraft workshops. Our goal is to not only provide fun social outlets for staff, but to increase contact and communication among our employees, enhancing team cohesion while contributing to a friendly and positive corporate atmosphere.



## People

### CITIC Pacific encourages staff to “Get Moving”

To promote physical fitness and encourage healthy living, CITIC Pacific Headquarters launched the “Get Moving” activities series, with over 18 activities during the year including Wheel Yoga, Singing Bowl Yoga, HIIT, Body Combat, Penalty Box, and a series of healthcare lectures. In total, 376 employees participated in events which supported our team culture, good exercise habits and encouraged a healthy work-life balance.



### CITIC Pacific Properties



Employee birthday activities



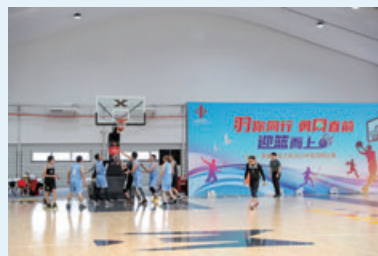
Children's day parent-child activities



DIY potted plants



Women's day



Basketball



Team building

## People



### CITIC Pacific Energy



The first cup of coffee in spring



Roaming spring painting



Dragon boat festival activities



Mid-Autumn festival activities



Micro-landscaping



DIY of intangible Cultural heritage topography



### CITIC Pacific Special Steel



Basketball



Football



Sports games



### Dah Chong Hong



Chinese new year activities



Women's day activities



Mid-Autumn festival activities



# Community

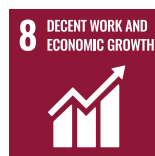


At CITIC Pacific, we recognise the pivotal role of our communities in our long-term success. We are committed to fostering an environment of shared value, where the prosperity and well-being of our local communities goes hand-in-hand with our own growth.

Our commitment to social and community development is fully integrated into our business strategy and begins with minimising any negative impact on the communities we serve. We prioritise responsible environmental practices, ensure sustainable resource management and aim to reduce our carbon footprint to create a green, healthy and safe environment.

In addition to engaging with our communities during the course of normal operations, we invest time, resources and financial support to empower and nurture community development and resilience. Across our business, we have built strong and lasting partnerships with various local stakeholders, with a focus on promoting local economic development, education and culture, and enhancing the overall quality of life. We support employee volunteering and sponsorship activities that address social challenges and uplift our communities, fostering a culture of empathy and social responsibility. Through our operations, donations and volunteer hours, we aim to enhance the quality of life in our markets, thriving together towards a shared future.

## Contribution to UNSDGs



## Community

### Contributing to local economic development

At CITIC Pacific, we understand that enterprise development is closely linked to the prosperity of local communities and economies. As a diversified business, we aim to leverage our broad resources and operational capabilities to lift the local standard of living and drive economic development.

As part of this commitment, CITIC Pacific supports China's national rural revitalisation with targeted purchasing, marketing and financial support. In 2023, CITIC Pacific contributed to the sustainable development of several lower-income areas by purchasing agricultural products to raise production efficiency and promote unique local commerce capabilities. We also made financial donations to the lower-income areas through local charities.

#### Rural revitalisation at CITIC Pacific Special Steel

CITIC Pacific Special Steel actively explores ways to systematically support rural revitalisation, with targeted purchases, donations and ongoing paired-up assistance arrangements. In 2023, the company purchased products from agricultural assistance platforms and organised internal events and exhibitions to create new sales channels for specialty agricultural products, helping address production and marketing challenges. Through its paired-up assistance arrangements, CITIC Pacific Special Steel and its subsidiaries helped attract resources, including talent, technology, and capital to rural areas with an aim to increase the collective economic income and per capita disposable income.

#### CITIC Pacific Mining's Community Support Fund

To promote local community development, CITIC Pacific Mining has established the CITIC Pacific Mining Community Support Fund (CCSF). This fund provides financial support for select projects in Western Australian communities, such as industry training and youth employment programs organised by community groups and non-profit organisations. In 2023, CCSF held two beneficiary application rounds. Funding recipients included the Roebourne Hospitality Training and Employment Program and the Millars Well Primary School Nature Space Building Program.

In 2023, CITIC Pacific Mining also continued its cooperation with the Clontarf Academy and invited Karratha campus students to visit its mining operations. Students were introduced to the various careers and employment opportunities in the local mining industry, enhancing their employment options and helping them better understand locally available career opportunities.

### Supporting education and cultural vibrancy

Recognising that education and cultural development are the foundation of social progress, CITIC Pacific works with different sectors of the community to enhance the quality of education and cultural literacy, enriching local communities through school sponsorship programmes, science education and cultural exchanges.



## Community

### DCH supports education in mountainous regions

Since 2021, Dah Chong Hong has invested in the education of more than 200 children in the mountainous areas of the Yunnan and Sichuan Provinces of China through a dedicated programme. In 2023, DCH volunteers travelled to Yunlong County in Yunnan to visit the homes of prospective students and identified 50 new students most in need of assistance. During the trip, they also visited the students of the 2022 cohort to donate school supplies and gifts.

To expand the scope and reach of its educational assistance programme, DCH collaborated with partners to organise events in Jiangmen and Cixi. Through activities including public lectures, student artwork exhibitions, charity sales and one-yuan auctions, DCH worked to attract donations and participation in order to offer educational support to as many children as possible.



### Cultivating community culture at CITIC Pacific Properties

Embracing its role in the enrichment of daily living, CITIC Pacific Properties regularly collaborates with local governments and organisations to offer cultural activities. In 2023, these included the establishment of a CITIC BookCrossing station, the preservation and rebuilding of Xu Jianyin's former residence in Wuxi, the founding of the Changzheng Branch of the Putuo District Talent Academy, the establishment of the Xintai Community Centre and the organisation of neighbourhood committees.





## Community



- Organised staff activities supporting vulnerable groups, public health and environmental protection:
  - Skip Lunch Day: Encouraged employees to save lunch money to support the underprivileged
  - Green Low Carbon Day: Encouraged employees to practise green living and contribute to the protection of the planet
  - Dress Casual Day: Hosted a charity fundraiser for the underprivileged
  - Love Teeth Day: Raised funds for organisations providing oral care services to people in need
  - Oxfam Rice Sales: Raised funds for Oxfam to assist small farmers
  - LEGOLAND outing: Engaged with special educational needs children to build play-based creative thinking and social skills at a trip to Legoland in Hong Kong



- Organised community engagement activities including winter donations, blood drives and community services
- Continued to provide monetary assistance to employee families grappling with financial challenges, enabling their children to continue with quality education.



- Organised volunteer activities to assist the elderly and disabled, support the underprivileged, provide helpful home services and plant trees
- Cooperated with Minhang Cancer Rehabilitation Club to launch the “Caring for Cancer Patients” initiative to promote cancer prevention and treatment, as well as support the physical and emotional needs of people battling cancer



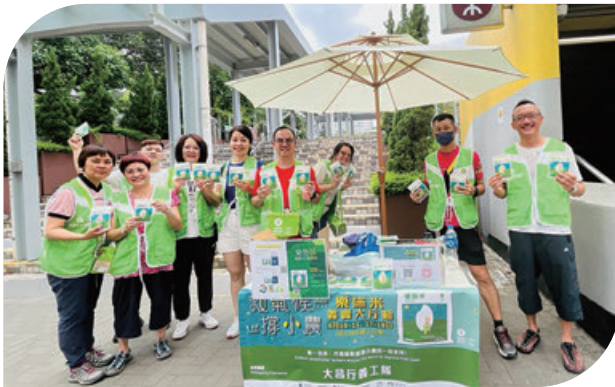
- Led a blood donation alongside other fundraising activities
- Organised open science classes in primary schools to raise student’s awareness of electricity safety and environmental protection; organised volunteer activities to protect the coastline of the Yangtze River



- Organised numerous volunteering activities to support the elderly, child welfare and environmental protection, in addition to blood donations, charity sales and community services



## Community



Rice sales for Oxfam



LEGOLAND visit for special educational needs children



Tree planting at DCH



Tree planting at CITIC Pacific Properties





## Community

### CITIC Pacific and DCH promote healthy living

To advocate for healthy living, CITIC Pacific and Dah Chong Hong partnered with local charities to support the Hong Kong Streetathon 2023. Over 330 employees participated in the event, showcasing our support and enthusiasm for fitness and community engagement.



### CITIC Pacific Health educates and supports patients

In support of national basic public health service initiatives, CITIC Pacific Health organised a wide range of public medical and health consultation services. In 2023, we conducted nearly 600 health lectures and free clinics, benefiting nearly 30,000 participants in Hangzhou, Shaoxing, Jiangyin and other regions. Our professionals shared medical knowledge and health information, providing free health management support for common and chronic illnesses.



## Community

### Caring for those in need

CITIC Pacific Special Steel, CITIC Pacific Properties and other subsidiaries carried out charitable activities such as “A Piece of Paper for Love” and “Warm Winter Action” for families and children in need in China’s western regions. These efforts included the donation of down jackets, coats, sweaters, school supplies and New Year’s gifts to help local children and families have a safe, happy and warm winter.

Fostering a caring culture in our communities, our subsidiaries including CITIC Pacific Properties, Dah Chong Hong and CITIC Pacific Health have organised and participated in various community outreach activities throughout the year. These initiatives have assisted the elderly, disabled and disadvantaged through the provision of food, daily necessities and social engagement. Across the organisation, hundreds of volunteers enthusiastically participated contributing to a social atmosphere of respect, love and care for those in need.



### Emergency relief in Hong Kong

In 2023, Hong Kong was hit by typhoons and torrential rain which caused flooding and landslides, particularly in the northern part of the New Territories. Dah Chong Hong responded swiftly to help the affected villagers, liaising with the Social Welfare Department of the HKSAR Government, welfare agencies and local organisations. The company donated nearly 300 sets of home appliances to meet basic necessities and support local residents recover from the disaster.



# ESG Index

GRI Standard	Disclosure	Location	UNSDG
<b>GRI 2: General Disclosures 2021</b>			
The organization and its reporting practices			
2-1	Organizational details	About CITIC Pacific	
2-2	Entities included in the organization's sustainability reporting	About this report About CITIC Pacific	
2-3	Reporting period, frequency and contact point	About this report	
2-4	Restatements of information	No restatements of information	
2-5	External assurance	Not applicable  The report has not been externally assured during the reporting period.	
Activities and workers			
2-6	Activities, value chain and other business relationships	About CITIC Pacific  Value Chain and Customer Management – Supply chain management	
2-7	Employees	People – Talent management	
Governance			
2-9	Governance structure and composition	Corporate Governance – Board of directors	
2-10	Nomination and selection of the highest governance body	Corporate Governance – Board of directors	
2-11	Chair of the highest governance body	Corporate Governance – Board of directors	
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance – Board of directors	
2-13	Delegation of responsibility for managing impacts	Corporate Governance – Board of directors	
2-14	Role of the highest governance body in sustainability reporting	Our Approach to ESG	






## ESG Index

GRI Standard	Disclosure	Location	UNSDG
2-16	Communication of critical concerns	Our Approach to ESG	
2-17	Collective knowledge of the highest governance body	Corporate Governance – Board of directors	
2-18	Evaluation of the performance of the highest governance body	Corporate Governance – Board of directors	
2-19	Remuneration policies	People – Talent management	
2-20	Process to determine remuneration	People – Talent management	
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	Our Approach to ESG	
2-23	Policy commitments	Please see the details in each chapter of the report.	
2-24	Embedding policy commitments	Please see the details in each chapter of the report.	
2-25	Processes to remediate negative impacts	Corporate Governance – Ethics and integrity Value Chain and Customer Management – Product and service quality People – Diversity and equal opportunity	
2-26	Mechanisms for seeking advice and raising concerns	Our Approach to ESG Corporate Governance – Ethics and integrity Value Chain and Customer Management – Product and service quality People – Diversity and equal opportunity	
2-27	Compliance with laws and regulations	Please see the details in each chapter of the report.	

## ESG Index






GRI Standard	Disclosure	Location	UNSDG
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Our Approach to ESG	
<b>GRI 3: Material Topics 2021</b>			
3-1	Process to determine material topics	Our Approach to ESG	
3-2	List of material topics	Our Approach to ESG	
<b>GRI 201: Economic Performance 2016</b>			
3-3	Management of material topics	Our Approach to ESG Environmental Stewardship – Climate risk and resilience	
201-1	Direct economic value generated and distributed	About CITIC Pacific	
201-2	Financial implications and other risks and opportunities due to climate change	Environmental Stewardship – Climate risk and resilience	
<b>GRI 203: Indirect Economic Impacts 2016</b>			
3-3	Management of material topics	Our Approach to ESG Community	
203-1	Infrastructure investments and services supported	Community – Supporting education and cultural vibrancy Community – Enriching our communities	

## ESG Index







GRI Standard	Disclosure	Location	UNSDG
203-2	Significant indirect economic impacts	Community – Contributing to local economic development	<div style="background-color: #28a745; color: white; padding: 5px; text-align: center;"> <b>3</b> GOOD HEALTH AND WELL-BEING   </div> <div style="background-color: #dc3545; color: white; padding: 5px; text-align: center;"> <b>4</b> QUALITY EDUCATION   </div> <div style="background-color: #c0392b; color: white; padding: 5px; text-align: center;"> <b>8</b> DECENT WORK AND ECONOMIC GROWTH   </div> <div style="background-color: #e91e63; color: white; padding: 5px; text-align: center;"> <b>10</b> REDUCED INEQUALITIES   </div>
<b>GRI 205: Anti-corruption 2016</b>			
3-3	Management of material topics	Our Approach to ESG Corporate Governance – Ethics and integrity	<div style="background-color: #0056b3; color: white; padding: 5px; text-align: center;"> <b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS   </div>
205-1	Operations assessed for risks related to corruption	Corporate Governance – Ethics and integrity	
205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance – Ethics and integrity	



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GRI Standard	Disclosure	Location	UNSDG
<b>GRI 302: Energy 2016</b>			
3-3	Management of material topics	Our Approach to ESG Environmental Stewardship – Carbon and energy reduction	<b>7</b> AFFORDABLE AND CLEAN ENERGY 
302-1	Energy consumption within the organization	Environmental Stewardship – Key environmental performance indicator	
302-3	Energy intensity	Environmental Stewardship – Key environmental performance indicator	<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 
302-4	Reduction of energy consumption	Environmental Stewardship – Carbon and energy reduction	
302-5	Reductions in energy requirements of products and services	Environmental Stewardship – Carbon and energy reduction	<b>13</b> CLIMATE ACTION 
<b>GRI 303: Water and Effluents 2018</b>			
3-3	Management of material topics	Our Approach to ESG Environmental Stewardship – Water resources management	<b>6</b> CLEAN WATER AND SANITATION 
303-1	Interactions with water as a shared resource	Environmental Stewardship – Water resources management	
303-2	Management of water discharge-related impacts	Environmental Stewardship – Water resources management	<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 
303-3	Water withdrawal	Environmental Stewardship – Key environmental performance indicator	
303-5	Water consumption	Environmental Stewardship – Key environmental performance indicator	

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GRI Standard	Disclosure	Location	UNSDG
<b>GRI 304: Biodiversity 2016</b>			
3-3	Management of material topics	Our Approach to ESG Environmental Stewardship – Biodiversity conservation	
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environmental Stewardship – Biodiversity conservation	
304-2	Significant impacts of activities, products and services on biodiversity	Environmental Stewardship – Biodiversity conservation	
304-3	Habitats protected or restored	Environmental Stewardship – Biodiversity conservation	 
<b>GRI 305: Emissions 2016</b>			
3-3	Management of material topics	Our Approach to ESG Environmental Stewardship – Climate risk and resilience Environmental Stewardship – Carbon and energy reduction Environmental Stewardship – Air emissions management	 
305-1	Direct (Scope 1) GHG emissions	Environmental Stewardship – Key environmental performance indicator	

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GRI Standard	Disclosure	Location	UNSDG
305-2	Energy indirect (Scope 2) GHG emissions	Environmental Stewardship – Key environmental performance indicator	
305-4	GHG emissions intensity	Environmental Stewardship – Key environmental performance indicator	
305-5	Reduction of GHG emissions	Environmental Stewardship – Key environmental performance indicator	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Environmental Stewardship – Key environmental performance indicator	
<b>GRI 306: Waste 2020</b>			
3-3	Management of material topics	Our Approach to ESG Environmental Stewardship – Waste management	
306-1	Waste generation and significant waste-related impacts	Environmental Stewardship – Waste management	
306-2	Management of significant waste-related impacts	Environmental Stewardship – Waste management	
306-3	Waste generated	Environmental Stewardship – Key environmental performance indicator	
306-4	Waste diverted from disposal	Environmental Stewardship – Waste management	
<b>GRI 308: Supplier Environmental Assessment 2016</b>			
3-3	Management of material topics	Our Approach to ESG Value Chain and Customer Management – Supply chain management	
308-1	New suppliers that were screened using environmental criteria	Value Chain and Customer Management – Supply chain management	
308-2	Negative environmental impacts in the supply chain and actions taken	Value Chain and Customer Management – Supply chain management	




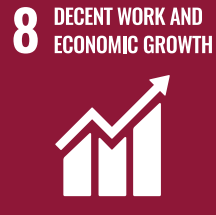

## ESG Index

GRI Standard	Disclosure	Location	UNSDG
<b>GRI 401: Employment 2016</b>			
3-3	Management of material topics	Our Approach to ESG People – Talent management	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	People – Talent management	
<b>GRI 403: Occupational Health and Safety 2018</b>			
3-3	Management of material topics	Our Approach to ESG People – Safety management and occupational health	
403-1	Occupational health and safety management system	People – Safety management and occupational health	
403-2	Hazard identification, risk assessment, and incident investigation	People – Safety management and occupational health	
403-3	Occupational health services	People – Safety management and occupational health	
403-4	Worker participation, consultation, and communication on occupational health and safety	People – Safety management and occupational health	
403-5	Worker training on occupational health and safety	People – Safety management and occupational health	
403-6	Promotion of worker health	People – Safety management and occupational health	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People – Safety management and occupational health	
403-8	Workers covered by an occupational health and safety management system	People – Safety management and occupational health	
403-9	Work-related injuries	People – Safety management and occupational health	
403-10	Work-related ill health	People – Safety management and occupational health	

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GRI Standard	Disclosure	Location	UNSDG
<b>GRI 404: Training and Education 2016</b>			
3-3	Management of material topics	Our Approach to ESG People – Talent management	 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>
404-1	Average hours of training per year per employee	People – Talent management	
404-2	Programs for upgrading employee skills and transition assistance programs	People – Talent management	
404-3	Percentage of employees receiving regular performance and career development reviews	People – Talent management	
<b>GRI 405: Diversity and Equal Opportunity 2016</b>			
3-3	Management of material topics	Our Approach to ESG People – Diversity and equal opportunity	 <p><b>5</b> GENDER EQUALITY</p>
405-1	Diversity of governance bodies and employees	People – Diversity and equal opportunity	
<b>GRI 406: Non-discrimination 2016</b>			
3-3	Management of material topics	Our Approach to ESG People – Diversity and equal opportunity	 <p><b>5</b> GENDER EQUALITY</p>
406-1	Incidents of discrimination and corrective actions taken	People – Diversity and equal opportunity	
			 <p><b>10</b> REDUCED INEQUALITIES</p>

# ESG Index

GRI Standard	Disclosure	Location	UNSDG
<b>GRI 413: Local Communities 2016</b>			
3-3	Management of material topics	Our Approach to ESG Community	
413-1	Operations with local community engagement, impact assessments, and development programs	Community	
			
			
			
			



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GRI Standard	Disclosure	Location	UNSDG
<b>GRI 414: Supplier Social Assessment 2016</b>			
3-3	Management of material topics	Our Approach to ESG Value Chain and Customer Management – Supply chain management	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>
414-1	New suppliers that were screened using social criteria	Value Chain and Customer Management – Supply chain management	
414-2	Negative social impacts in the supply chain and actions taken	Value Chain and Customer Management – Supply chain management	 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>
<b>GRI 416: Customer Health and Safety 2016</b>			
3-3	Management of material topics	Our Approach to ESG Value Chain and Customer Management – Product and service quality	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>
416-1	Assessment of the health and safety impacts of product and service categories	Value Chain and Customer Management – Product and service quality	
<b>GRI 417: Marketing and Labeling 2016</b>			
3-3	Management of material topics	Our Approach to ESG Value Chain and Customer Management – Product and service quality	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>
417-1	Requirements for product and service information and labeling	Value Chain and Customer Management – Product and service quality	

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