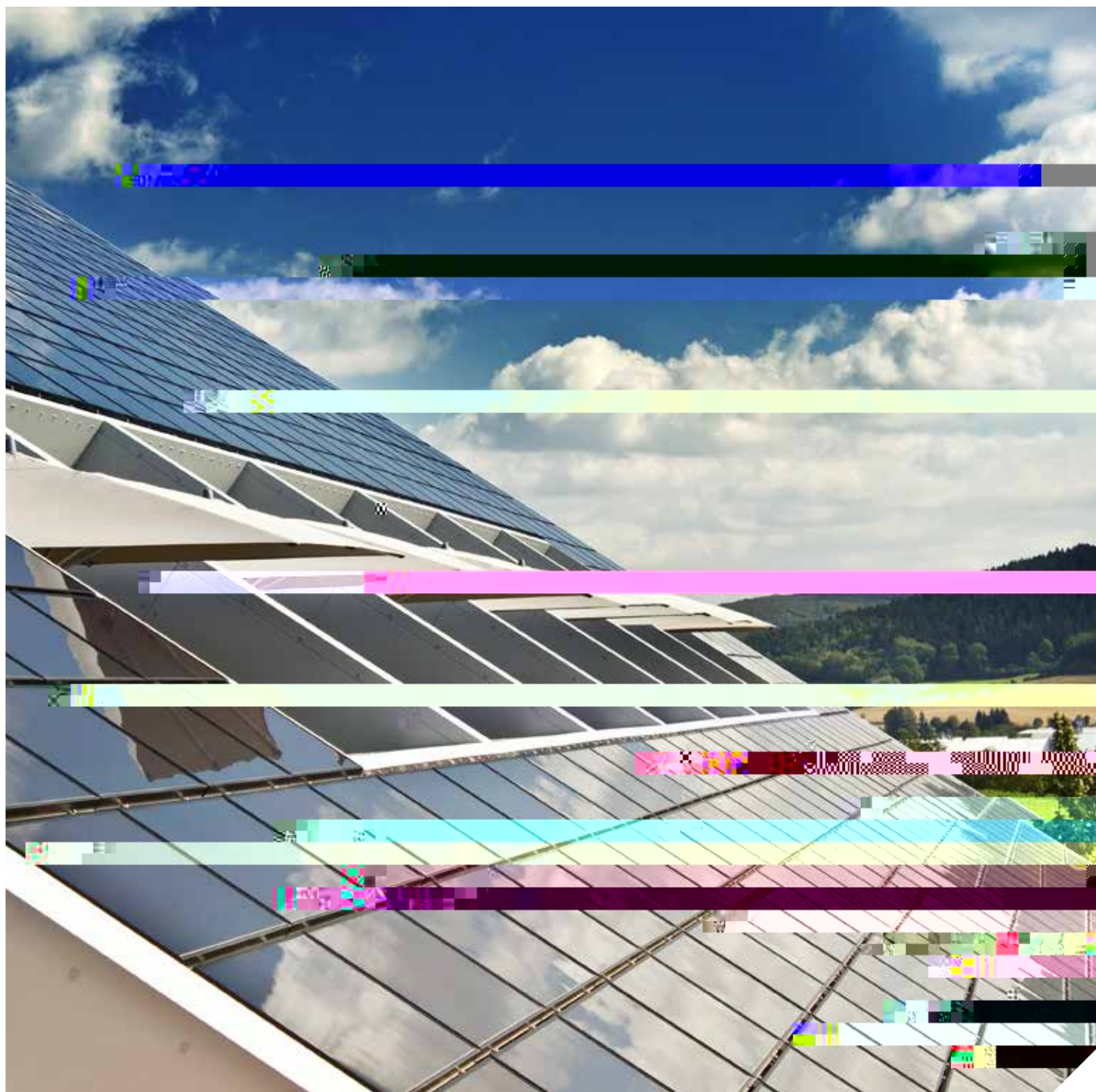




2014

CHINA NATIONAL BUILDING MATERIALS GROUP CORPORATION

Social Responsibility Report



Preparation Notes

This Report gives a true picture of China National Building Materials Group Corporation's (CNBM) performance of social responsibilities.

Which report is this one? How to get these reports?

This is the fourth English version of social responsibility report released by CNBM. Please ask for the printed version of each year's Report via the contact information on the cover. You can also scan the two-dimension code below or log onto <http://www.cnbm.com.cn/EN/> to download the electronic versions and get more related information.



Period Covered by the Report

1 January to 31 December 2014; given the progressing continuity of certain businesses or projects, some contents relate to the first and second quarters of 2015, the details of which are indicated in the Report.

Reporting Frequency

Annual report.

Entities Covered by the Report

All the wholly-owned or controlled (including absolute and relative controlled) members of CNBM. For the purpose of concise description, terms of "CNBM", the "Group" and "We" are used in the Report to refer to China National Building Materials Group Corporation.

Data Sources

All information and data used herein are from the headquarters of CNBM and its member companies. Notes have been made in the Report for the information from external reference. Unless otherwise stated, all monetary amounts are expressed in RMB.



Defining annual work plan,
convening meetings or issuing
documents

Defining indicator system of
information system, making list
of annual star cases

Collecting
materials

Drawing framework of the

Report, defining the topic, -7.77/.gpildefini,r(ind TDfem,0por)-f the s-23x1(olle ron)13vis(ma.9(or)-4a (on))6(s4(t)6()3(,cor)-4(ma(k plan,)TJ0 -1.annndaron)1d self-1(o8(s-2

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Executive's Address

The China's economy has entered the "new normal". How to better fulfill social responsibilities thus meet new requirements in the new situation has been a new topic of CNBM. In 2014, stressed by economic downturn, investment slowdown and



Guide innovation of business mode through information technology and service-oriented transformation, tap the potential of social responsibility fulfillment: We proactively explore innovation of business mode with Internet technologies and push service-oriented transformations (housing industrialization, logistics & trade service, testing & certification service, engineering technology service, eco-industry, etc.). The integration of informationization and industrialization is vigorously promoted in the cement segment to practice the new mode of "Internet+ cement manufacturing". The service of cloud computing is applied at www.okorder.com to form the foreign trade mode of "cross-border e-commerce + overseas warehouse", which makes the website the best platform for cross-border spot transaction of building materials in China. In the prefab housing segment, information-based technologies are adopted to offer more than 1,000 personalized house types for customer's selection. In the future, we will spread the concept "green town" all over the world to become the world's largest comprehensive service provider of industrialized prefab housing.

Innovate management by centering on integration, optimization, transformation and upgrade, improve the strength of social responsibility fulfillment: Under the macro-environment that the economy enters medium-speed development, CNBM shall undertake the important task of "defend growth". As an enterprise

engaged in the highly competitive field, CNBM proactively creates specific atmospheres favorable to "stable growth" in the overall atmosphere featuring economic downturn. On the basis, the goal of "enterprise with 4 focuses" (focus on innovation-driven development, focus on quality-based benefit, focus on manufacturing service, focus

Company Profile

As the leader in China's building materials industry, CNBM is the largest comprehensive building materials industry group in China. It has been ranked first among the top 500 enterprises in the building materials industry for many years, 41st among the Top 500 Enterprises in China and 270th among the Fortune Global 500. Up to the end of 2014, the total assets of the Group amounted to RMB 406.9 billion and the total number of employees reached 176,854. In 2014, CNBM achieved revenue of RMB 250.4 billion with total profit of RMB 13.0 billion, whilst taxes paid amounted to RMB 14.6 billion.

With the objective to maximize corporate value and improve core competence, CNBM has developed into a comprehensive building materials industry group with integration of manufacturing, scientific research and development, set of equipment, logistics and trading, through asset restructuring, business integration and management improvement.

Headquartered in Beijing, CNBM has over 1,100 member companies, dominates 6 listed companies, including 2 overseas listed companies. Member companies of CNBM are located in 30 Chinese provinces, municipalities and autonomous regions, whose businesses cover over 120 countries and regions in the world.

Total assets
RMB

406.9 billion

Employ

176,854

Revenue
RMB

250.4 billion

Total profit
RMB

13.0 billion

Taxes paid
RMB

14.6 billion

Largest cement producer
in the world

**Largest ready-mixed
concrete producer**
in the world

**Largest gypsum board
producer**
in the world

**Largest rotor blade
producer**
in Asia

**Leading glass fiber
producer**
in the world

**Leading service supplier
of glass and cement
production line design and
engineering** in the world

Taking "efficient use of resource, serving the construction" as the core philosophy and technical innovation as the guide, CNBM optimizes and integrates industrial and social resources, adheres to circular economy, promotes combination and restructuring, structural adjustment, and energy conserving and emission reduction of such industries as cement and glass. CNBM vigorously develops new building materials, new energy-saving buildings, new energy and materials, advanced technology and set of equipment, providing high-quality products and services for urban-rural development and the construction of urbanization, energy-conservation and land-saving buildings,

Efficient use of
resource, serving the
construction

To be a world-class
comprehensive building
materials industry
group with sustainable
innovation capabilities
and international
competitiveness.

Leniency, tolerance and
ease
Unity, affinity and
cohesion

Humility, reverence,
gratitude and decency

on,
vice,
y





Governance Structure

The Board of Directors of CNBM has 11 members, 6 of whom are external directors; there are 4 special committees under the Board of Directors, of which the Remuneration and Appraisal Committee and the Audit and Risk Management Committee are charged by external directors. As the strategic, resource and cultural center, the headquarters of the Group exercises the rights and functions of capital contributor.

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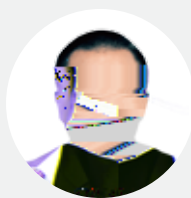
Board of CNBM



Song Zhiping
Chairman



Yao Yan
Vice Chairman



Cao Jianglin
Director



Hao Zhenhua
Director



Zhao Xiaogang
External Director



Chen Jin'en
External Director



Zhu Yanfu
External Director



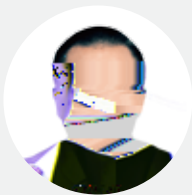
Peng Xuefeng
External Director



Wang Yumeng
Staff Director, Chairman of
the Trade Union

Strategy and Investment
Committee

Nomination
Committee



Cao Jianglin
General Manager



Guo Chaomin
Deputy General Manager



Ma Jianguo
Deputy General Manager



Huang Anzhong
Deputy General Manager



Wu Jiwei
Chief Accountant

Operating Segments of CNBM

Offices

Human Resource
Department

Corporate Management
Department

Technology Management
Department

Disciplinary Inspection
& Supervision Office

Audit Department

Corporate Culture Office

Legal Affairs Office

Overall Risk Management Office

Letters and Calls Office

Supervisory Committee



Management Office of the Board

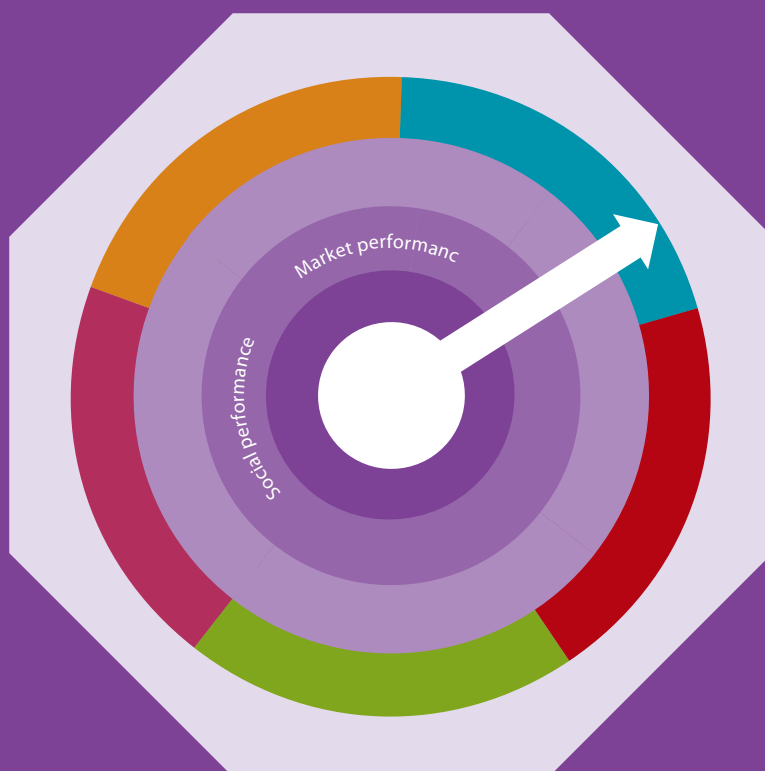
Remuneration and
Appraisal Committee

Audit and Risk
Management Committee



Responsibility Management

Social responsibility mode



Responsibility Concepts

We pay close attention to the expectations of stakeholders such as investors, government, employees, clients, partners, related groups, communities, media and the environment. We insist on the core philosophy of “efficient use of resource, serving the construction” and regard “innovation, performance, harmony and responsibility” as our core values. We stress both technology and management innovation in our development, pursuing a coordinated and win-win situation with the market, the environment and the society. We insist on establishing a harmonious relationship with competitors, the nature, employees and the society, performing social responsibility in five aspects namely market performance, energy saving & environmental protection, employee care, corporate citizenship and science & tech innovation. We are committed to becoming a world-class comprehensive building materials industry group with sustainable innovation capabilities and outstanding international competitiveness.

Core Topics



Market Performance

We reward our shareholders and investors with excellent operating results, serve our clients with quality products and services, growing together with our suppliers and industrial partners, and providing a platform for all the stakeholders to create values. Meanwhile, upholding the philosophy of “industry interest overweighs corporate interest”, we are dedicated to promoting industry restructuring, transformation and upgrading, and seek to achieve mutual development and create win-win situation with the industry and peers of the same industrial chain.



Energy Saving & Environmental Protection

We comprehensively utilize industrial and urban wastes, producing low-carbon products with minimized consumption and emission. We are committed to providing reliable and green building materials, rendering products and service support to the industry of new energy, sharing effective green technology and management experience, exploring development modes for the harmonious coexistence of industries and nature, and advocating sustainable development of industry and society.



Employee Care

We pledge to guarantee the safety and health of our employees, safeguard their rights, respect their differences and make the Company a reliable partner and a happy and comfortable home to our employees. We'll build a sustainable and better future together with all our employees and deliver happiness to the society.



Corporate Citizen

In the process of production and operation, we pursue mutual development and growth with the region where we operate; our achievement cannot be realized without the support of relevant stakeholders and the society, we reward the society through characteristic public undertakings. Our employees are pleased to contribute to the society and actively participate in voluntary service, practically performing the responsibilities of corporate citizens.



Science & Tech Innovation

We take up the task of industrial innovation with our strong scientific prowess, advance industry transformation and upgrading with our forward-looking vision and advanced technology, disseminate and share technical information, devote ourselves to creating a greener, more comfortable and more intelligent living environment, and build a sustainable future.

Responsibility Management Mechanism

343

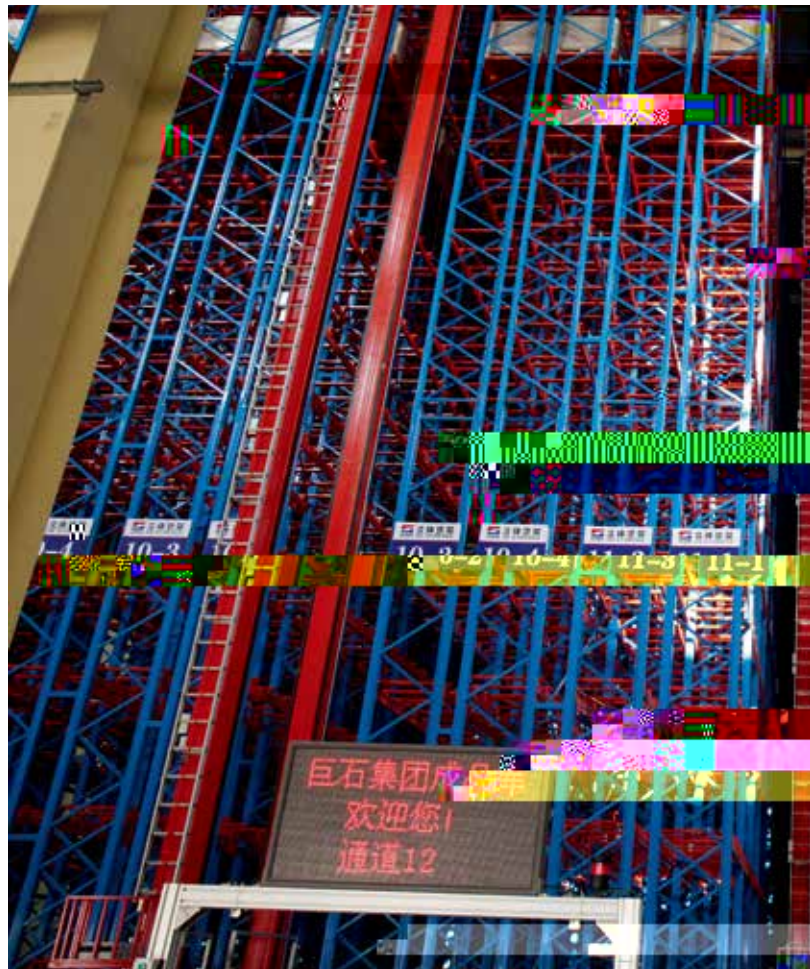
quantitative indicators of social responsibility management.

10th

in Top 300 Enterprises of CSR Development Index of China in 2014.

Organizational System

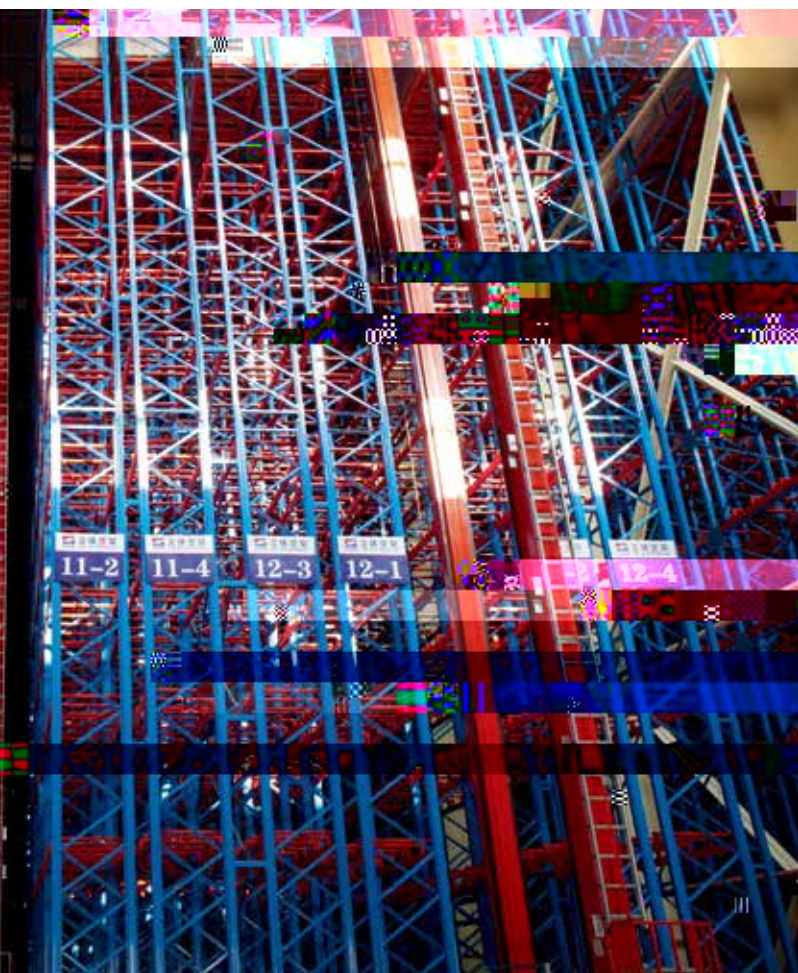
- We take the leading organization of social responsibility as the core with "CNBM Leading Group for Promoting Social Responsibility" headed by the Chairman. The Leading Group, the highest leading organization to promote social responsibility endeavors, is in charge of guiding and promoting social responsibility initiatives.
- We take the social responsibility management functional organization of the headquarters as the links, direct and advance member companies in strengthening the social responsibility management and actively performing their responsibilities. According to the division of businesses, functional departments in the headquarters work in coordination to advance special tasks.
- With member companies at all levels as nodes, and according to the unified requirement of the headquarters, we define functional departments and assign management personnel to perform social responsibility plan and scheme of the group, satisfy work requirements, and actively perform responsibilities.



Management methods

- We have included social responsibility management in the strategy and the overall plan of the group with its objective, measures and priority of improvement made clear, to continuously improve its performance and level and bring it to the international advanced level by the end of 2018.
- We have issued and are implementing the Guiding Opinions on Social Responsibility Fulfillment of CNBM, the Administrative Measures for Social Responsibility Fulfillment of CNBM and the Measures for Collecting Information about Social Responsibility Fulfillment of CNBM, to systemize, institutionalize and standardize social responsibility management.
- The “CNBM Social Responsibility Management Information System” is run for online management of information about social responsibility fulfillment and social responsibility administrators. The system covers more than 1,000 member enterprises and 343 indexes of internal management.
- We prepare and issue annual social responsibility reports to continuously improve the capability of social responsibility fulfillment and improve management through the procedures of preparation, benchmarking and assessment. Reports are regularly published and information about developments of social responsibility fulfillment is irregularly released at the special column of the website to constitute an information disclosure system and establish an effective communication platform.
- Social responsibility teams of member enterprises are

improved in terms of quality and professional proficiency by means of publicity and training. The practice of social responsibility fulfillment is pushed by cultivating and selecting highlighted cases. An assessment mechanism is explored to

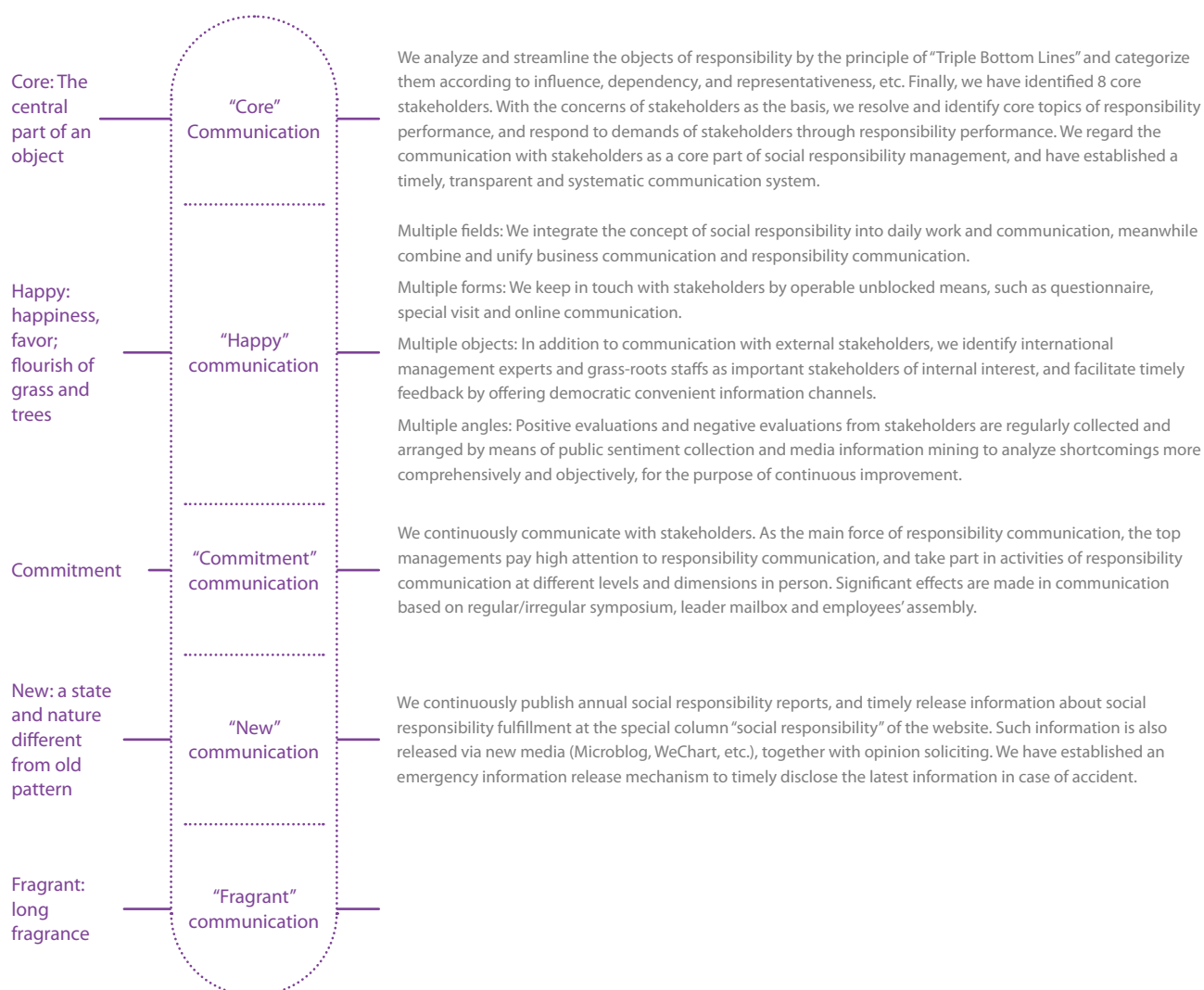


Continuous Improvement

- We give full play to the talent resources of management experts within the Group, and take their suggestions and advice in terms of adjustment of concept and strategy of social responsibility, preparation and revision of management systems, and the establishment and quantification of social responsibility indicator system, ensuring the feasibility and operability of social responsibility management mechanism.
- We strive for social resources, actively seek help from professional consulting agencies, learn new trends of social responsibility theories, grasp latest international development tendency of the social responsibility, further study the new standards and requirements of social responsibility management, and guarantee the professionalism and compliance of the Group's social responsibility management system.
- We selectively take part in external performance evaluations; rely on advanced, applicable, objective and fair evaluation systems and agencies; implement comprehensive evaluation and benchmarking in such special aspects as report quality, responsibility performance, responsibility management, etc.; pay attention to the progress and effect of social responsibilities of international and domestic enterprises, the industries in which we operate, enterprises in the supply chain, and other related enterprises; learn from others' strong points to offset our own weakness and make continuous improvement.

Communicate with "heart" — Responsibility Communication

Communication is the best way to enhance understanding and build mutual trust. Effective communication not only enables stakeholders to be fully aware of whether enterprises live up to their responsibilities in time, but also helps us make continuous improvements according to opinions and advice. From the identification of stakeholders to the design of communication mechanisms, from the identification of communication subjects to the selection of communication approaches, we have established a unique and effective responsibility communication system while combining our routine operation and management processes.





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Past: growth

In 2010, CNBM published the first annual social responsibility report to explore social responsibility fulfillment in zero-based way. Based on learning, research and counseling by professional institutions, with the help of stakeholders, we gradually establish and perfect social responsibility organization systems, prepare and perfect social responsibility management systems, deepen the

concept of social responsibility, build social responsibility models, carry out stakeholder management, and implement the mechanism of regularly publishing social responsibility reports. Based on benchmarking and assessing the performance of social responsibility fulfillment, we continuously improve the capability and level of social responsibility fulfillment. The concept of social responsibility

penetrates into all aspects of corporate strategy, culture, decision and operation, bit by bit, and guides more than 1,000 member enterprises to proactively practice social responsibility fulfillment. Over the 5 years, CNBM has grown out of nothing to a practitioner of social responsibility fulfillment based on multiple "first" and "supreme" events.

Present: sharing

In 2014, the 5th year of comprehensively pushing social responsibility management in CNBM, we formed a perfect social responsibility management system, and accumulated unique theories of management and practical experience. Simultaneously with continuous deepening and improvement, we seek a new direction of growth in process of sharing and cooperation. In the year, CNBM formally acceded to the United Nations Global Compact to discuss the best way for improving capability and performance of social responsibility fulfillment with more diversified practitioners of social responsibility fulfillment on the internationalized platform.

As a member of the Cement Sustainability Initiative (CSI), CNBM studies and discusses how to effectively combat climate change and realize sustainable development of the cement industry together with colleagues, and join hands with colleagues for development in the severe environment featuring economic downturn and overcapacity, based on taking the lead to perform self-discipline conventions of the industry. The project of preparing the Guidelines for Preparing Corporate Social Responsibility Report 3.0-Industry of Non-metallic Mineral Products with Chinese Academy of Social Sciences has been launched to contribute resources of management

and practice, and serve study, publishing and promotion of social responsibility standards. We take part in social responsibility sharing and advocacy activities in different fields, and disseminate concepts, share experience and sponsor initiatives through "Golden Bee 2020", China Federation of Industrial Economics, China Building Material Federation, China Building Materials News, etc. In continuous sharing, study and discussion, we make efforts to be a disseminator and advocator of social responsibility, and seek better ways of sustainable development based on cooperation.

On January 17, CSR Research Center of Chinese Academy of Social Sciences officially released 2013 White Book of Corporate Social Responsibility in China, in which CNBM 2012 Social Responsibility Report ranked the 2nd among five-star reports.

In February, CNBM joined United Nations Global Compact as the member of presidium of Network China. Chairman Song Zhiping was named as member of the second presidium of Global Compact Network China.

On June 26, Chairman Song Zhiping attended 2014 China Summit on Caring for Climate of UN Global Compact China Network and delivered a keynote speech. CNBM was awarded with the honor of "2014 Pioneer Enterprise of 'Care for Climate · Ecological Civilization'" China's 14th (4.010U) "Ch2t

On December 11, Chairman Song Zhiping was named as "2014 Person of Responsibilities" by China News Service and China Newsweek.

2014

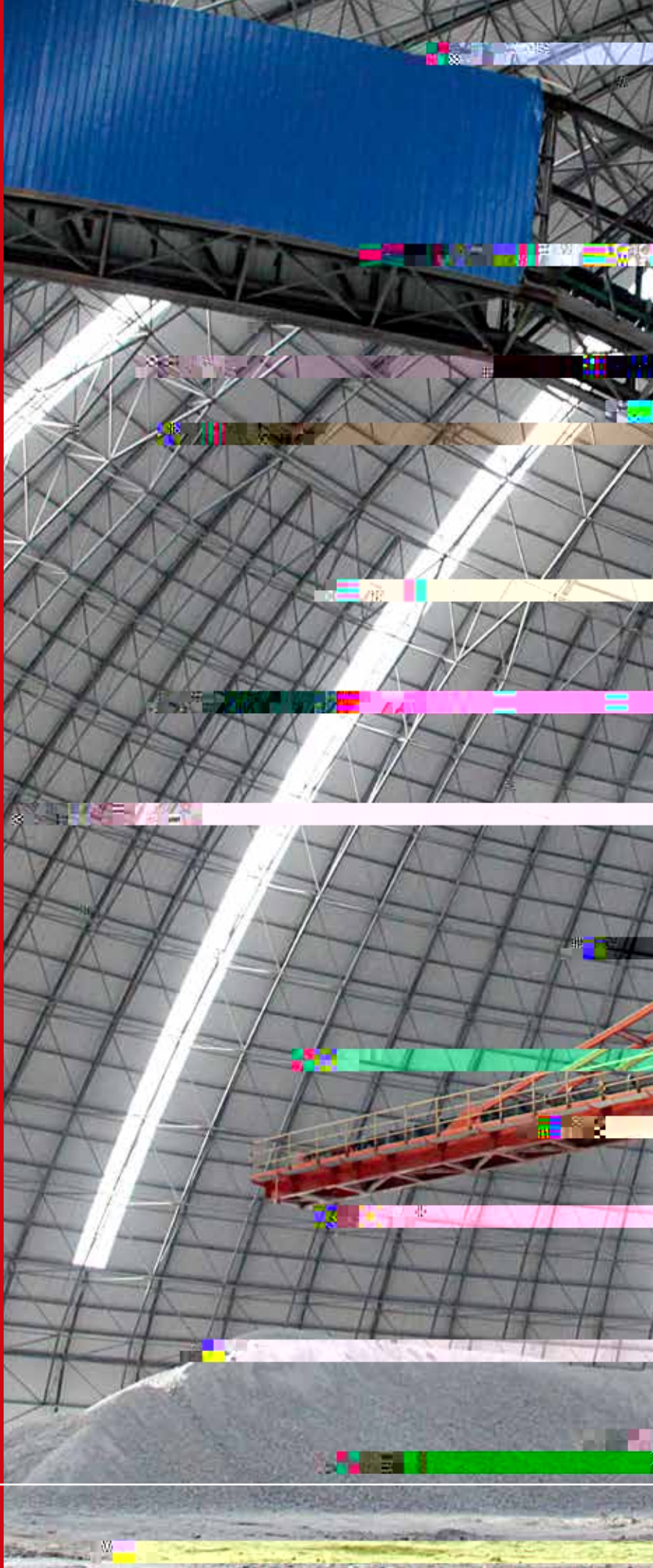
2013

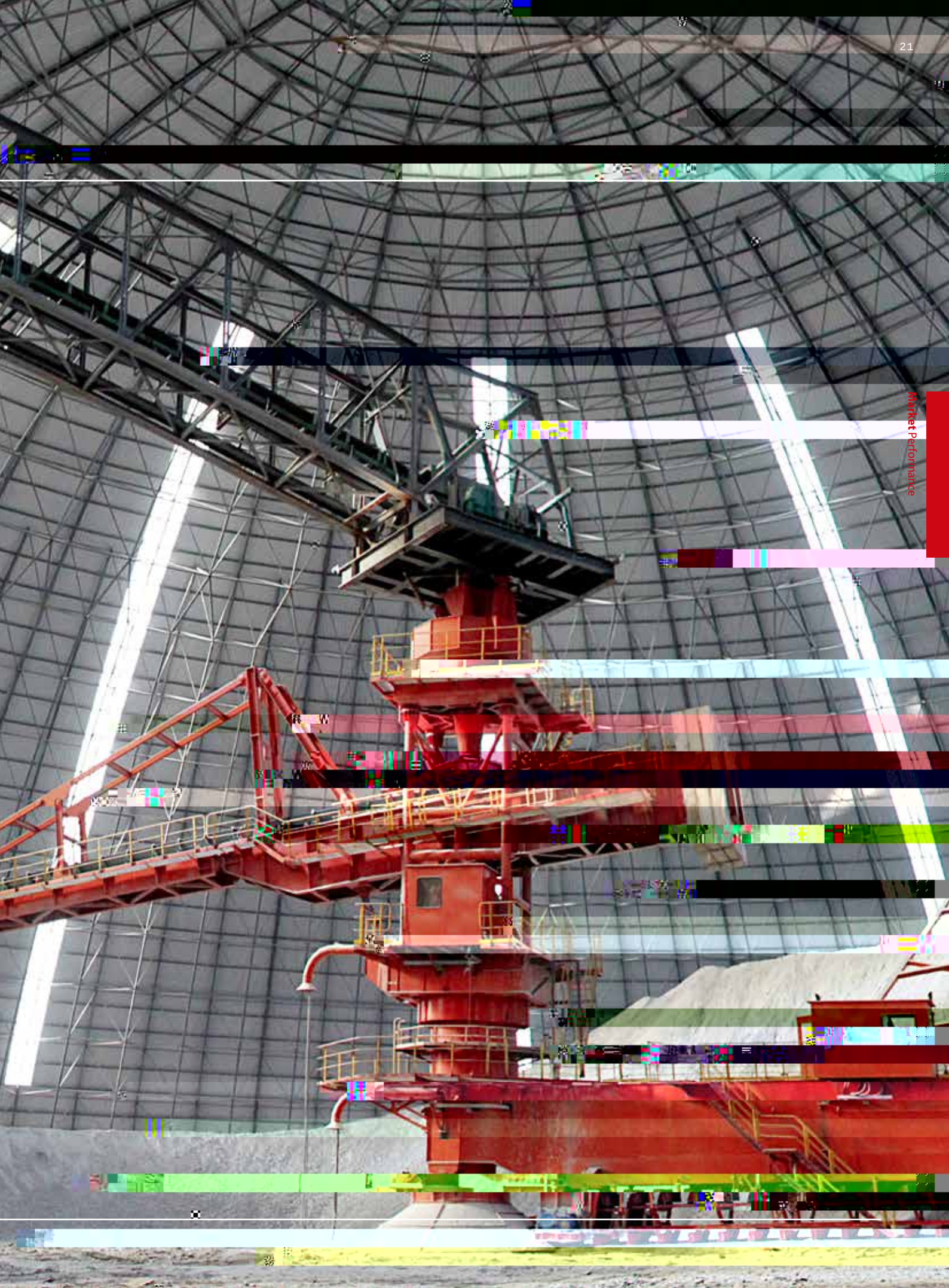
2012

2011

2010

We reward our shareholders and investors with excellent operating results, serve our clients with quality products and services, grow together with





Responsibility Performance Mechanism of Market Performance

Revenue
RMB 250.4 billion

Total profit
RMB 13 billion

Taxes paid
RMB 14.6 billion

Lawful Operation

- We insist on the working rule of lawful, compliant and honest operation. The Group has been awarded as AAA in credit rating for many years.
- We insist on fair competition without infringing competitor's or partner's rights by improper means or misconducts (fraud, bribery, malicious price cutting, etc.), and advocate building good partnerships based on free will and equality. In international operations, we firmly maintain national interests and our dignity, and actively respond to malicious anti-dumping events. With great attention paid to promote the concept of fair competition, staffs are organized to participate in fair competition training.
- We continue to improve our legal affairs mechanism. Major decisions and management contracts must be subject to a strict legal review procedure. Rules and regulations can be issued and put into practice only if approved by the legal affairs office; we adhere to the integration of law popularizing activities with legal affair management and by means of law-popularizing activities in different form, we deeply publicize the concept of "legal system" and prevent risks in a systemic way.
- With much attention paid to anti-corruption, we integrate anti-corruption into reform, development and stabilization of the enterprise; we emphasize integrity in work and make efforts to create the culture of integrity; to give full play to its effects, efforts are made in efficiency supervision and inspection; we establish and perfect bodies for discipline inspection and supervision and further develop organizations and teams for discipline inspection and supervision, with work efficiency and quality of the Group continuously improved.

Win-win Partnership

- Keeping the responsibilities of leading enterprises in mind, we serve economic and social development, pay taxes, offer opportunities of employment, and support programs for public good, making contributions to national economy and harmonious development of the society.
- Under the concept of "industry interest overweighs and breeds corporate interest", we firmly curb illegal and blind capacity expansion, and practice expansion based on stock combination, technological transformation and upgrading based on incremental input, and benefit creation based on management integration; we maintain balance between supply and demand in the market, execute industrial reconstruction, improve concentration ratio of the industry, and endeavor to create a new intra-industry ecosystem.
- Performing social responsibilities is included in supplier evaluation system. Our suppliers are dynamically evaluated in terms of law compliance, environmental protection, protection of laborer's rights and interests; any form of commercial bribe is prohibited. We urge our suppliers to continuously improve product quality, and supervise and push suppliers to pay attention to physical and psychological health of their staffs. In each bidding for production line construction, safety, energy saving and environmental protection are essentially included in bidding document. During construction, we pay sustained attention to occupational health, safe production, and protection of staffs' basic rights.
- The concept of social responsibility has been integrated into procurement management. We stick to "sunshine procurement", and spare no effort to eradicate commercial bribes in procurement by pushing regional procurement-bidding integration, bidding process normalization, bidding performance opening and

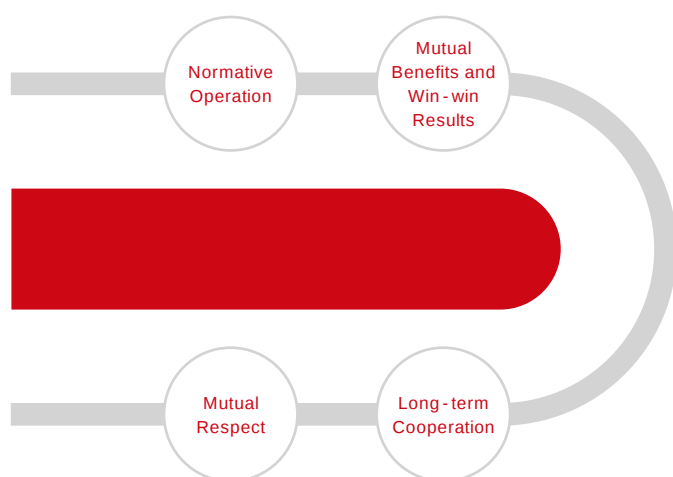


66,000

66,000 person-times of employees



Since Chinese economy is facing a critical stage when transformation and upgrading are accelerated to fit in with new normal, in order to further emancipate and develop productive forces and fit in with new normal and new requirements, we pursue vitality and sustainable driving force of growth through mechanism innovation, competitiveness through technological innovation, development scale through new business models, and higher benefits and lower costs through management innovation by continuously speeding up transformation and upgrading and timely adjusting our strategic path.



Vitalizing the Enterprise Through Mechanism Innovation

As an enterprise in the fields with full competition, overcapacity, low industry concentration, and out-of-order competition, during its merger and reorganization, CNBM develops a new path that features market-oriented reform and industrial restructuring via "simultaneous advance of SOE and POE" by following the model of "market-oriented operation of central SOEs", the compound principle of "normative operation, mutual benefits and win-win results, mutual respect, and long-term cooperation" and the combination formula of "the strength of central SOEs + the energy of POEs = competitiveness of enterprises". During the past over ten years, sales revenue and total profit of CNBM respectively grew by 100 times. We have developed from a "grass-roots central enterprise to an enterprise ranking on the list of Fortune Global 500. We maintain the leading role as the world's second largest building materials enterprise and are honored as "an example of fast-growing enterprises in the fields with full competition".

Stronger Competitiveness based on Technological Innovation

We continuously optimize the commodity structure in traditional sectors and extend our industrial chain. In the sector of cement, we pursue the development of high-grade, specialized, ready-mixed, and commercialized cement. We have established four specialized cement bases and national technology centers, with over 20 million tons of specialized cement provided each year. In the sector of glass, we stop manufacturing traditional common and float glass and start to develop "e-glass, photovoltaic glass, intelligent glass, and energy-efficient glass". The "Three New" strategy of new building materials, new houses, and new energy materials is a new growth engine. We independently develop plasterboard production line with an annual capacity of 50 million m², glass fiber pool kiln wiredrawing production line with an annual capacity of 120,000 tons, T700 carbon fiber production line with an annual capacity of over 1,000 tons, and 6 MW large-scale wind turbine blade production line. All of these can represent top industrial technologies in the world.

KPI



2014 witnessed many challenges and tests. With Chinese economy entering into new normal, industrial development also reached a plateau. In this year, we strove for strategy-driven growth and acted according to our goals. By firmly adhering to principle of “increasing efficiency and reducing liabilities through integration and optimization” and the six-character guideline of “stabilize prices, reduce costs, make collections”, we fully implemented our costs reduction plan and achieved sharp reduction in raw

Innovation for Cost Control

2%

That's the percentage Zhongfu Lianzhong reduced the direct materials cost for blades in the area of blades of 40.3 to 55 meters in 2014.

Lianyungang Zhongfu Lianzhong Composite Material Group Company Limited controls its costs through technological innovation. The company effectively reduces cost of raw materials by accelerating the trial of raw material replacements, operation cost by optimizing technique, waste caused by defective products by improving product quality, and labor and energy cost by process management and control. In the area of blades, the company has reduced adhesive consumption for each blade by 10%- 15% by

bettering technological equipment and process; by strengthening quality management and process control, the company adopts single-layer vacuum bag film to replace double-layer vacuum bag film; through mold improvement, the company improves the positioning accuracy of baffle rings, and the length of reserved part in root segment has been reduced to 30 mm from 80 mm, with less cut waste made. Through the above-mentioned technical improvements, in the area of blades of 40.3 to 55 meters, the direct materials cost

Cost Reduction based on Benchmarking

By virtue of www.okorder.com, www.dz18.com, and www.cnbmtendering.com, China National Building Materials & Import & Export Corporation endeavors to establish "Internet plus" service platform throughout the whole industrial



Intelligent Factory

– Intelligent Production Model of “Cement + Mouse”

China United Cement Taishan Co., Ltd.'s intelligent cement factory with a capacity of 5,000t/d, namely world demonstration production line of low energy consumption, is designed and generally contracted by Nanjing Kisen. Under this project, six-stage cyclone preheater system, two-gear rotary furnace, and fourth generation grate cooler technology with central roll crusher are adopted; intelligent technologies including digitized mining, automatic proportioning, intelligent control of kiln and mill, intelligent routing inspection, etc. are employed to integrate several intelligent sub-systems related mines, raw materials, sintering, grinding, etc. into a short-process, full-automatic, and intelligent cement manufacturing system. Such a breakthrough in cement technical process layout effectively shortens manufacturing process.

The digitized monitoring rate of equipment, instrument, and control equipment in the whole factory hit over 95%. Both-way communication between intelligent equipment and control systems can be achieved. In a control room, the operation states and parameters of them can be monitored online, and measurement, setting, fault analysis, and operation maintenance for them can be conducted.

Mining, critical production process, and security operation and maintenance are controlled in an intelligent way. In terms of mines, by virtue of three-dimensional mine database and based on raw material requirements and testing results from online analyzers, we can achieve homogenized mining by controlling excavation and loading via GPS-based mining trucks and excavator dispatch systems, with pre-blending bed removed and process streamlined.

By virtue of advanced online analysis and testing devices, critical control links related to raw material ratio, quality control, etc. can be monitored online and analyzed in real time, which guarantees the stable composition of raw materials and improve the quality of clinker.

Critical links related sintering, raw materials, cement grinding employ expert intelligent control system, where operation quality can be improved from average operator level to optimal operation model by completing process operation via automatic navigation, thus ensuring that production system can always maintain its optimum state.

A three-dimensional monitoring network is established, with signal covering the whole factory. Through monitoring platform and large screen in central control room, real-time image provided by production monitoring system and production state of the whole scene of the factory can be observed, which makes unmanned cement production site possible.

By virtue of communication modules installed at sites, on-site equipment and the server of long-distance running guarantee center can be connected based on encryption. Through long-distance service platform, operation and maintenance supports for on-site equipment, including online monitoring, long-distance upgrading, fault detection, and fault warning, can be achieved.

Productive process execution management system consists of long-distance production information management system, energy management system, quality management system, equipment management system, logistics management system, intelligent routing inspection system, long-distance equipment maintenance and guarantee system, etc. Logistics, information flow, and capital flow receive dynamic management and bases and suggestions are provided timely for decision-making on management.

Digitized of
Production
Equipment

Intelligent
Process
Control

Real-time
Online
Analysis

Expert
Control
System

Unmanned
On-site
Monitoring

Long-distance
Operation and
Maintenance
Support

Systematic
Supporting
Platform



Energy Saving & Environmental Protection

We comprehensively utilize industrial and urban waste resource and manufacture low carbon products with minimal consumption and emissions; we are committed to providing the society with green and environment-friendly building materials with reliable quality and providing product and service support for new energy industry; we are delighted to share effective energy saving technologies and management experience, explore development mode for the industry and the nature to co-exist in harmony, and advocate sustainable development of the whole industry and society.





Responsibility Performance Mechanism of Energy Saving & Environmental Protection

RMB **1.8** billion

was invested for energy saving and environmental protection in 2014.

2,003 ^{MW}

That's the installed capacity of cogeneration in 2014.

100 million tons

of solid waste was treated and reused in 2014.

151

That's number of environmental protection organizations CNBM joined in 2014.

Compliance to Laws and Regulations

- We strictly abide by industrial access system, resolutely close down outdated production facilities, and constantly implement process upgrades.
- We strictly implement the national quota on energy consumption, continuously improve the efficiency of energy utilization, and keep the energy consumption of such main products as cement clinker, glass fiber, gypsum board, etc. at an advanced level.
- We strictly abide by standards on pollutant emission, improve emission reduction and monitoring measures, and ensure clean production and that the emission reaches the standards.
- Mining is carried out according to the Green Mine Convention. We timely carry out ecological restoration during developing limestone mines.
- We respect the Convention on Biological Diversity; carry out strict arguments on the site selections and layouts of factories; protect natural habitats, wetland, forests, corridors for wildlife and agricultural land during the construction of the projects; and reduce the adverse effect on surrounding environment and communities to the minimum.
- We strictly perform the approval procedures of project environmental assessment, implement the "three meanwhile" requirement of energy saving and environmental protection for fixed-asset investment projects, and earnestly organize and carry out the feasibility evaluation and environmental impact evaluation for new reconstruction or expansion projects.
- We establish the environmental risk warning mechanism, prepare contingency plans, and prevent and reduce potential environmental hazards.



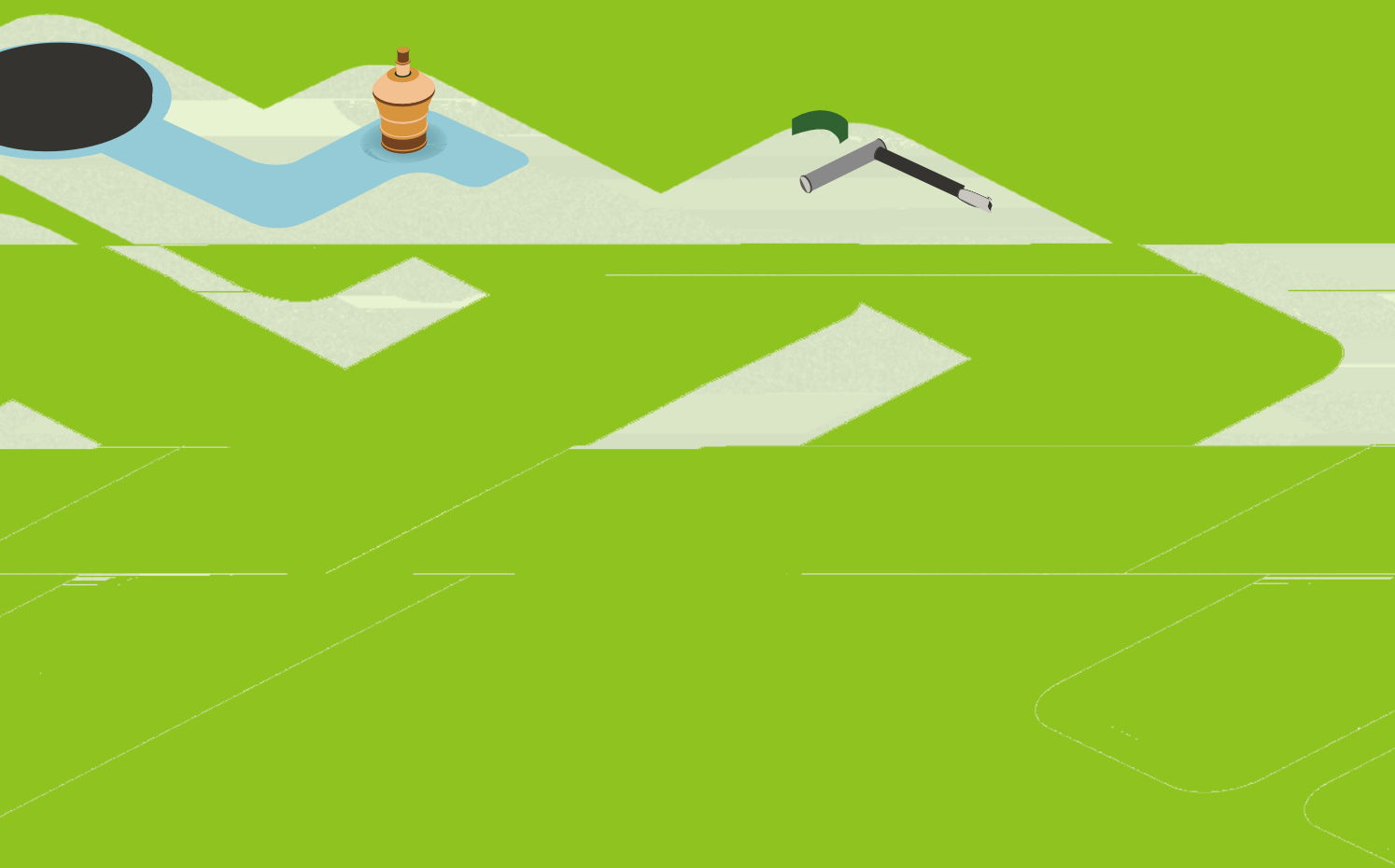
Systematic Management

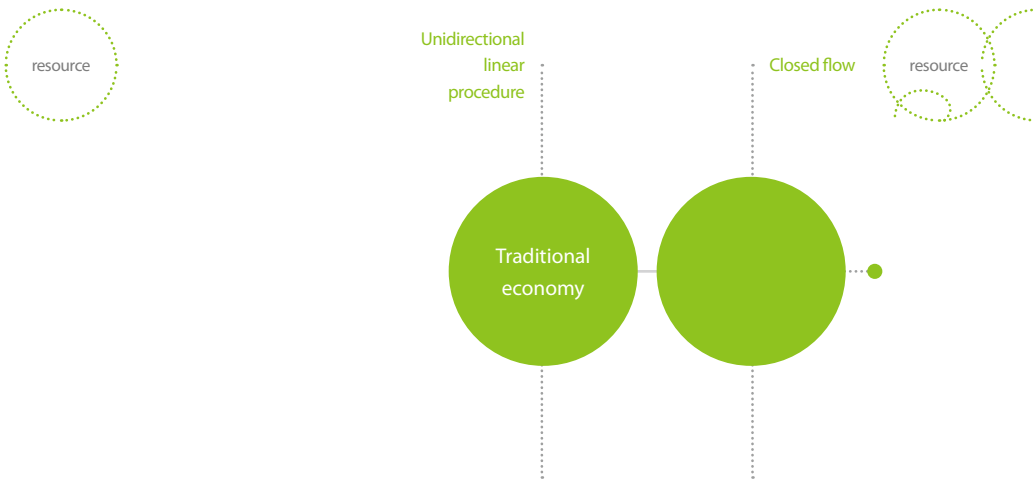
- We've set up a leading group responsible for energy saving and emission reduction, established a social responsibility and energy saving and emission reduction office at the headquarters of the Group. Member companies have established energy saving and emission reduction functional organizations of different categories and levels, achieving an overall coverage for the Group's energy saving and emission reduction management system.
- We attach great importance to the construction of energy saving and emission reduction team. Our industrial enterprises assign personnel to be in charge of energy saving and emission reduction in accordance with relevant national laws and regulations. Management personnel on key positions have obtained professional certificates. We make full use of internal and external educational resources to intensify the training provided for management personnel on key positions, enrich employees' knowledge on energy saving and emission reduction, and improve the management competence of employees.
- We make strategies, general policies, plans and systems on energy saving and emission reduction, and improve our work through three systems covering measurement and statistics, monitoring and analysis, evaluation and assessment. We implement category-based management for the Group's member companies and formulate classified objectives
-

Green Synergy

- We establish the information open mechanism. We regularly report energy consumption and pollutant emission to stakeholders, disclose annual energy saving and environmental protection performance via annual CSR reports, and accept the supervision of stakeholders. During the feasibility study, construction, reconstruction and acceptance of project, we take advice from residents nearby and stakeholders in the region, and reduce the adverse impact of operation activities of enterprises on the environment and society to the minimum.
- We endeavour to become a practitioner, fugleman, and advocator in coping with climate change. We resolutely close down outdated production facilities, take such measures as stopping production, reducing production and staggered shifts on product to relieve excess production capacity and realize energy saving and emission reduction. We actively undertake national energy saving and emission reduction missions, have initiated and signed conventions and written proposals, and advocate responses to climate change, environmental protection, dust-haze treatment, and low-carbon development.
- We implement green procurement. In the procurement of raw materials, we give priority to products which are low-carbon and environment-friendly in the production and have a lower degree of damage to the environment; when selecting energies, we choose clean energy, and vigorously promote the use of such non-fossil energies as low-grade energy, municipal refuse, biomass energy, etc.; when choosing daily office supplies and other consumer goods, we prefer to choose products with simple packages and convenient for recycling.
- CNBM advocates the policy of simple pack. We insist on promoting bulk packaging for cement products and bare packaging for glass products. We seek to simplify the packaging of products including gypsum board, glass fiber, etc. and maximize the use of recyclable packing materials to reduce packaging waste while ensuring the quality of products and transportation safety.
- We adopt green sale model. We reduce resource occupation and improve marketing efficiency through establishing modern logistic parks and rational plans on supply, marketing and logistics. We provide online transaction service for worldwide building materials products and reduce the carbon released by business travel of clients and sales personnel through establishing online marketing platform.
- We are active in environmental protection welfare and publicity activities, doing our best to promote environmental protection concepts; we donate money and supplies to support the construction of environmental protection facilities. We develop ecological forests with local community entities to jointly cope with climate change; we





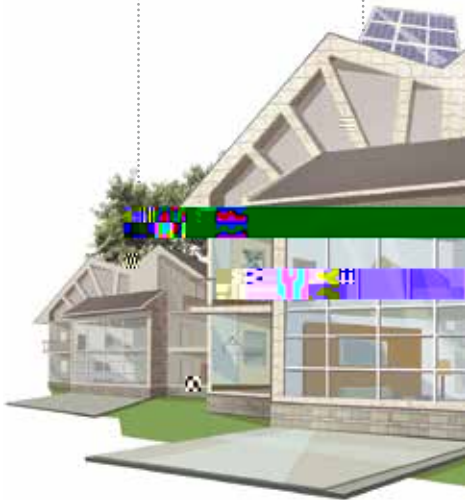


Comparison of Refuse Treatment Index between Waste-to-energy Power Plant and Co-firing with Biomass in Cement Kiln-

Green Building Materials

We research and develop new building materials, which is carried out in accordance with four core concepts, namely energy saving, safety, comfort, and ecology. We aim to enhance the thermal insulation property of products. For example, by adding phase change gypsum board of mixed phase change microcapsules into wall boards, we can control the indoor temperature in a narrow range of variation, make the living environment more comfortable and reduce the energy consumption of buildings. We choose environment friendly and safe raw materials to ensure

the using and living safety. For example, we have developed and produced formaldehyde-free gypsum board, into which formaldehyde decomposer is added to effectively decompose formaldehyde in the environment



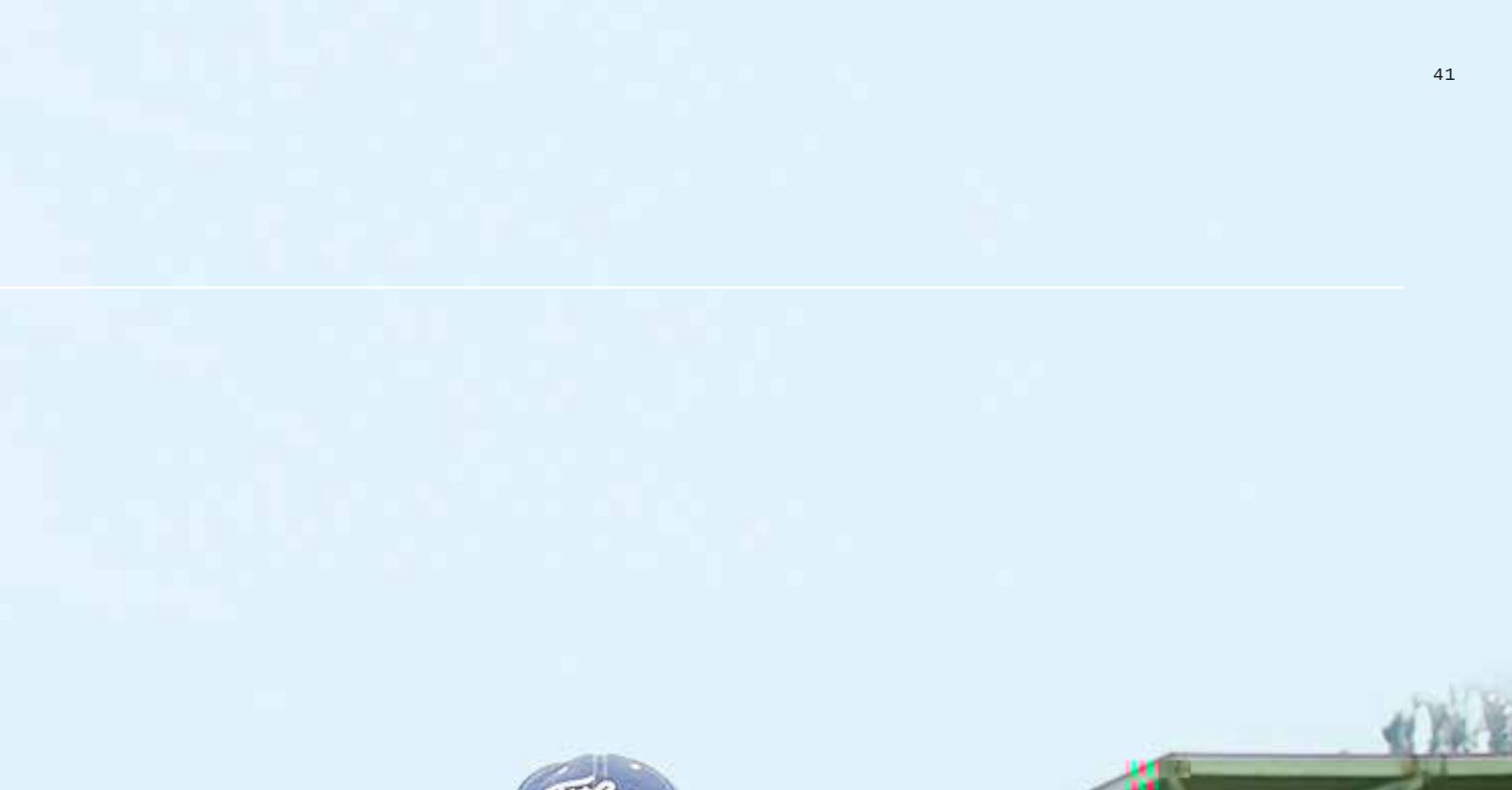
Green Housing System

is not subject to seasonal effects, the construction period is short, and no construction waste and noise is produced. The building construction energy consumption and emissions are therefore sharply reduced. "Decorating houses in the way aircraft interiors are arranged", we integrate decoration, furniture, and green technologies into a



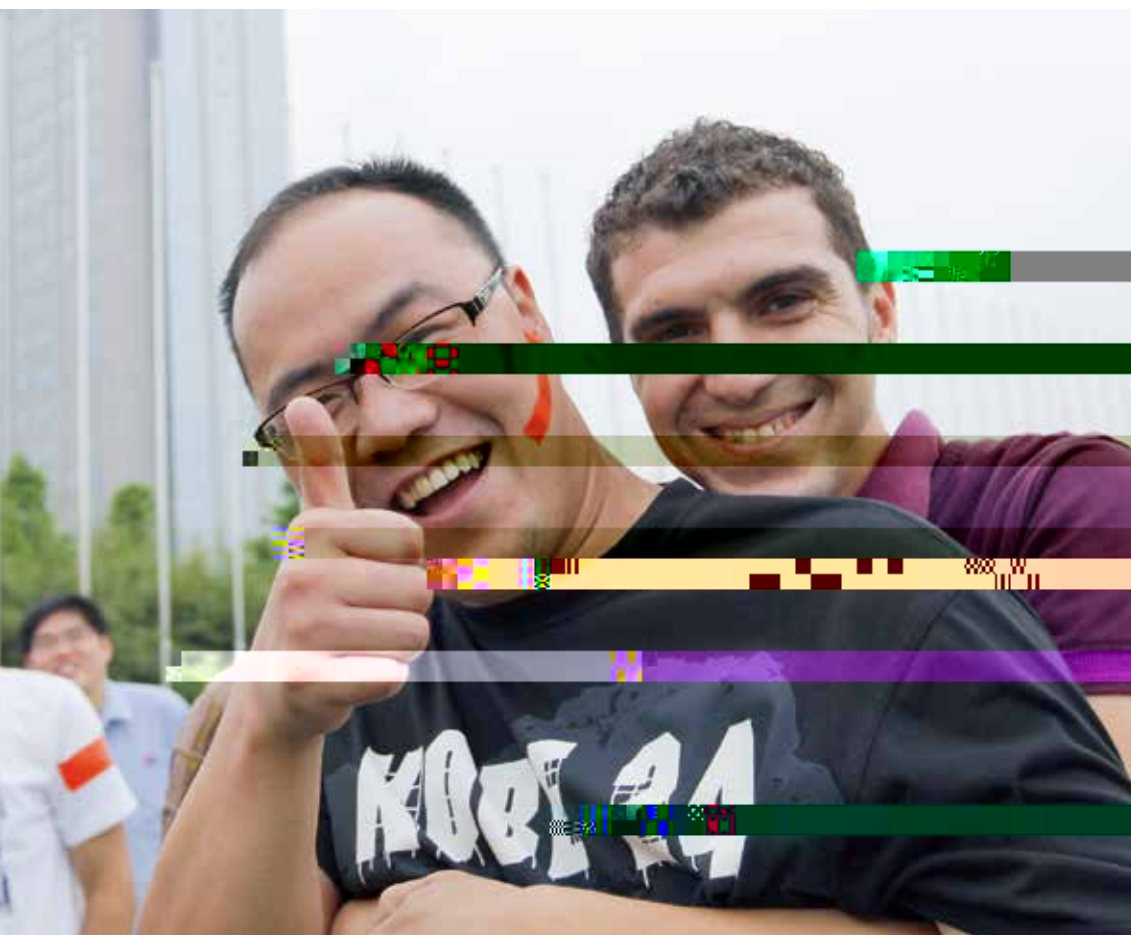


We make every effort to safeguard the rights of our employees, respect their differences and make the company a reliable partner, and a happy and comfortable home for the employees. We try to build a sustainable and better future together with



Cultivation and Development

- We establish a scientific remuneration system and incentive mechanism; set two career paths for employees' promotion, leading to management positions and professional positions respectively, through which we manage to meet the development needs of different kinds of talents.
- We spare no efforts in the construction of learning groups. We aim to build a multi-channel, multi-form, multi-level and differentiated employee cultivating and training platform. Following the training approach of "based on internal training and supplemented by external training", we share the education resources to build a comprehensive training system for the Group.
- We implement the mechanism of intra-group communication and on-position learning for employees, thus effectively allocating the human resources within the Group



**Tamp the Management
Foundation**

We set up the organizational system for safe production with the principles of comprehensive coverage and practicality. The managers in charge would be the primary persons responsible for safety in the workplace and take charge of safe production matters. All key production safety enterprises within the Group employ full-time production safety management personnel. We establish smooth channels for feedback, and encourage all staffs to participate in safety management.



Value Occupational Health

We have installed and optimized supporting facilities for dust prevention, gas defense, noise reduction and emergency alerts as well as first-aid equipment in the production place, based on our in-depth study and analysis on the features of building materials production. For the purpose of labor protection, we offer labor protection articles like overalls, helmets, protective footwear, gloves, noise-proof ear covers and anti-dust masks, which are put in place and replaced in a timely manner to ensure their efficacy.

It's an established practice to organize employees to take health

Care for You and Her

We care for the health and life of female employees, value their professional growth and treat them equally with male counterparts in salary, management position, professional training and vocational development opportunities. In order to safeguard female employees' legal and special interests, we buy maternity insurance for them and implement flextime for those in maternity and lactation. We also provide antenatal examination, maternity leave, breastfeeding leave, and birth allowance for female employees.

We are concerned about the work, life and mental needs of young employees. We bring young people together through the communist youth league, providing them a platform to demonstrate their talents and exchange ideas. We

hold parties for young single employees to create opportunity for romance and organize group weddings to send the best wishes

A happy Life in Pursuit of Scientific Research

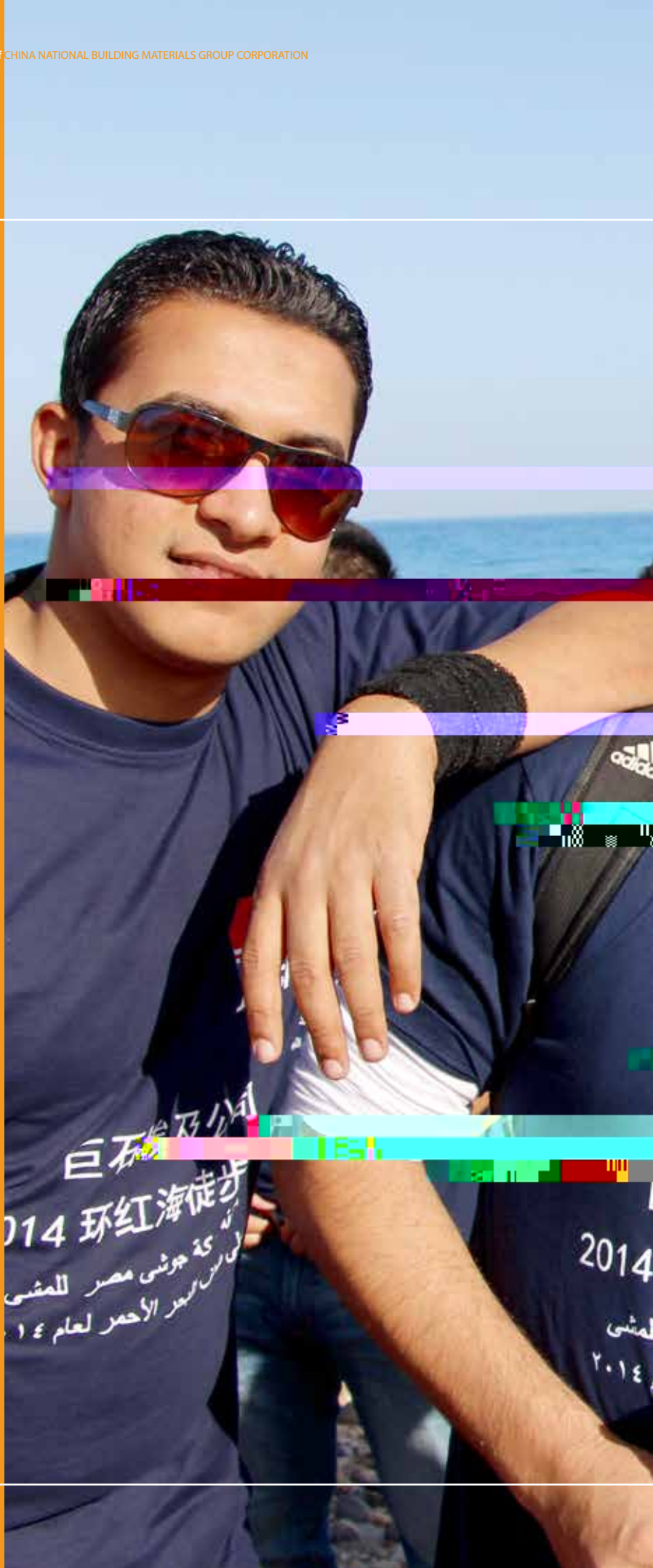
Bao Yiwang, currently doctoral supervisor at the China Building Materials Academy (CBMA), deputy chief engineer and chief scientist at the China Building Materials Certification & Inspection Group Co., Ltd., and a professor, stayed at the CBMA and engaged in the scientific research work on the performance evaluation of inorganic non-metallic materials after gaining his doctoral degree in 1990. He studied successively with the older-generation famous dynamicist Prof. Wang Longfu, Prof. Jin Zongzhe and Academician Wu Zhongwei. After finishing his post-doctoral research at the Germany's Alexander Von Humboldt Foundation in 1997, he gave up the opportunity to work in America recommended by his supervisor, and determinedly returned to CBMA. He has ever since worked diligently in the field of China's building materials industry. In his work, Mr. Bao created new methods and technologies to promote the development of the discipline of brittle material mechanics; led the development of some international standards, propelling China's independent intellectual property rights and technologies onto world stage; defied hardships and dangers to overcome the

problems in evaluating material performance in extreme and ultra-high temperatures; produced innovative outcomes that have advanced industrial progress and society's development; independently researched and developed special instruments to boost research innovation and industrial development; gave sustaining and equal attention research and education, and has trained research personnel for the country.

Prof. Bao inherits from the older-generation scientists the fine traditions of assiduous studying and devotion to science, and constantly explores and makes innovations, illustrated by his exceptional achievements in the testing and evaluation of mechanical properties of brittle materials. He has successively completed over 20 national and provincial-level scientific research projects, including projects under the "973" program, the "863" program, the National Science Fund for Distinguished Young Scholars, the Special Program on National Major Scientific



During production and operation, we seek to achieve mutual development with the region where we operate. Our accomplishment cannot be achieved without the support of the stakeholders





“One Belt and One Road” and Promising Outlook — — Regional Common Growth

88.6%

That's the local employment rate of overseas companies in 2014.

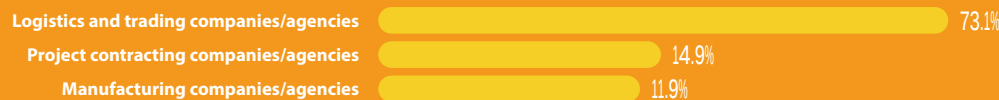
The “One Belt and One Road” strategy is a brand new probe into new models for global international cooperation and global governance. That China's economic development drives the common development of countries along the belt and the road is the best interpretation of win-win cooperation, which is also of epoch-making significance. After years of development, relying on the strength of science and technology and complete equipment, CNBM has established a world-class cluster of complete equipment and packaged technologies. We have not only accumulated a certain amount of strength, but also achieved some results. The responsible and sustainable business philosophy makes us highly recognized and fully accredited in local areas as we engage in “going out”. We will strengthen cooperation in the future, combine with financial leasing and other financial instruments, make use of the Internet, informatization, intelligentization and other technologies, and integrate investment, management follow-up service into our whole industry chain, with the aim of harvesting more fruits along the “Belt” and the “Road”.

Overseas Operation

Up to the end of 2014, the total overseas investment reached about USD **349.3** million



Up to the end of 2014, we have **67** overseas companies/agencies



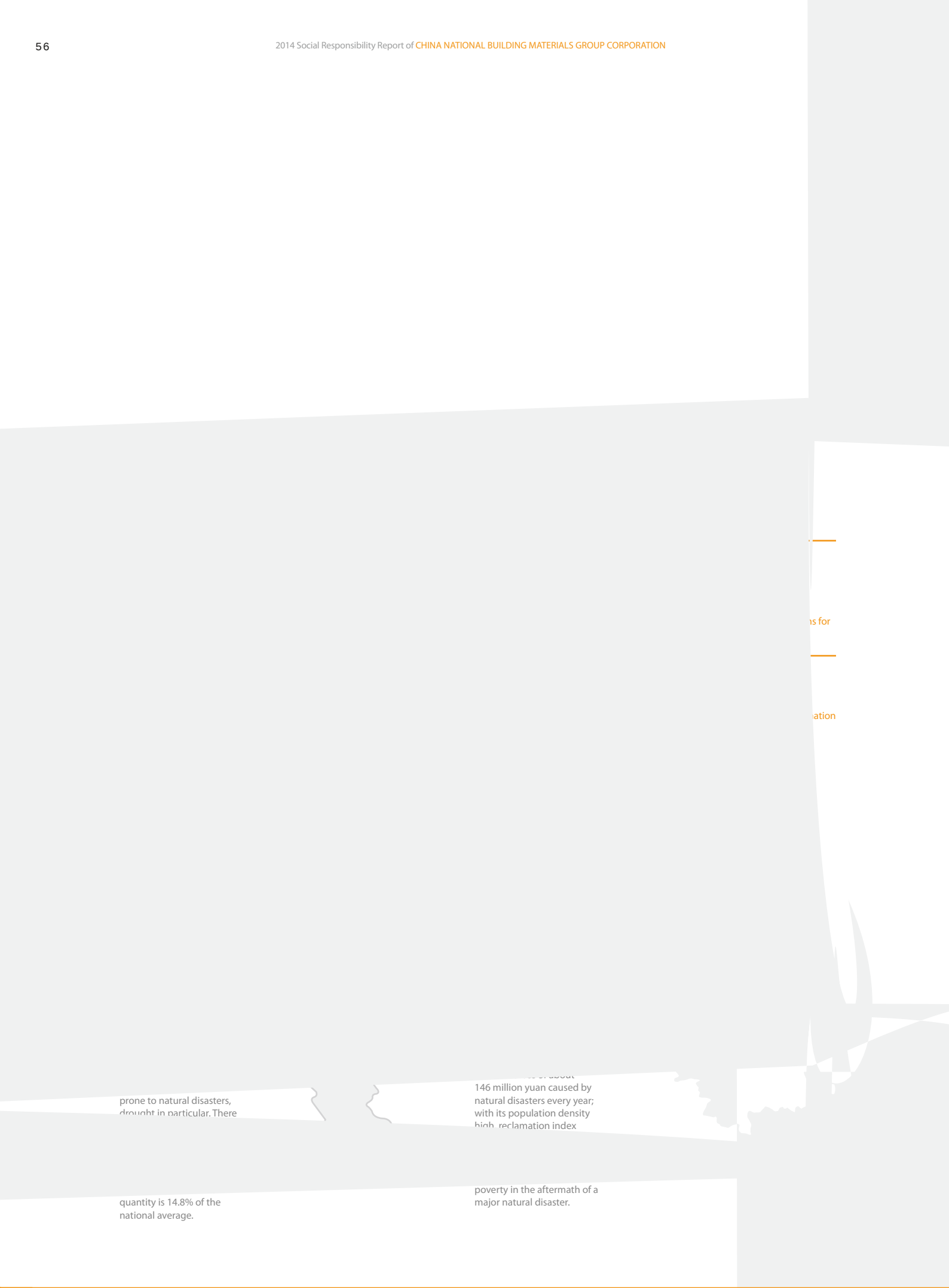
In 2014, the total volume of imports reached USD **5.0** billion



In 2014, the total volume of exports reached USD **1.9** billion







prone to natural disasters,
drought in particular. There

146 million yuan caused by
natural disasters every year;
with its population density
high, reclamation index

quantity is 14.8% of the
national average.

poverty in the aftermath of a
major natural disaster.

Into the Sun Village

Sun Village is a grassroots relief agency committed to raising and teaching minor children of prisoners and other children in difficulties free of charge. The children's living, learning and other

expenses come from contributions made by people from all sectors





Care and Attention

9,418 hours
of volunteer services were provided
by our employees in 2014.

Since getting attached to the Sun Village, things, ranging from the special purchases for the Spring Festival, Children's Day stationery, thermal underwear wore in winter, green beans and mosquito coils in summer, have become a concern for the volunteers from the CNBM Info. In order to cultivate the children's love for life, self-reliance, and hard-working characters as well as popularize agricultural knowledge, the Sun Village built a welfare farm. Learning that the farm's greenhouse construction ran into difficulties, volunteers at the CNBM Info purchased cement and other basic materials immediately and had them sent to the Sun Village, to ensure the

construction and operation of the welfare farm. Currently the farm has become a platform for children and kind visitors to share the fruits of labor as well as kindness and warmth. The charity tree adopting, charity family mini-farm and

other activities also lead the kids living in cities to learn more about agriculture and environmental knowledge, and to grow together.



Keeping Company of Kids and their Growth

With their parents absent, kids at the Sun Village crave even more for love and care while they grow. In addition to donations, volunteers at the CNBM Info usually visit the

kids there. Together, they sow seeds, weed, write characters, paint, put on performance, and cook food. The volunteers give kids solid arms and warm embraces,

creating an environment overflowing with happiness for their growth.





Technological Innovation

We shoulder the responsibility of innovation for the industry by leveraging our strong research capabilities. We also promote the transformation and upgrades to the industry with our foresight, vision and advanced technology. We promote and share our technical information. We are committed to building a more environment-friendly, comfortable and intelligent living environment and creating a sustainable future.





research innovation center that

- comprises national research and

industry's key laboratories, national research centers, technology development and promotion

cooperation demonstration bases, and public service demonstration platforms. We intend to build China's largest integrated scientific research platform with the greatest strength in the field of building materials and inorganic nonmetal materials.

We build a strong contingent

improve the innovation mechanism

attracting and cultivating scientists

- and engineers. We set up the academician work/station, post-doctoral research/stations and
- Focusing on such aspects as the protection of intellectual property, academic integrity and work ethics, research funds, we have combined the development of internal control system with the requirement of risk management, and formed a scientific research management system which conforms to national requirements of scientific research management and has the feature of building materials industry, providing the efficient progress of scientific researches with mechanism guarantee.
- We prompt the close combination of production, learning and research and the commercialization of research findings, establish a new production-study-research relationship on the basis of mutual benefits and cooperation, and build up a technical innovation cooperation system outside of the Group.
- We attach great importance to cooperation with famous universities and professional institutions in jointly tackling key problems, technical cooperation, academic exchanges, talent cultivation, incubation and transformation of achievements, etc., establishing an innovation alliance with various levels.
- We explore the establishment of an open scientific research system, set up research hotspots and challenges which attract attentions from the country and the industry, and mobilize social technological resources to tackle difficult problems through such ways as collaborative innovation, joint innovation, and competing innovation, etc.
- We have gradually established the talent development mechanism to promote the development of talents, and the assessment and reward mechanism according to their performance and contribution. Inside the Group, we provide "Scientific and Technological Progress Award", "Technical Improvement Award" and "Group Technical Center Project" to boost researchers' enthusiasm for innovation.
- We have established the Youth Science Foundation, and organize youth scientific research competitions to inject vigor into the scientific research teams of the Group.

Prosperous Innovation Culture

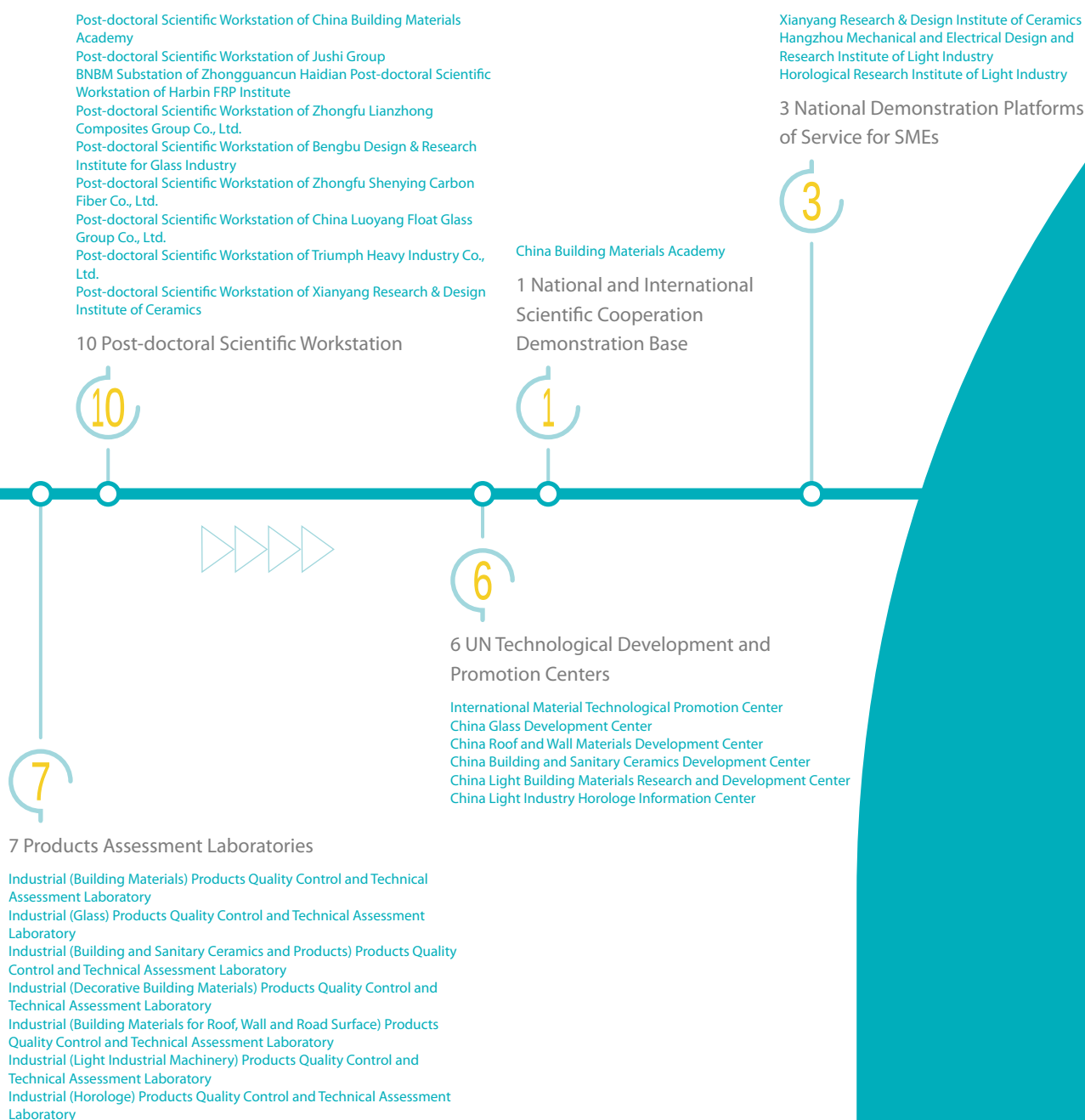
We undertake secretariat work of standardization organizations, industrial organizations, professional societies and scientific agencies, and serve the industry extensively.





From Professionalism to Sharing — — Serve Nationwide Innovation

We integrate scientific research resources, gather scientific research talents, guarantee input in scientific researches, and build a leading company of scientific researches in the industry. We implement the innovation mode which combines independent innovation, joint innovation and integrated innovation; promote technological breakthroughs, the transformation of achievements, and information sharing; strive to build the largest comprehensive scientific research platform with the strongest power in the building materials and inorganic nonmetallic materials fields of China, and provide service and guarantee for the nationwide innovation.



From "Manufacturing" to "Creating" — — Furthering the Integration of Production and Research

CNBM continues to promote a production-research technology innovation system with national enterprise technology centers at the core. An innovation system integrating research, development and production has taken shape. At present, the Group has eight state-level enterprise technology (sub) centers in five fields, namely, composite materials, equipment manufacturing, fiberglass, cement equipment, and special cement. A number of major production-research results have emerged during the Group's transformation from "being a manufacturer" to "being a creator". In 2014, China United Cement Corporation was awarded the "Innovation Prize in Industry-University-Research Cooperation of China for 2014"; two achievements that won the "Innovation Achievement Prize in Industry-University-Research Cooperation of China for 2014" were respectively the "R&D and Industrialization of Key Technologies in High-performance Alkali-free Glass Fiber" from Jushi Group Co., Ltd., and the "R&D and Large-scale Industrial Application of Carbon Fiber Composite-core Wire Technology" from the Zhongfu Carbon Fiber Core Cable Technology Co., Ltd.

Shattering International Barriers through Independent Innovation

RMB **6.2** billion
That's the revenues of Jushi Group in 2014.

RMB **760** billion
That's the total profit of Jushi Group in 2014.

As the world's largest glass fiber manufacturer, Jushi Group Co., Ltd. constantly intensifies the industry-university-research cooperation and collaborative innovation, especially the cooperation with world-class innovation teams. Its E6 high-performance alkali-free fiberglass formula became China's first fiberglass patented formula to gain an international patent license, breaking the monopoly of international fiberglass giants in fiberglass patented formula. Its large-scale fiberglass tank furnace oxy-fuel firing technology has reduced fuel consumption and emissions respectively by 50% and 80% as well as cut NOx production from the source, sending it to the

international advanced level. The group has now completed its four production bases respectively in Tongxiang, Jiujiang, Chengdu, and Egypt and promotes the technology comprehensively. Jushi Group Co., Ltd. has successively won the "China Industry-University-Research Cooperative Innovation Award", which was awarded for the first time, won the title of Zhejiang Province Industry-University-Research Cooperation Model Enterprise, and been ranked among the first batch of International Scientific and Technological Cooperation Bases in Zhejiang. It has yielded significant economic and social benefits.

Innovation in Industrial Chain Serving Smart Grids

The Zhongfu Carbon Fiber Core Cable Technology Co., Ltd. is a high-tech enterprise incubated from the patented technology of carbon fiber composite core and wire technology held by Harbin FRP Institute through industry-university-research cooperation. It has completed CNBM's industrial chain from carbon fiber precursor, carbon fiber composite mandrel, to carbon fiber composite core

wire. The company's products were successfully combined to the grid in the 220-kilovolt Swallow Rock Long-span Reconstruction Project of Nanjing Yangtze River Bridge's Rexiao Line. This project is the world's first long-span (maximum span of 1,107 meters) project using carbon fiber composite core wire.

2,300 km
That's the total length of such wire Zhongfu has sold by the end of 2014.

China United Cement Corporation has always attached great importance to the combination of industry, university and research. It continuously strengthens cooperation with CNBM's internal resources as well as universities



Special Cement Serving National Construction

As one of CNBM's important special cement R&D and production bases, Sichuan Jiahua Enterprise (Group) Co., Ltd. has become a cement manufacturer with the largest variety of special cement, its leading products covering three series---oil well cementing materials, hydropower, nuclear power and other special engineering materials, and roofing materials. It has an annual production capacity of 6 million tons of special cement. In recent years, continuous

technological innovation and product development have significantly enhanced its market competitiveness. As its hydraulic engineering cement has been sold to large enterprises and groups, it is the only cement enterprise in the southwest of China that sells products across valleys of seven rivers, Jinsha River, Dadu River, Minjiang River, Jialing River, Ya-lung River, Lancang River and Yarlung Zangbo River. The self-developed oil well cement is widely used in China's major oil fields. Jiahua

Group was awarded the "Prize for Outstanding Contribution to China's Special Cement over Six Decades" by the China Cement Association's special cement branch, its several achievements gained national and provincial scientific and technological achievement awards, and the high belite cement developed by it in collaboration with China Building Materials Academy won the Second Prize of National Technology Invention for 2006.

Eight state-level enterprise technology (sub) centers of CNBM

○ CNBM's Enterprise Technology Center

State-level enterprise technology centers

State-level enterprise technology subcenters

- Beijing New Building Materials Group Co., Ltd. Technology Center
- China Luoyang Float Glass Group Co., Ltd. Technology Center
- Lianyungang Zhongfu Lianzhong Composites Group Co., Ltd. Technology Center
- Hefei Smarter Technology Co., Ltd. Technology Center
- Jushi Group Co., Ltd. Technology Center
- Hefei Cement Research and Design Institute Technology Center
- Sichuan Jiahua Enterprise (Group) Co., Ltd. Technology Center

Contents of Low-carbon Service

Test and Diagnosis

We provide assessment service on energy and environmental protection performance, identifying problems for enterprises in the building materials and related industries, providing energy efficiency diagnosis and environmental

assessment covering the whole production circle, from procurement of raw materials to delivery of products, serving technological transformation and refined management as the basis of data analysis and guarantee of benchmarking improvement.

Transformation and Upgrade

We are committed to providing the industry with efficient and environment-friendly manufacturing process and technology; our independently developed technologies related to cogeneration, desulfurization and denitrification, full-oxygen combustion and integrated

utilization technology of solid waste are extensively applied; several technologies have been included into the national list of promoted technologies and equipment for saving energy and water, environmental protection, and recycling of resources.

Smart control system

We integrate smart control technology into the manufacturing of outfit, and provide large and intelligent outfits for our clients; according to the demands for intelligent manufacturing in the field of building materials manufacturing, we provide production and operation control systems, including energy efficiency control system,

environmental protection system, expert control system, online simulation system, safe operation system, etc., and transformation into intelligent factories with functions of procurement, production, sale and current management and into digitalized workshops based on remote control technology.

1
assigned operation utility of CDM.

Experts Consultation

We employ experts in technology, energy efficiency, environmental protection, and management in the industry to provide enterprises with standard implementation and certification concerned with standardization management systems on energy, environment. We provide services related to

management and consultation, including energy audit, clean production verification, and carbon check, to help companies determine improvement path, working goals, and gradually advance energy saving and emission reduction according to the plan.

Financing Management

We provide financing services to those enterprises with financial difficulties in technological transformation of process and informationized energy saving through energy management contracting, and operation, maintain services for energy saving system, and share financial risk and energy-saving benefits with the enterprises.

12
technical service agencies of energy-saving and environmental protection.

Responsibility Performance

Market Performance

2015 Fortune Global Top 500 Building Materials Enterprises

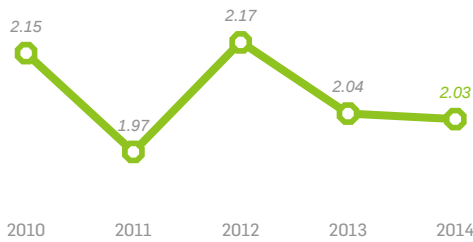
2015 Ranking	Company	Operating revenue in 2014 (US\$ million)	Profit in 2014 (US\$ million)	Country	Business Revenue	Total Profit
192	Saint-Gobain	54459.4	1264.2	France		
270	CNBM	40644.4	477.8	China		
475	CRH	25087.3	772	Ireland		

Source: Fortunechina.com

Energy Saving & Environmental Protection

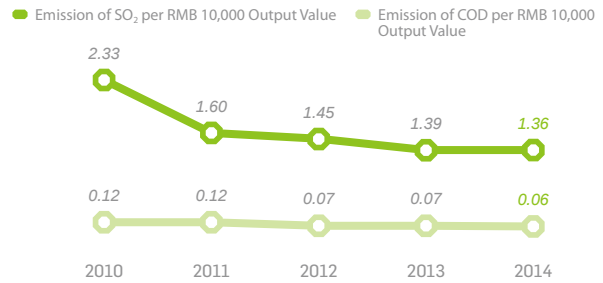
2010-2014 Comprehensive Energy Consumption per RMB 10,000 Output Value

Unit:
tons of standard coal
per RMB 10,000
output value



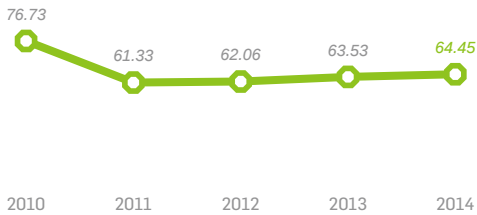
2010-2014 Emission of SO₂ and COD per 10,000 RMB Output Value

Unit: kg/ RMB 10,000



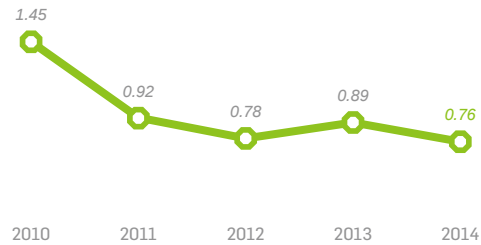
2010-2014 Comprehensive Energy Consumption of Cement

Unit: kg of standard coal / ton



2010-2014 Emission of NOX per Cement Product Unit

Unit: kg / ton



2014 Treatment and Cyclic Utilization of Solid Waste

	Unit	Value
Volume of Treated Solid Waste	Thousand Tons	78817
Of which: Sludge	Thousand Tons	1370
Volume of Hazard-free Treated Hazardous Solid Waste	Thousand Tons	423
Treatment Rate of Self-produced Solid Waste	%	98.0

2014 Performance of Water and Residual Heat Resources Utilization

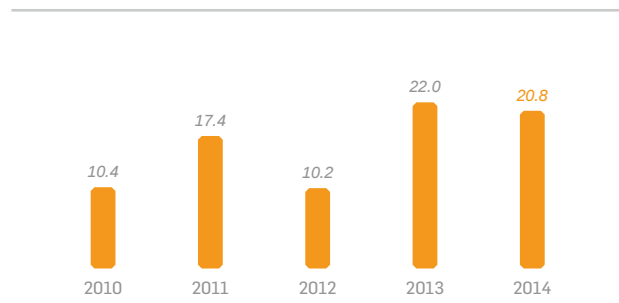
	Unit	Value
Consumption of fresh water per RMB 10,000 of output value	Ton/ RMB 10,000	6.2
Consumption of fresh water per ton of cement clinker	Ton/ton cement clinker	0.4
Utilization rate of circulating water	%	90.3
Installed capacity of cogeneration	Megawatt	2003.0
Actual generating capacity of cogeneration	Billion KWh	7.2

Employee Care

Corporate Citizen

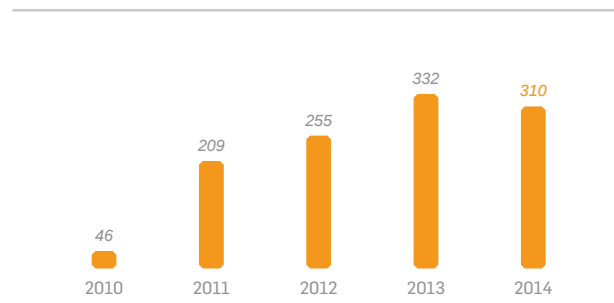
2010-2014 Expenditure on Social Welfare Activities

Unit: RMB Million



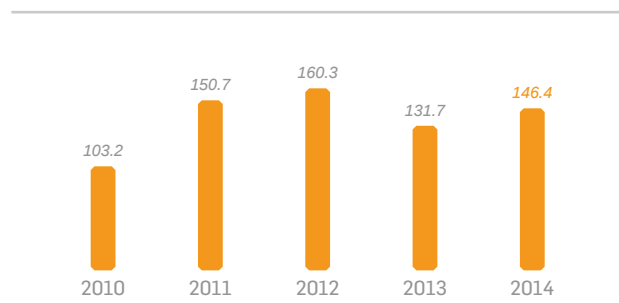
2010-2014 Number of Supported Social Welfare Projects

Unit: Number



2010-2014 Tax Paid

Unit: RMB 00' million



2011-2014 Performance of Creating Employment Opportunities

Unit: person

	2011	2012	2013	2014
New jobs created	21,182	15,901	16,081	23,617
Of which: Graduating students recruited	4,276	3,743	4,383	3,848
Demobilized soldiers recruited	241	521	158	46

2014 Incentives for Students

	Unit	2014
Special scholarship	Number	31
Total scholarship	RMB million	0.5
Students awarded or subsidized	Person	227
Probation bases established	Number	97
Intern posts provided to students at school	Person / day	28,619

2014 Volunteer Activities

	Unit	2014
Volunteer teams	Team	65
Investment in supporting volunteer activities	RMB million	1.5
Number of employee volunteers	Person	3,400
Voluntary service time	Hour	9,418

Technological Innovation

2010-2014 Application and Grant of Patents Unit: Number of applications

	2010	2011	2012	2013	2014
New applied patent	514	630	766	1,262	1,571
Of which: invention patents	173	170	228	373	531
Newly granted patents	420	487	729	848	1,381
Of which: granted invention patents	54	80	143	128	106

No.	Content of Indicator	Page	Nature of Indicator
Part 1 Preface of Report (P series)			
P1	Scope of report		
P1.1	Process of report quality assurance	P3	Extended
P1.2	Interpretation of data in report	Cover 2	Core
P1.3	Boundaries of report	Cover 2	Core
P1.4	Report system	Cover 2	Core
P1.5	Contact Information	Cover	Core
P2	Report process		
P2.1	Preparation process of the report	P1	Extended
P2.2	Selection process of essential topics in the report	P1	Core
P2.3	Process and means of stakeholders participating in the preparation of the report	P16-17	Extended
P3	Executives' Address		
P3.1	Opportunities and challenges of enterprises in performing social responsibilities	P4-5	Core
P3.2	Summary of achievements and deficiencies of annual corporate social responsibility	P4-5	Core
P4	Corporate profile		
P4.1	Company name, nature of ownership, and location of headquarters	P6-7	Core
P4.2	Major brands, products and services of enterprise	P8-9	Core
P4.3	Region of enterprise's operation, including operational enterprises, subsidiaries, jointly-owned organizations	P6-7	Core
P4.4	Service markets divided by industries, customer types and regions	P8-9	Core
P4.5	Number of employees reported according to contracts (formal and informal employees) and genders	P74	Core
P4.6	List of memberships or other qualifications in associations, national organizations and international organizations	P18/52	Extended
P4.7	Major changes in organizational scale, structure, ownership or supply chains in the term of report	N/A	Extended
P5	Annual progress		
P5.1	Annual major work of social responsibility	P19	Core
P5.2	Annual responsibility performance	P70-75	Core
P5.3	Annual responsibility honors	P19	Core
Part 2 Responsibility Management (G Series)			
G1	Responsibility strategy		
G1.1	Philosophy, vision and values of social responsibility	P12-13	Core
G1.2	External social responsibility proposals signed by the enterprise	P18-19	Extended
G1.3	Identifying core social responsibility topics of the enterprise	P16	Core
G1.4	CSR planning	P18	Extended
G2	Responsibility governance		
G2.1	Leadership organization of social responsibility	P14	Extended
G2.2	Channel and process of communication between stakeholders and the highest governance organization of the enterprise	P16-17	Extended
G2.3	Organizational system of social responsibility	P14	Core
G2.4	Internal responsibilities and division of work of social responsibilities of the enterprise	P14	Core
G2.5	Management system of social responsibility	P15	Extended
G3	Responsibility fusion		
G3.1	Promoting social responsibility work of subsidiaries	P15	Extended
G3.2	Promoting the performance of social responsibility by partners of supply chain	P22	Extended
G4	Responsibility performance		
G4.1	Constructing indicator system of CSR	P15	Extended
G4.2	Conducting performance assessment based on the indicators of CSR	P15	Extended
G4.3	Excellence selection of CSR	P15	Extended
G4.4	Major accidents of the enterprise in economy, society and environment, impact and punishment incurred, and corresponding countermeasures of the enterprise	P16	Core
G5	Responsibility communication		
G5.1	List of stakeholders of the enterprise	P17	Core
G5.2	Process of identifying and choosing stakeholders	P16	Extended
G5.3			

No.	Content of Indicator	Page	Nature of Indicator
G6.1	Conducting CSR subject research	P18	Extended
G6.2	Participation in study on and exchanges of social responsibility	P18	Extended
G6.3	Participating in the formulation of domestic and foreign social responsibility standards	P19	Extended
G6.4	Cultivating corporate culture of responsibility through training and other measures	P15	Core
Part 3 Market Performance (M Series)			
M1	Responsibilities in respect of shareholders		
M1.1	Policy and mechanism of shareholders' participation in the management of enterprise	P23	Core
M1.2	Protecting interests of mid and small investors	P23	Core
M1.3	Normalize disclosure of information	P23	Core
M1.4	Growth	P70-71	Core
M1.5	Profitability	P70-71	Core
M1.6	Safety	P22-23	Core
M2	Responsibilities of customers		
M2.1	Customer relations management system	P23	Core
M2.2	Popularization of product knowledge and customer training	P23	Core
M2.3	Protection of customers' information	P23	Core
M2.4	Stop loss and compensation	P23	Core
M2.5	Product quality management system	P23	Core
M2.6	Product pass rate	N/A	Core
M2.7	System of supporting product and service innovation	P24-25	Core
M2.8	Investment in technology or R&D	P32	Extended
M2.9	Number and proportion of technical personnel	P32	Extended
M2.10	Number of new patents	P75	Extended
M2.11	Sales revenue of new products	P32	Extended
M2.12	Significant innovation awards	P75	Extended
M2.13	Survey on satisfaction of customers and satisfaction of customers	N/A	Core
M2.14	Actively deal with complaints from customers and resolution rate of complaints from customers	P23	Core
M3	Responsibilities in respect of Partners		
M3.1	Strategic sharing mechanism and platform	P23	Core
M3.2	Philosophy of and system guarantee for honest operation	P22	Core
M3.3	Philosophy of and system guarantee for fair competition	P22	Core
M3.4	Economic contract performance rate	P22	Core
M3.5	Identifying and describing the value chain and responsibility influence of the enterprise	P22-23	Extended
M3.6	Initiative and policies of the enterprise in promoting the social responsibility performance of the value chain	P22-23	Extended
M3.7	Social responsibility education and training received by members of the value chain from the enterprise	P22-23	Extended
M3.8	System and (or) policy of responsible procurement of the company	P23	Extended
M3.9	Process and frequency of assessment and survey on social responsibilities of suppliers	P22-23	Extended
M3.10	Ratio of suppliers passing quality, environment, and occupational health and safety management system certifications	P23	Core
M3.11	Number of punishment in such aspects as economy, society and environment against suppliers	Not included in the statistics system	

M

3

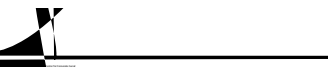
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Rating Report



Feedback

Thank you very much for caring and supporting the social responsibility work of CNBM. Please fill in the questionnaire below, and send it back to us through fax or mail. If the blank space is insufficient for your response, please attach an additional page; if you want to reply by electronic means, please log onto our website at www.cnbm.com.cn, click on "Social Responsibility" and then click on "Social Responsibility Communications - Feedback". You can also scan the two-dimension code on the left to fill in your feedback via mobile terminal. We will make continuous improvements in our work in the future according to your suggestions and advice.

Your overall evaluation of CNBM CSR Report 2014:

Overall evaluation	☐ Very good	☐ Good	☐ Ordinary	☐ Not good	☐ Very poor
Contents	☐ Very good	☐ Good	☐ Ordinary	☐ Not good	☐ Very poor
Suitability of page numbers	☐ Very good	☐ Good	☐ Ordinary	☐ Not good	☐ Very poor
Design	☐ Very good	☐ Good	☐ Ordinary	☐ Not good	☐ Very poor
Language	☐ Very good	☐ Good	☐ Ordinary	☐ Not good	☐ Very poor

According to your opinion, what's the core of responsibility performance of CNBM?

☐ Responsibility Governance ☐ Operation Performance ☐ Technological Innovation ☐ Energy Saving & Environmental Protection ☐ Employee Care ☐ Corporate Citizen

Which aspect do you think we need to strengthen our effort in?

☐ Information collection ☐ Development of organizational structure ☐ Talent development ☐ Performance evaluation
☐ External publicity ☐ Management of stakeholders ☐ Public welfare planning ☐ Preparation of annual report
☐ Study on social responsibilities ☐ Others _____

Which means do you want to learn information about our responsibility performance through?

☐ Printed report ☐ "Social responsibility" special column on the official website ☐ Public WeChat account
☐ Professional media of social responsibility ☐ Others _____

What do you expect to see in the annual CSR Report of CNBM?

Which aspect of CNBM's performance do you pay more attention to?

Other suggestions and advice?

What's your standpoint when participating in our collection of suggestions?

☐ Governments ☐ Institutional investors ☐ Middle or small shareholder ☐ Financing institutions ☐ Industrial associations
☐ Supplier ☐ Client ☐ Enterprise in the same industry ☐ Enterprise in the same industry

In order to keep in touch, reply to your suggestions and advice in time, please provide your contact information. We will keep your information in confidence.

Name _____



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