2014

目录
CONTENTS

Forward by the CEO 04

Company Profile 06

Corporate Governance 10

Environmental Protection 14

Safety 28

People Development 38

Supporting Local Communities 44

报告说明
Notes

GRI

2014 2013

This report is compiled based on "Global Reporting Initiative (GRI) Reporting Guidelines for Sustainable Development" and the State "Guidance on Central Corporate Fulfilling Social Responsibility". Data disclosed mainly refer to 2014, with a brief supplement to the information disclosed in 2013.

We will regularly issue corporate social responsibility reports, to provide a platform for communication and for external supervision.



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Holcim

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Perfect Internal Governance

2014

In 2014 the twenty- ninth meeting of seventh session of the board of directors, they set up governance and compliance committee under the board. Meanwhile, the board also passed the special committees work rules, that is, “ Company Board Strategy Committee Work Rules ” , “ Company Board Audit Committee Work Rules ” , “ Company Board Nomination Committee Work Rules ” , “ Company Board Payment and Assessment Committee Work Rules ” , “ Company Board Governance and Compliance Committee Work Rules ” . The original “ Huaxin Cement Co., Ltd Specialized Committee Work Rules ” was abolished at the same time.

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“ Transparent corporate governance, enhance corporate value ” . We made public and face- to- face communication with investors through onsite investigation (including plant investigation), online roadshow, telephone consultation, e-mail and other communication channels. A total of 9 Investors Reception Week activities have been held in the year, 3 times management level and investors communication meetings (including online roadshow), dealing various investors e- mail consultation for more than 200 times.



Annual shareholders meeting and investors open reception day

Investors open reception day

Enhance Internal Control

2014 3 2013

In March 2014, PWC Zhongtian CPA firms issued standard and unqualified audit report on our 2013 internal control.

2014 3

92% 2014 8- 9

91%

In March 2014, Huaxin completed implementation and promotion of its shareholder Holcim Co. ' s internal control system in environment business, and conducted onsite inspection on its implementation after it functioned for three months stably, general effectiveness reached 92%; August to September, 2014, we popularized five ministries and Holcim internal control standard to Bag and Equipment businesses. Till now, total assets included into the internal control implementation range accounts for 91% of the total assets of the company's consolidated financial statements.

Kick off meeting of building internal control system in Huaxin Enping Co.

Strengthen Risk Prevention Since

2014

In 2014, we carry out shared service operation practice through concrete and finance share service center pilot project, realized concrete business financial data concentrated management, financial procedure standardization, to better play the role of concentrated control of finance and enhanced effect; the successful go- live of suppliers ' collaborative platform ensured transparent and fair procurement.

Concrete and Finance Shared Center go- live

2014 38

(FSSC)

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Till the end of 2014, totally 38 subsidiaries were included into financial share scope. The business covers sales settlement, procurement settlement expense and general ledger, receipt and payment of funds, monthly statement financial statements. Since financial share service center FSSC go- live for one year, many business compliance problems have been found and solved through procedure standardization and business concentrated treatment, which lowered financial and tax risks; Concrete business problems communication and discussion meeting is held twice in a month, and set finance shared service center answering email to solve various internal customers problems. Meanwhile, Huaxin also started feasibility research of comprehensive business sharing.

Supplier Collaborative Platform go- live

2014

2014

1680

In 2014, Suppliers Collaborative Platform went - live successfully. Through online business treatment, online information inquiry, online transmission and printing contract, order, invoice, purchasing audit, we promoted effective communication between the two sides, reduced the circulation cost and time, improved work efficiency; Through joint procurement, supplier bidding and negotiation, we ensured material price competitiveness, realized a transparent and fair procurement. 45 joint negotiations were carried out in 2014, realized HQ control material procurement cost saving 16.8 million RMB.

Realize procurement control in whole procedure through Supplier Collaborative Platform

Clean Production

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Clean production concept runs through the whole process of production in Huaxin. Through enhancing internal monitor and reducing energy and resource consumption, we reduced pollutants and greenhouse gases emission, realized “ energy saving, consumption reduction, pollution reduction, and benefits increasing ” .

Enhance internal monitor

2014

In 2014, Huaxin adopted a series of environment monitor measures such as normalization of environmental monitoring and environment risks assessment to promote compliance operation in plants and lower operation impact to environment.

The subsidiaries of Huaxin make use of own monitoring equipment to monitor plant pollutants each month, assess emission status regularly, and conduct real time monitoring through onlli promote gas ote

Lower pollutant discharge

Huaxin takes new cement industry atmosphere pollutant emission standard as the benchmark to plants, promote the pollutant treatment level in plants and realize compliance in advance.

NOx
NOx treatment

2014 SNCR
NOx
NOx

In 2014, all Huaxin ' s kiln plants have installed SNCR (selective non catalyst reduction) system, to realize NOx reduction target at terminal; meanwhile, Huaxin holds the concept of clean production, starts from production process reform, explore cement kiln staged combustion technology, lower NOx generation from source.

Dust treatment

Through preventive repair, Huaxin guarantee dust filters function in the best status, and implement regular clean regulation to lower dust emission.

SO_2
SO_2 treatment

SO_2
SO_2 SO_2

Huaxin use low sulfur coal and monitor the sulfur content in raw meal to control SO_2 generation ard

Respond to climate change

In order to alleviate greenhouse gases impact to environment, Huaxin implement carbon asset management, energy saving

Environment Service

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The CEO Mr. Li Yeqing said: “In the past, we produced cement while protecting environment, but now we protect environment while producing c

Technical research

With ten years accumulation, Huaxin environment protection research group ' s capacity is obviously improved. The successful application of the second generation environmental technology marked the ripe time for widely promotion of Huaxin ' s environmental technology.

2014 “ ” “ ” 26 20 3 2

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In 2014, Huaxin “living wastes ecological pretreatment and cement kiln co-processing technical innovation and practice” passed scientific and technological achievements appraisal by China Building Materials Association. Experts agreed that: “The overall technology reached the international advanced level, we should speed up the popularization and application”; 26 national patents obtained 20; published 3 international papers, 2 domestic influential papers; and won the China Baogang Environmental Award “Corporate Environmental Excellence Award” and first prize for scientific and technological progress by China Building Materials Association.

Business model innovation

2014
In 2014, Huaxin environmental protection business cooperation mode has new breakthrough and progress.

Based on making full use of cement production sites and local government public resources to obtain orders, combine with the situation of wastes treatment outside the province, borrow third party resource and advantage and local cement kiln resource to conduct business, broke the regional barriers of depending on own cement lines for wastes treatment, expanded business operation scope and wideness.

Business development

2014 5

Huaxin has basically completed environment protection development layout in Hubei, development outside the province is also in order. In 2014, environment protection new projects are five: Loudi living wastes treatment project, Zhaotong living wastes treatment project, Huangmei living wastes treatment project, Suzhou polluted soil treatment project, Hangzhou polluted soil treatment project. The successful implementation of Suzhou and Hangzhou polluted soil business marked the substantial breakthrough development in Yangtze River Delta area, lay a good foundation for Huaxin to expand polluted soil business in Fuzhou, Nantong, Tianjin and other places, provide powerful support to future environmental protection business growth.

Project building

2014 7 2 2014 3

In 2014, Huaxin built Chenjiachong phase and Ezhou, Yingcheng, Nanzhang, Xinyang, Youxian, Zhuhai totally 7 environment protection projects; in which Xinyang and Ezhou projects are put into production; In 2014, there are 3 environment protection projects of Shiyan, South Taizi Lake, and Changshankou began construction.

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2014 Environmental treatment capacity

project	living wastes	city sludge	polluted soil	floating wastes	hazardous wastes	total
/ / treatment capacity (include operation/construction/signing contract, 10 thousand tons)	432.2	57.9	24.8	6.6	26.5	548

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Anhong project assessment meeting

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Implements “ Anhong ” project, “ fatality prevention element matrix (FPE matrix) ” project and isolation & lockout project

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FPE
Yangxin Co. FPE matrix project score chart

Wuxue Co. carry out isolation & lockout before maintenance

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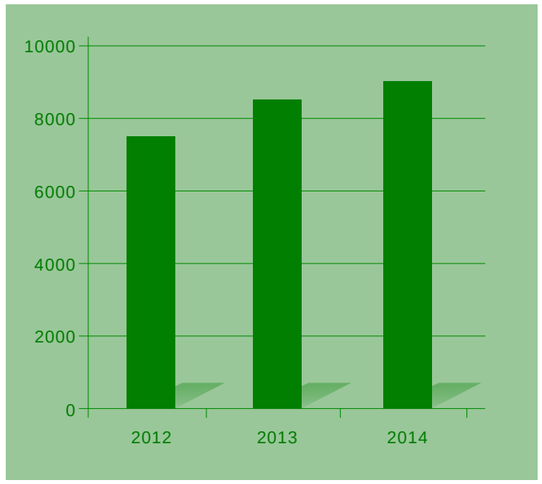
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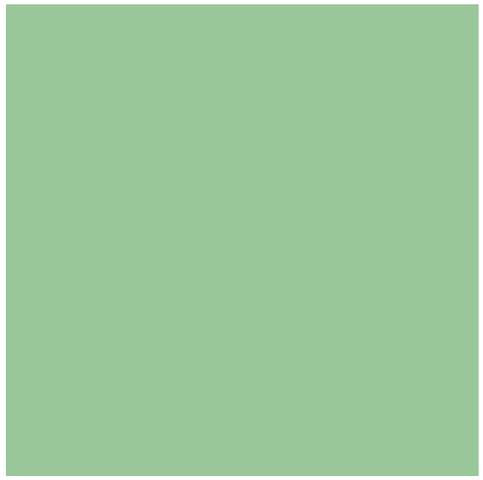
Safety managem

Performance Indicators

Safety investment (10 thous



Accident rate per million work hours







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Hubei Cement BU pay attention to the safety of sales personnel, actively carry out “ Xiangying Safety Lock ” project

Xiangyang Company held occupation health and safety lecture to enhance self-protection awareness of staff



Xiangyang Co. invited expert to give occupational health training

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In order to improve staff ’ s recognition and self- protection awareness of occupational health

Training and Development

1869 M3- M10

Carry out talent inventory work to 1869 employees from M3- M10 levels. Develop individual development plan to high potenti nlanemployees " ά D GCarrlop

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Salary & Benefit

2014

In 2014, Huaxin continued to implement performance management innovation, use the best operation indicator in history as the target value for performance assessment, motivate staff to create the best performance, meanwhile provide better welfare to them.

Salary

Welfare

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Attach importance to existing staff welfare system. Continue to pay “Five social insurances and one housing fund” for staff, and accidental injury, supplementary medical and supplementary endowment.

Enjoy communication allowance, driving allowance, single child subsidy, and fe1 mathematics i@[ð] ð ð ð

Case Studies

Excellent leadership senior seminar

Huaxin cooperated with Huazhong University of Science and Technology Advanced Talent Training and Development Center to hold excellent leadership senior seminar. Huaxin ' s CEO and senior management personnel above supervisor level participated in it. The aim is to combine advanced management idea with enterprise management practice to improve the company's senior management leadership, realize breakthrough in leadership, and create a positive and commonly recognized leadership direction and mode.

Employees of the first batch arrived at Huaxin Zhuhai Staff Home

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2014
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On March 16th, organized by company labor union, the first batch of relaxation employees arrived at Huaxin Zhuhai Staff Home, which is the prologue to 2014 employees relaxation activity. 20 frontline employees and their families coming from HQ, Huangshi, Zhuzhou, Bulk Transportation, Changyang, and Xiangyang companies participated the relaxation lasting for one week. Frontline employees felt care from organization in the activity, and also relieved pressure from work, enhanced communication and cohesion among employees, to achieve better performance in work.

Rich Amateur Life

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Bag Co. distributed safety fruits to employees on Christmas Day



Jingzhou Co. organized employee badminton competition

Community Activities

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It is said that a near neighbor is better than a distant cousin. Huaxin ’ s plants in Tajikistan and China carried out activities covering poor and disaster relief, education support,

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There was a class 6.5 earthquake in Ludian county, Zhaotong City, Yunnan province at 16:30 on August 3 , 2014, causing lots of casualties and major loss of property. Huaxin Zhaotong Company not only tried to ensure the safety of staff and production, but also organized over 40 volunteers to help carrying disaster relief materials in Zhaotong airport. After 3.5 hours ' hard work, several tons of rice, wheat flour, instant noodles, medicines, clothes, quilts, mineral water were carried to the helicopter.

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On the morning of December 6

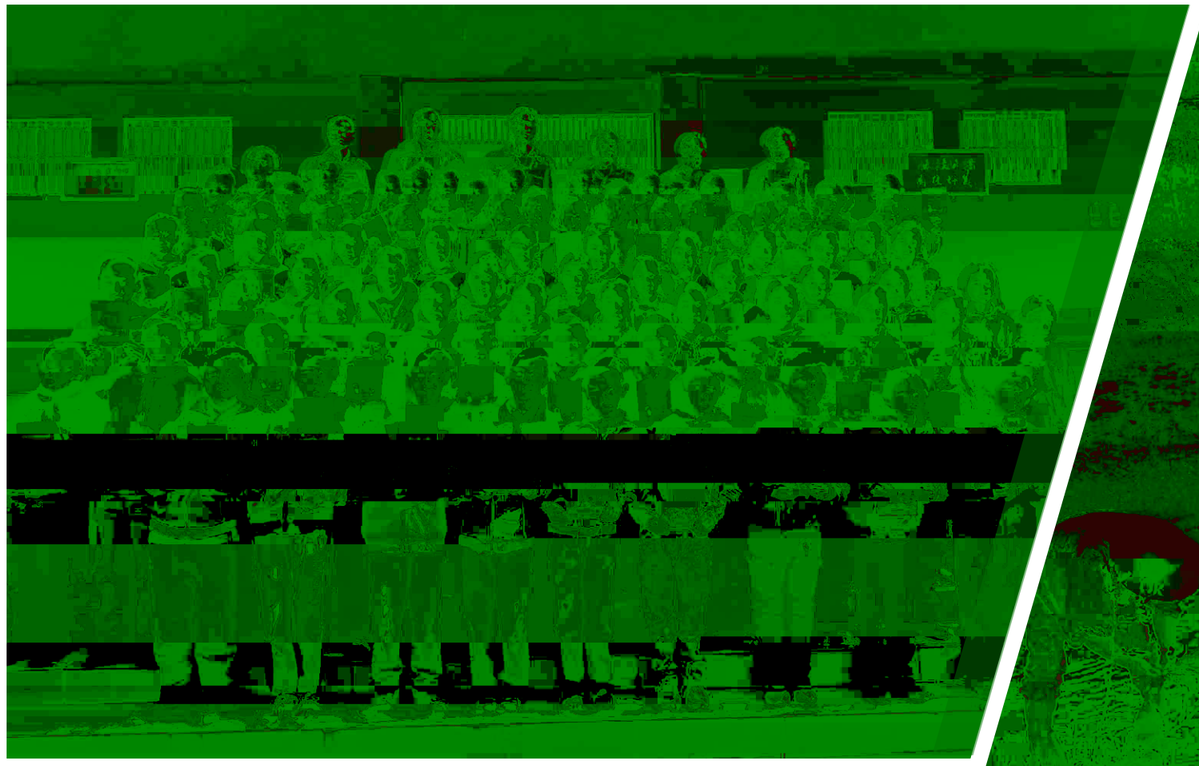
2014

2014 Charitable Donations

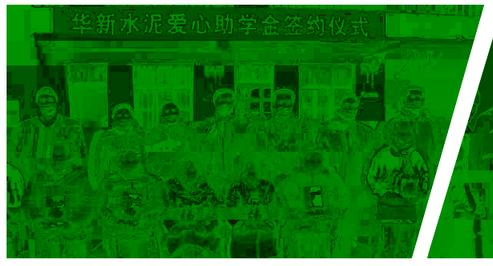
类别 type	捐款金额 donation amount	物资折合人民币 materials in cash	合计 total
社区（新农村建设） community (new rural building)			
捐资助学 education			

村建

Touching Moments



Diqing Co. donate Pupils Self Protection and Saving Pamphlet to surrounding students



Xiangyang Co. establish Huaxin Cement Student Love Fund



Hefeng Co. donation site for the teenager in serious disease



Xinyang Co. help villagers with farm work



Jingzhou Co. send cool water to sanitation workers



Fulin Co. send cool melon and drink to road maintenance workers



Daoxian Co. help difficult villagers to transplant rice



Chibi Co. volunteers clean dregs on national road

Yichang Co. visited people in poverty