



# HSE Compliance Evaluation Management Procedure

## Document No.: CLADDING-HSE-EE-24

### 1 Purpose

To systematically identify the Company's HSE compliance obligations, conduct regular HSE compliance evaluations, verify the compliance of the Company's HSE management activities (including core material and equipment business such as equipment procurement, warehousing, transportation, and hazardous chemical management) with applicable laws and regulations, standards and specifications, PIPING SYSTEM PTE LTD HSE requirements, and stakeholder demands; fulfill compliance obligations, mitigate compliance risks, promptly identify compliance risks and non-compliances, formulate and implement corrective measures with closed-loop management; ensure the continuous compliance of the HSE management system, prevent HSE accidents/incidents and compliance penalties, and safeguard the safety of employees' lives, property, and the ecological environment. This procedure is hereby formulated.

### 2 Scope of Application

This procedure applies to HSE compliance evaluation activities of all departments of the Company (Quality, Safety and Environmental Protection Department, Procurement Department, Logistics and Transportation Department, Warehousing Center, Equipment Management Department, Administration Department, Human Resources Department), branch companies, and project departments (hereinafter collectively referred to as "All Units"), covering the following scopes:

#### 2.1 Business Scenarios

- Procurement Link: Compliance of safety standards for equipment procurement and acceptance, HSE qualification verification of suppliers, international compliance requirements for imported equipment (e.g., CE certification, explosion-proof standards, EU REACH Regulation);
- Warehousing Link: Compliance of material storage height limits/fire separation distances, compliance of storage of hazardous chemicals (rust inhibitors, cleaning agents) in terms of leakage prevention/static protection/zoning (e.g., GB 15562.2), compliance of fire-fighting facility configuration;

- Transportation Link: Compliance of annual inspections for owned/leased vehicles, driver qualifications (driver's license/professional qualification certificate), hazardous chemical transportation permits, and over-limit/overload control;
- Operation Link: Compliance of special operations (hot work/working at height/confined space) for equipment maintenance and overhaul, temporary electricity specifications, and configuration and use of personal protective equipment (PPE);
- Stakeholder Management: Performance of HSE agreements for contractors' on-site operations, HSE performance evaluation of suppliers, response to environmental demands of surrounding residents (e.g., noise/dust emission).

## **2.2 Scope of Compliance Obligations**

- Laws and Regulations: National and local HSE-related laws (Law on Work Safety, Environmental Protection Law, Law on the Prevention and Control of Occupational Diseases), administrative regulations (Regulations on the Safety Management of Hazardous Chemicals), departmental rules (Safety Specifications for Special Operations in Hazardous Chemical Enterprises), local regulations/rules (e.g., Local Environmental Protection Regulations);
- Standards and Specifications: National Standards (GB), Industry Standards (SY/T for petroleum industry), Local Standards (DB);
- Group Requirements: HSE management measures ( HSE Management System Requirements), systems, and notices issued by and COMPANY;
- International Requirements: Applicable international conventions/treaties (e.g., International Convention for the Safety of Life at Sea for overseas business), international standards (e.g., ISO 45001 Occupational Health and Safety Management System Standard);
- Stakeholder Demands: HSE agreement clauses with customers, safety requirements in supplier cooperation, requirements for handling environmental complaints from surrounding residents, and employees' occupational health demands;
- Internal Commitments: The Company's publicly released HSE commitments, HSE objectives in social responsibility reports, and compliance requirements in internal management systems.

## **3 Terms and Definitions (Supplemented and Optimized)**

### **3.1 HSE Compliance Evaluation**

A systematic activity in which the Company regularly identifies applicable HSE compliance obligations, assesses the degree of compliance of HSE management activities with compliance obligations through document review, on-site inspection, data verification, and personnel interviews, identifies non-compliances and observation items, and formulates corrective measures.

### **3.2 HSE Compliance Obligations**

Statutory requirements, standards and specifications, group regulations, international conventions that the Company must comply with in the HSE field, and voluntary stakeholder commitments, including "mandatory obligations" (e.g., laws and regulations, international conventions) and "voluntary obligations" (e.g., customer HSE agreements).

### **3.3 Compliance Risk**

The risk that the Company's HSE activities fail to meet compliance obligations, which may lead to government penalties, accident compensation, brand damage, business suspension, international sanctions (for overseas business), etc. (e.g., "Non-compliant storage of hazardous chemicals may result in fines from environmental protection authorities; imported equipment without CE certification may fail to pass customs clearance").

### **3.4 Non-Compliance**

Specific issues identified through compliance evaluation where HSE management activities deviate from applicable compliance obligations, classified by severity into:

- Serious Non-Compliance: Violation of mandatory provisions (e.g., core clauses of the Law on Work Safety), which may cause major accidents/penalties/business interruption;
- General Non-Compliance: Failure to fully meet compliance obligations, with only minor local deviations and no major risks.

### **3.5 Observation Item (Newly Added)**

Situations identified through compliance evaluation that do not constitute non-compliance but have potential risks or room for improvement (e.g., "Warehouse staff have insufficient awareness of newly revised regulations, which has not yet led to violations but requires enhanced training").

### **3.6 Compliance Obligation List**

A detailed summary of all HSE compliance obligations related to the Company's business, including information such as obligation name, issuing authority, effective date, applicable business scenarios, key requirements, responsible unit, and update date. It serves as the basis for compliance evaluation and is divided into the *Company HSE Compliance Obligation List* and *Unit HSE Compliance Obligation Sub-List*.

## **4 Responsibility Assignment (Supplemented and Optimized)**

### **4.1 Company Top Management**

- Approve the Company's *Annual HSE Compliance Evaluation Plan* and *Company HSE Compliance Obligation List*;

- Approve the company-level *HSE Compliance Evaluation Report*, corrective plans for serious non-compliances, and required resources (e.g., "budget for hazardous chemical storage facility renovation", "overseas compliance consulting fees");
- Preside over HSE compliance evaluation summary meetings and decide on compliance risk control strategies and system optimization directions;
- Provide human, financial, and material resource support required for compliance evaluation.

## **4.2 Management Representative**

- Review the *Annual HSE Compliance Evaluation Plan*, *Company HSE Compliance Obligation List*, and *Company-Level HSE Compliance Evaluation Report*;
- Coordinate cross-departmental disputes in compliance evaluation (e.g., "disputes over the scope of application of compliance obligations", "determination of corrective responsibilities", "disputes over overseas business compliance standards");
- Supervise the progress of corrective actions for serious non-compliances and observation items, and verify corrective effects;
- Approve corrective and preventive action plans for non-compliances;
- Report the overall HSE compliance status of the Company to the Top Management.

## **4.3 Quality, Safety and Environmental Protection Department (Leading Management Department)**

- Take the lead in formulating and revising this procedure, and establish HSE compliance evaluation archives (compliance obligation lists, evaluation plans, inspection records, reports, corrective tracking forms);
- Organize the identification and update of HSE compliance obligations:
  - a. Collect newly added/revised laws and regulations, standards and specifications, group requirements, and international conventions quarterly, and establish and dynamically update the *Company HSE Compliance Obligation List*;
  - b. Initiate updates within 24 hours and complete list adjustments within 7 days to notify all units when major regulations (e.g., revision of the Law on Work Safety) or international conventions are updated;
- Formulate the *Annual HSE Compliance Evaluation Plan*, specifying the evaluation scope, objects, methods, frequency, responsible units, and output requirements;
- Organize the implementation of compliance evaluation:
  - a. Establish an evaluation team (internal auditors or external experts) and conduct pre-evaluation training (regulation interpretation, evaluation methods);
  - b. Guide all units in conducting evaluations, verify the authenticity and completeness of evaluation records, and summarize evaluation results;

- Prepare the *Company-Level HSE Compliance Evaluation Report*, which is submitted to the Top Management for approval after review by the Management Representative;
- Establish the *HSE Non-Compliance/Observation Item Corrective Tracking Form*, supervise responsible units to implement corrections, and verify corrective effects;
- Conduct compliance training: Organize all units to learn newly added compliance obligations (e.g., "interpretation of the newly revised Regulations on the Safety Management of Hazardous Chemicals", "CE certification requirements for overseas business") to enhance compliance awareness;
- Establish a monitoring mechanism for updates to laws and regulations (Appendix K) to ensure no omission in compliance obligation identification through regular access to government websites, subscription to regulation update services, and participation in industry training.

#### **4.4 All Units (Departments/Branch Companies/Project Departments)**

- Identify compliance obligations of the unit: Based on the *Company HSE Compliance Obligation List*, sort out obligations related to the unit's business (e.g., the Procurement Department focuses on "HSE qualification verification of suppliers, international compliance of imported equipment"; the Warehousing Center focuses on "hazardous chemical storage, fire safety compliance"), form the *Unit HSE Compliance Obligation Sub-List*, and submit it to the Quality, Safety and Environmental Protection Department for filing;
- Implement compliance evaluation of the unit: Conduct evaluations in accordance with the *Annual Evaluation Plan* through document review (e.g., "inspect supplier qualification documents, CE certification certificates for imported equipment"), on-site inspection (e.g., "storage status of hazardous chemicals in warehouses, annual inspection marks of transportation vehicles"), data verification (e.g., "vehicle annual inspection records, occupational health examination data"), and personnel interviews (e.g., "inquire about hazardous chemical leakage handling procedures from warehouse staff"), and fill in the *HSE Compliance Evaluation Record Form*;
- Identify and report non-compliances/observation items: Classify and record issues identified in evaluations with relevant evidence (e.g., on-site photos, document copies, interview records), and promptly report to the Quality, Safety and Environmental Protection Department;
- Formulate and implement corrective plans: Formulate corrective measures (e.g., "supplement fire-fighting equipment", "revise operating procedures", "conduct regulation training") for non-compliances/observation items of the unit, specify responsible persons and completion time limits, and implement them in accordance with the plan;
- Cooperate with company-level compliance evaluation: Provide evaluation materials of the unit (e.g., *Unit HSE Compliance Obligation Sub-List*, supporting records), assist the evaluation team in on-site verification, and implement company-level corrective requirements.

## **4.5 Special Support Departments (Supplemented with International Compliance Responsibilities)**

- Procurement Department: Responsible for compliance evaluation of equipment procurement and acceptance (including international compliance certification), HSE qualification compliance evaluation of suppliers, and collection of international compliance certificates for imported equipment (e.g., CE certification, explosion-proof certificates);
- Logistics and Transportation Department: Responsible for compliance evaluation of transportation vehicles (annual inspection, insurance, hazardous chemical transportation permits), driver qualifications, and over-limit/overload control; overseas transportation business shall comply with international transportation regulations (e.g., International Road Transport Convention);
- Warehousing Center: Responsible for compliance evaluation of material storage and hazardous chemical management (procurement-storage-use-disposal), and verification of compliance of fire-fighting facilities, leakage prevention devices, and occupational health protection;
- Human Resources Department: Responsible for compliance evaluation of employees' occupational health examinations, special operation personnel certification, and HSE training (including compliance obligation training);
- Administration Department: Responsible for compliance evaluation of fire safety in office areas/canteens, food hygiene, and public area environment (noise/waste classification/sewage discharge), and compliance response to environmental demands of surrounding residents.

## **5 Work Procedures (Integrated and Optimized)**

### **5.1 Identification and Acquisition of HSE Compliance Obligations (Integrated with New Content)**

#### **5.1.1 Scope and Channels of Identification**

- Scope of Identification (Supplemented with International Dimension):
  - a. National laws, administrative regulations, departmental rules, local regulations/rules;
  - b. National standards, industry standards, local standards;
  - c. HSE management requirements of and COMPANY;
  - d. Applicable international conventions/treaties, international standards (e.g., conventions related to overseas business, international certification standards for imported equipment);
  - e. Stakeholder demands (customer HSE agreements, supplier requirements, resident complaints, employee demands);
  - f. Internal commitments (HSE commitments, social responsibility reports);

- Acquisition Channels (Supplemented with Professional Channels):
  - a. Government official websites (Ministry of Emergency Management, Ministry of Ecology and Environment, General Administration of Customs (for international compliance));
  - b. Professional legal and regulatory databases (e.g., "Pkulaw", "Wolters Kluwer Compliance Database"), international compliance databases (e.g., "Thomson Reuters Compliance Database");
  - c. Standard updates pushed by industry associations (China Federation of Logistics and Purchasing, Chinese Petroleum Society);
  - d. HSE information platform, documents issued by higher-level units (Pipeline Bureau);
  - e. Subscribed regulation update services (e.g., "national regulatory database update reminders"), professional publications (China Safety Science and Technology);
  - f. HSE agreements provided by customers/suppliers, compliance consulting provided by international certification bodies (e.g., SGS);
  - g. Employee feedback (HSE suggestion box), complaint records from surrounding residents.

## 5.1.2 Content and Management of Compliance Obligation List

*Company HSE Compliance Obligation List* (Appendix A)

- List Management:
  - a. The Quality, Safety and Environmental Protection Department organizes a quarterly review of the list for updates to ensure timeliness;
  - b. All units revise the *Unit HSE Compliance Obligation Sub-List* simultaneously in accordance with list updates;
  - c. After the list is revised, the Quality, Safety and Environmental Protection Department organizes special promotion and training to ensure all units understand the newly added/changed obligations.

## 5.2 Compliance Evaluation Planning (Integrated with New Content)

### 5.2.1 Formulation of Annual Evaluation Plan

- At the end of each December, the Quality, Safety and Environmental Protection Department formulates the *Annual HSE Compliance Evaluation Plan* (Appendix B) based on the following factors, with a newly added "International Compliance Evaluation" module:
  - a. The Company's business risk levels (e.g., hazardous chemical storage and overseas procurement are high-risk areas requiring increased evaluation frequency; imported equipment requires key verification of international compliance);
  - b. Distribution of non-compliances/observation items in the previous year (e.g., concentrated issues such as "overdue annual inspection of transportation vehicles" and "lack of CE certification for imported equipment" require key evaluation);

- c. Update status of compliance obligations (e.g., newly added regulations and international conventions need to be included in the evaluation scope);
- d. Group and government supervision priorities (e.g., areas focused on in "annual work safety inspections" and "customs spot checks on imported equipment compliance");
- e. Business changes (e.g., newly added overseas project departments and expanded imported equipment procurement require new special evaluations);
- The plan shall clearly specify:
  - a. Evaluation Types:
    - Company-Level Evaluation: Full business coverage (including international compliance), once a year;
    - Unit-Level Evaluation: Partial business (e.g., "supplier compliance" by the Procurement Department, "hazardous chemical compliance" by the Warehousing Center), once a quarter;
    - Special Evaluation: Conducted as needed (e.g., "overseas business compliance special evaluation", "international certification special evaluation for imported equipment", "hazardous chemical special evaluation");
  - a. Evaluation Scope: Involved business scenarios (e.g., "procurement + warehousing + overseas transportation"), compliance obligations (e.g., "hazardous chemical-related regulations + CE certification standards");
  - b. Evaluation Methods: Document review (inspect qualifications/records/certification certificates), on-site inspection (check facilities/operations/marks), data verification (verify permits/annual inspections/physical examination data), personnel interviews (inquire about procedures/regulation mastery);
  - c. Schedule: Company-level evaluation in March-April of the following year, unit-level evaluation at the end of each quarter, special evaluation determined based on business needs (e.g., 1 month before the launch of overseas projects);
  - d. Establishment of Evaluation Team:
    - Member Requirements: Familiar with HSE regulations and international compliance standards (for overseas business), with corresponding business experience (e.g., procurement, warehousing), and qualified through compliance evaluation training;
    - Conflict of Interest Principle: Evaluators shall not evaluate their own departments or businesses they are directly responsible for;
  - a. Responsibility Assignment: Evaluation implementation units, cooperating units, and material submission time limits (e.g., submit the *Unit HSE Compliance Obligation Sub-List* and supporting records 5 working days before the evaluation).

## 5.2.2 Plan Approval and Promotion

- The *Annual HSE Compliance Evaluation Plan* is reviewed by the Management Representative and approved by the Top Management, then issued to all units in January of the following year;

- The Quality, Safety and Environmental Protection Department organizes a plan promotion meeting to clarify evaluation requirements (e.g., "overseas business shall provide local regulation compliance certificates") and methods, and address common issues (e.g., "how to judge the validity of CE certification") to ensure all units understand and implement the plan.

## **5.3 Implementation of Compliance Evaluation (Integrated with New Content, Detailed Evaluation Content)**

### **5.3.1 Evaluation Preparation (Supplemented with Material List)**

- All units complete the following preparations 5 working days before the evaluation:
  - a. Evaluation Basis: *Unit HSE Compliance Obligation Sub-List*, relevant regulatory texts (including international standards), internal management systems (e.g., *Imported Equipment Compliance Management Measures*);
  - b. Supporting Materials (Newly Added International Compliance Materials):
    - Procurement Department: Supplier HSE qualification documents, CE/explosion-proof certification certificates for imported equipment, customs declaration forms (compliance certificates);
    - Logistics and Transportation Department: Vehicle annual inspection records, hazardous chemical transportation permits, international convention compliance certificates for overseas transportation;
    - Warehousing Center: Hazardous chemical storage ledgers, fire-fighting facility maintenance records, occupational health examination reports;
    - Human Resources Department: List of certified special operation personnel, HSE training records (including compliance obligation training);
  - a. Evaluators: Each unit designates 2-3 personnel familiar with business and compliance requirements to form an internal evaluation team (e.g., the Procurement Department team consists of a procurement manager + a compliance specialist).

### **5.3.2 Evaluation Implementation Steps (Combined with New Evaluation Content, Supplemented with International Compliance Examples)**

Taking "compliance evaluation of imported equipment by the Procurement Department" as an example, the implementation steps are as follows:

1. Document Review (1 working day):
  - Inspect CE certification certificates for imported equipment: Verify the validity period (whether within the valid period), certification scope (whether covering the equipment model), and qualification of the certification body (whether it is an EU-recognized body);

- Inspect customs declaration forms and compliance certificates: Confirm whether the equipment is declared in accordance with requirements and complies with domestic import safety standards (e.g., GB 12352);

- Inspect the Company's *Imported Equipment Compliance Management Measures*: Verify whether the system includes requirements for CE certification review and customs declaration compliance;

**2. On-Site Inspection (1 working day):**

- Check equipment marks: Whether CE certification marks and safety warning marks (complying with EU language requirements) are affixed;

- Inspect equipment accessories: Whether compliant manuals (including safety operation and maintenance requirements) and explosion-proof components (if applicable) are provided;

**3. Personnel Interviews (0.5 working days):**

- Interview procurement specialists: Inquire about the CE certification review process for imported equipment and handling measures for non-compliance to verify mastery of international compliance requirements;

- Interview equipment operators: Inquire about understanding of special operation requirements for CE-certified equipment to verify training effects;

**4. Data Verification (0.5 working days):**

- Verify certification certificates against equipment models: Confirm no "mismatch between certificate and equipment" (e.g., certificate model inconsistent with actual equipment model);

- Verify customs declaration forms against procurement contracts: Confirm equipment parameters and quantities comply with compliance requirements.

**5.3.3 Classification of Evaluation Content (Integrated by Health/Safety/Environment/Management, Aligned with Business Scenarios)**

Evaluation Dimension	Core Evaluation Content (Including Material and Equipment Business Characteristics)	Applicable Units/Businesses	Examples of Compliance Basis
Health Aspect	1. Occupational health monitoring (examination rate of warehouse staff/drivers,	All Units, Focus: Warehousing Center, Equipment Management Department	Law on the Prevention and Control of Occupational Diseases, Rules for

	<p>handling of abnormal examination results); 2. Monitoring of occupational disease hazards (warehouse dust/noise, welding fumes from equipment maintenance); 3. Provision and use of personal protective equipment (PPE) (chemical protective clothing for warehouses, reflective vests for drivers); 4. Occupational health conditions in workplaces (warehouse ventilation, lighting in equipment maintenance workshops)</p>		<p>Selection and Use of Personal Protective Equipment (GB/T 29510)</p>
<p>Safety Aspect</p>	<p>1. Work safety permits (hazardous chemical storage and operation permits, special operation permits); 2. Special equipment management (annual inspection and maintenance of warehouse cranes and transportation vehicles); 3. Hazardous chemical management</p>	<p>All Units, Focus: Procurement Department, Warehousing Center, Logistics and Transportation Department, Overseas Project Departments</p>	<p>Law on Work Safety, Special Equipment Safety Law, Regulations on the Safety Management of Hazardous Chemicals, CE Certification Standard (EN 13849)</p>

	<p>(procurement acceptance, storage zoning, leakage emergency response, waste disposal); 4. Fire-fighting facility management (warehouse fire hydrants, fire extinguishers, emergency lighting); 5. International compliance (CE certification for imported equipment, local safety regulations for overseas business)</p>		
Environmental Aspect	<p>1. Pollution discharge permits (permits for warehouse sewage and equipment maintenance waste gas discharge); 2. Waste management (classified disposal of hazardous chemical waste packaging and equipment maintenance waste oil); 3. Environmental impact assessment (EIA filing for newly added warehouse facilities); 4. Environmental monitoring (monitoring of noise and dust)</p>	<p>All Units, Focus: Warehousing Center, Equipment Management Department, Administration Department</p>	<p>Environmental Protection Law, Regulations on the Administration of Pollution Discharge Permits, Standards for Pollution Control on the Storage of Hazardous Wastes (GB 18597)</p>

	concentration around warehouses)		
Management Aspect	<p>1. Organizational setup and personnel allocation (Quality, Safety and Environmental Protection Department, full-time safety officers);</p> <p>2. Management system establishment (systems for compliance obligation identification, evaluation, and corrective closed-loop management);</p> <p>3. Training and education (compliance obligation training, special operation training, international compliance training);</p> <p>4. Emergency management (emergency plans, drills, emergency material provision)</p>	All Units	Law on Work Safety, Regulations on Emergency Response to Production Safety Accidents, HSE Management System Requirements

### 5.3.4 Determination of Evaluation Results (Newly Added Observation Item Determination)

- Compliant: HSE activities fully meet compliance obligation requirements (e.g., "CE certification for imported equipment is valid and complies with EN 13849 standard"; "hazardous chemicals in warehouses are stored in zones according to incompatible categories and comply with GB 15562.2");

- General Non-Compliance: Minor deviations with no major risks (e.g., "hazardous chemical marks in one location are blurred and need to be reaffixed"; "one supplier's HSE qualification document in the Procurement Department is expired and not updated");
- Serious Non-Compliance: Violation of mandatory provisions that may lead to major risks (e.g., "hazardous chemicals are stored together with ordinary materials, violating Article 24 of the Regulations on the Safety Management of Hazardous Chemicals"; "imported equipment without CE certification violates EU market access requirements and cannot pass customs clearance");
- Observation Item: Potential risks or room for improvement (e.g., "warehouse staff have insufficient awareness of the newly revised Regulations on the Safety Management of Hazardous Chemicals, which has not yet led to violations"; "overseas project departments have not established a local regulation update tracking mechanism, with potential compliance risks");
- All units fill out the *HSE Compliance Evaluation Record Form* (Appendix C, using the new checklist example format), detailing evaluation results, evidence (e.g., certification certificate copies, on-site photos, interview records), and descriptions of non-compliances/observation items. After being signed by the unit head, the form is submitted to the Quality, Safety and Environmental Protection Department.

## **5.4 Summary and Reporting of Evaluation Results (Integrated with New Content, Supplemented with Report Format)**

### **5.4.1 Result Summary**

- The Quality, Safety and Environmental Protection Department completes the following summary within 5 working days after receiving evaluation records from all units:
  - a. Calculate compliance rate: Number of compliant items / Total number of evaluation items × 100% (e.g., company-level evaluation compliance rate 92%, including 88% compliance rate for international compliance items);
  - b. Classified statistics: Classify by "non-compliance level (serious/general)", "evaluation dimension (health/safety/environment/management)", and "business scenario (procurement/warehousing/transportation/overseas)" to identify high-frequency issues (e.g., "non-compliances in international compliance items are concentrated in imported equipment of the Procurement Department");
  - c. Risk analysis: Assess potential consequences of non-compliances/observation items (e.g., "imported equipment without CE certification may cause customs clearance delays and affect project delivery"; "mixed storage of hazardous chemicals may cause explosions and face a fine of RMB 200,000").

### **5.4.2 Evaluation Report Preparation (Using New Report Format)**

The Quality, Safety and Environmental Protection Department prepares the *Company-Level HSE Compliance Evaluation Report* (Appendix D) within 7 working days after completing the summary, including the following content:

## 1. Evaluation Overview:

- Evaluation Purpose: Verify compliance of HSE activities and mitigate compliance risks;
- Evaluation Scope: Involved businesses (procurement, warehousing, transportation, overseas projects), compliance obligations (laws and regulations, international standards, group requirements);
- Evaluation Team: Names and qualifications of members (e.g., "Zhang San: Senior HSE Auditor, familiar with CE certification standards");
- Evaluation Period: X month X day - X month X day, XXXX;

## 2. Evaluation Basis:

- *Company HSE Compliance Obligation List* (Version: 2026V1.0);
- Core laws/standards (e.g., Law on Work Safety, CE Certification Standard EN 13849);
- Company systems (e.g., *Imported Equipment Compliance Management Measures*);

## 3. Description of Evaluation Process:

- Evaluation Methods: Document review (review of XX documents), on-site inspection (coverage of XX sites), interviews (XX person-times), data verification (XX items of data);
- Cooperation Status: Timeliness of material submission by all units and on-site cooperation;

## 4. Evaluation Findings (Presented by Dimension):

- Summary of Compliant Items: e.g., "The Warehousing Center has compliant zoning for hazardous chemical storage, with 100% integrity rate of fire-fighting facilities; the Procurement Department has a 95% compliance rate for supplier HSE qualification review";
- List of Non-Compliances (in table format):

Serial No.	Description of Non-Compliance	Responsible Unit	Compliance Basis	Level	Evidence
1	Imported equipment (Model XX) lacks CE certification certificate	Procurement Department	CE Certification Standard EN 13849	Serious	Equipment photos, customs declaration form
2	One supplier's HSE qualification document is	Procurement Department	Supplier HSE Management Requirements	General	Copy of qualification document

	expired (valid until Feb 2026)				
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- List of Observation Items (in table format):

Serial No.	Description of Observation Item	Responsible Unit	Potential Risk	Improvement Suggestion
1	Warehouse staff have insufficient awareness of the newly revised Regulations on the Safety Management of Hazardous Chemicals	Warehousing Center	May lead to operational violations	Conduct special training

### 1. Evaluation Conclusions:

- Overall Compliance Evaluation: The Company's HSE activities are generally compliant with a compliance rate of 92%, but there are weaknesses in international compliance (imported equipment) and supplier qualification management;
- Compliance Risk Level: 1 serious risk item (imported equipment without CE certification), 2 general risk items, 1 potential risk item;

### 2. Improvement Suggestions:

- For Non-Compliances: The Procurement Department shall supplement CE certification for imported equipment within 15 days and update expired supplier qualifications;
- For Observation Items: The Warehousing Center shall conduct special training on new regulations within 1 month;
- Suggestions for System Optimization: Revise the *Imported Equipment Compliance Management Measures* to add CE certification review procedures; establish a dynamic update mechanism for supplier qualifications;

### 3. Appendices (Newly Added):

- Appendix 1: *Annual HSE Compliance Evaluation Plan* (No.: HSE-CE-PLAN-2025);
- Appendix 2: *HSE Compliance Evaluation Record Form* (summary of all units);
- Appendix 3: Evidence materials for non-compliances (photos, document copies);
- Appendix 4: *Improvement Measure Plan*.

## 5.4.3 Report Approval and Distribution

- After review by the Management Representative and approval by the Top Management, the *Company-Level HSE Compliance Evaluation Report* is distributed to the following parties within 5 working days:

- a. Company Leaders (Top Management, Management Representative);

- b. Heads of all units (for implementing corrections);

- c. Pipeline Bureau HSE Management Department (reported as required; overseas business shall be simultaneously reported to the Group International Business Department);

- The electronic version of the report is uploaded to the HSE column on the Company's intranet for reference by all units; overseas project departments shall archive local language versions.

## **5.5 Correction and Tracking Verification of Non-Compliances/Observation Items (Integrated with New Content)**

### **5.5.1 Formulation of Corrective Plans (Newly Added Requirements for Observation Item Correction)**

- Within 5 working days after receiving the evaluation report, responsible units formulate the *HSE Non-Compliance/Observation Item Corrective Plan* (Appendix E) for non-compliances/observation items, clearly specifying:

- Corrective Measures (operable, e.g., "Correction for CE certification of imported equipment: Contact the certification body for expedited processing and obtain the certificate within 10 days; Update of supplier qualifications: Notify the supplier to submit new qualifications within 3 days");

- Responsible Persons and Supporting Personnel (e.g., the Procurement Department is led by the procurement manager, with support from the compliance specialist);

- Completion Time Limits (serious non-compliances ≤15 days, general non-compliances ≤30 days, observation items ≤45 days);

- Verification Methods (e.g., "Submit copies of CE certification certificates + on-site verification; Submit new qualification documents + system update records");

- Approval of Corrective Plans:

- Plans for general non-compliances and observation items: Filed with the Quality, Safety and Environmental Protection Department;

- Plans for serious non-compliances: Reviewed by the Quality, Safety and Environmental Protection Department and approved by the Management Representative;

- Corrective plans for overseas business shall additionally include "local regulation compliance verification" requirements (e.g., "Submit the corrective report to a local compliance consulting firm to obtain confirmation of compliance with local laws").

### **5.5.2 Implementation and Tracking of Corrections**

- Responsible units advance corrections in accordance with the plan and submit progress reports to the Quality, Safety and Environmental Protection Department weekly (e.g., "Day 5: CE certification application submitted and accepted by the certification body; Day 10: CE certification certificate obtained and uploaded to the procurement system");
- The Quality, Safety and Environmental Protection Department establishes the *HSE Non-Compliance/Observation Item Corrective Tracking Form* (Appendix F) and implements "classified tracking":
  - a. Serious Non-Compliances: Track once every 3 days; the Management Representative listens to progress reports monthly;
  - b. General Non-Compliances/Observation Items: Track once a week; remind responsible units 3 days before the deadline;
- For corrections that cannot be completed on time, responsible units shall submit an *Extension Application* to the Quality, Safety and Environmental Protection Department 3 working days in advance, explaining the reasons (e.g., "delayed review by the overseas certification body") and the new time limit. The extension can only be granted after approval by the Management Representative; those failing to obtain approval for extension shall be held accountable in accordance with the Company's *HSE Performance Appraisal Measures*.

### **5.5.3 Correction Verification (Supplemented with International Compliance Verification)**

- After completing corrections, responsible units submit a *Correction Completion Report* and evidence (e.g., CE certification certificates, new qualification documents, training attendance sheets, on-site photos) to the Quality, Safety and Environmental Protection Department;
- The Quality, Safety and Environmental Protection Department organizes verification within 5 working days through the following methods:
  - a. Document Verification: Verify the authenticity of corrective evidence (e.g., "CE certification certificates can be queried on the EU official website and are valid; supplier qualifications can be queried on the 'National Enterprise Credit Information Publicity System'");
  - b. On-Site Verification: Check the implementation of corrective measures (e.g., "CE marks have been affixed to imported equipment, and manuals include EU safety warnings; the Warehousing Center has conducted special training on new regulations, and employees answered correctly in interviews");
  - c. International Compliance Verification (Overseas Business): Entrust local compliance institutions or Group overseas branches to verify that corrective measures comply with local laws (e.g., "Submit the corrective report to a local law firm to obtain a compliance confirmation letter");
- Handling of Verification Results:
  - Qualified Verification: Non-compliances/observation items are closed-loop, and marked as "Completed" in the tracking form;

- Unqualified Verification: Responsible units shall re-analyze the causes (e.g., "CE certification certificate model does not match the equipment and needs to be re-applied"), formulate new corrective plans within 10 days, re-implement and verify until qualified.

## 5.6 Continuous Improvement (Supplemented with International Compliance Optimization)

### 5.6.1 Optimization of Compliance Training

- The Quality, Safety and Environmental Protection Department organizes compliance training once every six months, with a newly added "International Compliance Module" in the content:
  - a. Interpretation of newly added compliance obligations (e.g., "key points of the newly revised Regulations on the Safety Management of Hazardous Chemicals", "new EU CE certification directives (e.g., 2024 Machinery Directive update)");
  - b. Typical case analysis (e.g., "a company was fined 200,000 Euros for imported equipment without CE certification", "a company was ordered to suspend production for mixed storage of hazardous chemicals by environmental protection authorities");
  - c. Business-specific training (e.g., "imported equipment compliance review process" for the Procurement Department, "practical operation of local HSE regulations" for overseas project departments);
- Examinations are organized after training (including international compliance questions), with a passing rate requirement of  $\geq 95\%$ ; unqualified personnel shall retake the exam until passing before taking up their posts.

### 5.6.2 Optimization of System Documents

- The Quality, Safety and Environmental Protection Department organizes a revision of HSE system documents once a year, based on compliance evaluation results and regulatory updates:
  - a. Revise Systems: e.g., "revise the *Imported Equipment Compliance Management Measures* to add the 'certification review - certificate filing - regular verification' process for CE certification; revise the *Supplier HSE Management Measures* to establish an 'automatic reminder for expired qualifications' mechanism" for issues of imported equipment CE certification and expired supplier qualifications;
  - b. Improve Records: e.g., "optimize the *Imported Equipment Compliance Review Record Form* to add fields for 'CE certification number/validity period'; optimize the *Hazardous Chemical Storage Inspection Record* to add 'new regulation requirement inspection items'";
- Revised documents shall be issued after approval and local language versions shall be simultaneously developed for overseas project departments to ensure implementation.

### 5.6.3 Optimization of Compliance Evaluation

- At the end of each year, the Quality, Safety and Environmental Protection Department summarizes the experience of compliance evaluation in the current year and optimizes the plan for the next year:

- a. Adjust Evaluation Frequency: e.g., "the Procurement Department has many non-compliances in imported equipment, so the unit-level evaluation frequency will be increased from once a quarter to once every 2 months; overseas project departments will add 'quarterly local regulation compliance self-evaluation' requirements";

- b. Improve Evaluation Methods: e.g., "add an 'International Compliance Checklist' (Appendix I) to clarify inspection points for CE certification and EU REACH Regulation; introduce third-party compliance institutions (e.g., SGS) to participate in overseas business evaluation";

- c. Expand Evaluation Scope: e.g., "add 'intelligent warehouse equipment compliance evaluation' (for newly added business) and 'cross-border transportation international convention compliance evaluation' (for overseas logistics business)".

## **6 Related Documents (Supplemented with International Compliance Documents)**

- Law of the People's Republic of China on Work Safety (2021 Version)
- Law of the People's Republic of China on Environmental Protection (2015 Version)
- Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (2022 Version)
- Regulations on the Safety Management of Hazardous Chemicals (State Council Decree No. 591)
- Safety Specifications for Special Operations in Hazardous Chemical Enterprises (GB 30871-2022)
- Environmental Protection Graphical Marks - Solid Waste Storage Sites (GB 15562.2-2019)
- CE Certification Standard (Mechanical Safety) (EN 13849-2021)
- International Convention for the Safety of Life at Sea (SOLAS Convention, for overseas maritime business)
- HSE Management System Requirements (2024 Version)
- Company HSE Management Manual (2024 Version)
- Company Imported Equipment Compliance Management Measures (2025 Version)
- Company Overseas Business HSE Compliance Management Measures (2025 Version)
- HSE Document and Record Control Procedure
- HSE Corrective and Preventive Actions (CAPA) Management Procedure
- HSE Risk Identification and Assessment Management Procedure

## 7 Records (Supplemented with International Compliance-Related Records)

- Company HSE Compliance Obligation List (Appendix A)
- Unit HSE Compliance Obligation Sub-List
- Annual HSE Compliance Evaluation Plan (Appendix B)
- HSE Compliance Evaluation Record Form (Appendix C)
- Company-Level HSE Compliance Evaluation Report (Appendix D)
- HSE Non-Compliance/Observation Item Corrective Plan (Appendix E)
- HSE Non-Compliance/Observation Item Corrective Tracking Form (Appendix F)
- Correction Completion Report
- Compliance Training Attendance Sheet and Examination Records (including international compliance training)
- International Compliance Certification Archives for Imported Equipment (including CE certification certificates, customs declaration forms)
- Local Regulation Compliance Certificates for Overseas Business

## 8 Appendices (Newly Added and Integrated with New Content)

### Appendix A: Company HSE Compliance Obligation List (Template, Supplemented with International Compliance Items)

Serial No.	Name of Compliance Obligation	Type	Issuing Authority/Institution	Effective Date	Applicable Business Scenarios	Summary of Key Requirements	Responsible Unit	Update Date	Remarks (Applicable Regions for International Compliance)
1	Law on Work	Law	Standing Committee of	2021.09.01	All Businesses	1. Establish work	All Units	2024.12	

	Safety		the National People's Congress			safety management organizations; 2. Conduct regular safety inspections ; 3. Employees must pass training before taking up posts			
2	GB 30871-2022	National Standard	State Administration for Market Regulation	2022.10.01	Special Operations (Hot Work/Working at Height)	1. Permits required for hot work; 2. Safety belts and supervisors required for worki	All Units (including Project Departments)	2024.12	

						ng at height			
3	CE Certification Standard (EN 13849)	International Standard	European Commission	2021.01	Imported Equipment Procurement (Automated Loading/Unloading Equipment)	1. Mechanical safety requirements (e.g., emergency stop function); 2. Certification by EU-recognized institutions required	Procurement Department	2025.01	EU and CE-recognized countries/regions
4	Regulations on the Safety Management of Hazardous Chemicals	Administrative Regulation	State Council	2023.01	Hazardous Chemical Procurement/Storage/Use	1. Storage requirements zoning and marking; 2. Mixed storage of incompatible categories	Procurement Department/Warehousing Center	2025.01	

						prohibited; 3. Emergency equipment required			
5	International Road Transport Convention (TIR)	International Convention	United Nations Economic Commission for Europe (UNECE)	2020.01.01	Overseas Road Transport Business	1. TIR certificate required; 2. Equipment must meet convention safety requirements; 3. Compliance with regulations of transit countries required	Logistics and Transportation Department (Overseas)	2025.02	TIR Member States
6	XX Customer HSE Agreement	Stakeholder Requirement	XX Customer	2025.03.01	Equipment Procurement and Acceptance	1. Provide equipment explosion-proof	Procurement Department	2025.03	

						test report (Ex d IIB T3);			
						2. Customer representative required to be present during acceptance			

**Appendix B: Annual HSE Compliance Evaluation Plan (Template, Supplemented with International Compliance Module)**

Plan No.	HSE-CE-PLAN-2025	Compiling Department	Quality, Safety and Environmental Protection Department	Compilation Date	December 25, 2024
Evaluation Purpose	Verify compliance of the Company's 2024 HSE activities (including imported equipment and overseas business) with compliance				

	<p>obligations, identify risks, and promote compliance management improvement in 2025 (Focus: International Compliance, Hazardous Chemical Management)</p>				
<p>Evaluation Types and Scope</p>	<p>1. Company-Level Evaluation: - Businesses: Procurement (including imported equipment), warehousing, transportation (including overseas), equipment maintenance; - Compliance Obligations: Laws and regulations, international standards (CE/TIR), group requirements; 2. Unit-Level Evaluation: - Procurement Department: Supplier HSE qualifications, international compliance of</p>				

	<p>imported equipment; -  Warehousing Center:  Hazardous chemical storage, fire safety compliance; -  Logistics and Transportation Department:  Vehicle compliance, TIR Convention for overseas transportation;  3. Special Evaluation: -  Overseas Project Department Compliance:  June 2025 (1 month before project launch); -  Hazardous Chemical Full-Lifecycle Compliance:  September 2025</p>				
<p>Evaluation Methods</p>	<p>1. Document Review:  Inspect qualifications (supplier HSE, CE certification), records (annual inspection,</p>				

	<p>physical examination), certification certificates (CE/TIR); 2. On-Site Inspection: Check equipment marks (CE), storage zoning, vehicle status; 3. Data Verification: Verify permits (hazardous chemical transportation) , customs declaration forms (imported equipment), TIR certificates (overseas transportation) ; 4. Personnel Interviews: Inquire about processes (import compliance review), regulation mastery (new regulations, international conventions)</p>				
<p>Evaluation Team Establishment</p>	<p>Team Leader: Zhang San (Senior HSE Auditor, familiar with CE</p>				

	<p>certification);  Members: Li Si  (Procurement  Business  Expert), Wang  Wu  (International  Compliance  Specialist),  Zhao Liu  (Warehouse  Safety  Specialist);  Overseas  Special  Evaluation: 1  local  compliance  consultant  added</p>				
<p>Schedule</p>	<p>1. Company-  Level  Evaluation:  March 1 -  March 31,  2025; 2. Unit-  Level  Evaluation: Q1  (March), Q2  (June), Q3  (September),  Q4  (December); 3.  Special  Evaluation:  Overseas  Projects (June  1-15),  Hazardous  Chemicals  (September 1-  10)</p>				

<p>Responsibility Assignment</p>	<p>1. Organizing Unit: Quality, Safety and Environmental Protection Department (company-level and special evaluations);  2. Implementing Units: All Units (unit-level evaluations);  3. Cooperating Units: Administration Department (providing venues), Finance Department (providing international certification fee certificates), Overseas Branches (overseas special evaluations)</p>				
<p>Output Requirements</p>	<p>1. Unit-Level Evaluation: Submit <i>Evaluation Record Form</i> before the 25th of the last month of each quarter; 2. Company-Level</p>				

	<p>Evaluation:  Submit  <i>Evaluation Report</i> before April 10, 2025;  3. Special Evaluation:  Submit <i>Special Evaluation Report</i> within 7 days after evaluation (overseas projects require local language versions)</p>				
<p>Approval Comments</p>	<p>Management Representative Review:  Approve the plan, focusing on CE certification of imported equipment and TIR Convention compliance evaluation for overseas transportation.  Signature: Li Si  Date: December 28, 2024</p>				
	<p>Top Management Approval:  Approve the plan and ensure evaluation</p>				

	resources (e.g., overseas evaluation travel expenses, international compliance consulting fees). Signature: Zhang San Date: December 30, 2024				
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### Appendix C: HSE Compliance Evaluation Record Form (Template, Using New Checklist Example Format)

Record No.	HSE-CE-REC-2025001	Evaluating Unit	Procurement Department	Evaluation Date	March 10, 2025
Evaluation Scope	Compliance of imported equipment (CE certification standard EN 13849), HSE qualifications of suppliers				
Evaluators	Li Si (Procurement Expert), Wang Wu (Internatio	Accompanying Personnel	Liu Ba (Procurement Department Manager)		

	nal Compliance Specialist)				
Evaluation Basis	1. CE Certification Standard EN 13849- 2021; 2. Supplier HSE Management Requirements (2024 Version); 3. Company Imported Equipment Compliance Management Measures				
Evaluation Content and Results	Serial No.	Name of Compliance Obligation	Applicable Clause/Requirement	Company Status	Compliance
	1	CE Certification Standard EN 13849	Mechanical emergency stop function must meet Category 3 requirements	Imported equipment (Model XX) lacks CE certification certificate ; emergency stop function	Non- Compliant

				cannot be verified	
	2	Supplier HSE Management Requirements	Supplier HSE qualification validity period must be ≥6 months	Supplier A (equipment supplier) has a validity period until April 2025 (1 month remaining)	Non-Compliant
	3	Company Imported Equipment Compliance Management Measures	Imported equipment procurement contracts must specify CE certification requirements	Procurement Contract (No. CG-2025-001) does not include CE certification clauses	Non-Compliant
	4	CE Certification Standard EN 13849	Certification certificates issued by EU-recognized institutions required	Not provided (no certificate available)	Non-Compliant
	5	Supplier HSE Management Requirements	Quarterly updates of supplier HSE performance evaluations required	2024 Q4 evaluation updated as required with	Compliant

				complete records	
	6	Company Imported Equipment Compliance Management Measures	Procurement specialists must receive international compliance training	2 procurement specialists have expired training (valid until November 2024)	Observation Item
Summary of Non-Compliances/Observation Items	2 serious non-compliances (imported equipment without CE certification, no certificate from recognized institution); 1 general non-compliance (insufficient supplier qualification validity period); 1 observation item (expired procurement				

	specialist training)				
Evaluator Signature	Li Si, Wang Wu	Unit Head Confirmation	No objections, corrections will be made on schedule. Signature: Liu Ba Date: March 10, 2025		

## Appendix D: Company-Level HSE Compliance Evaluation Report (Template, Using New Report Format)

Report No.	HSE-CE-REP-2025	Evaluation Period	January 1 - December 31, 2024	Compiling Department	Quality, Safety and Environmental Protection Department	Compilation Date	April 5, 2025
I. Evaluation Overview	1. Evaluation Purpose: Verify compliance of HSE activities (including imported equipment and overseas business) and mitigate compliance risks; 2. Evaluation Scope: Procurement, warehousing, transportation,						

	<p>equipment maintenance, overseas project departments (pilot); 3. Evaluation Team: Team Leader Zhang San (Senior HSE Auditor), Members Li Si, Wang Wu, Zhao Liu; 1 local consultant added for overseas special evaluation; 4. Evaluation Period: March 1 - March 31, 2025; 5. Evaluation Methods: Document review (32 documents), on-site inspection (15 sites), interviews (28 person-times), data verification (56 items of data)</p>						
<p>II. Evaluation Basis</p>	<p>1. Company HSE Compliance Obligation List (2025V1.0), including 52 regulations, 8</p>						

	<p>international standards/conventions, 15 group requirements;</p> <p>2. Core Laws/Standards: Law on Work Safety, CE Certification Standard EN 13849, International Road Transport Convention (TIR); 3. Company Systems: Imported Equipment Compliance Management Measures, Overseas Business HSE Compliance Management Measures</p>						
<p>III. Description of Evaluation Processes</p>	<p>1. Preparation Phase (March 1-5): All units submit Unit HSE Compliance Obligation Sub-Lists and supporting materials; the evaluation team conducts training; 2. Implementatio</p>						

	<p>n Phase (March 6-25): Conduct evaluations by business (procurement March 6-10, warehousing March 11-15, transportation March 16-20, overseas March 21-25);</p> <p>3. Summary Phase (March 26-31): Organize evaluation findings and confirm non-compliances/observation items with all units</p>						
IV. Evaluation Findings	<p>(I) Summary of Compliant Items: 1. Warehousing Center: Compliant zoning for hazardous chemical storage, 100% integrity rate of fire-fighting facilities; 2. Logistics and Transportation Department: 100% compliance rate for domestic</p>	Serial No.	Description of Non-Compliance	Responsible Unit	Compliance Basis	Level	Potential Consequences

	vehicle annual inspections, complete hazardous chemical transportation permits; 3. Human Resources Department: 100% certification rate for special operation personnel, 98% occupational health examination rate; (II) List of Non-Compliances (Table 1): Table 1 Summary of Non-Compliances						
		1	Imported equipment (Model XX) lacks CE certification certificate	Procurement Department	CE Certification Standard EN 13849	Serious	Customs clearance failure, project delay, fines
		2	One supplier's HSE qualification	Procurement Department	Supplier HSE Management	General	Procurement interruption due

			tion has a validity period of less than 1 month		ment Requirements		to expired qualifications
		3	Overseas transportation lacks TIR certificate	Logistics and Transportation Department (Overseas)	International Road Transport Convention	Serious	Vehicle detention by transit countries, fines
	(III) List of Observation Items (Table 2): Table 2 Summary of Observation Items	Serial No.	Description of Observation Item	Responsible Unit	Potential Risk		
		1	Procurement specialists have expired international compliance training	Procurement Department	Inability to correctly verify CE certificate validity		
		2	Warehouse staff have insufficient awareness of the	Warehousing Center	Potential operational violations		

			newly revised Regulations on the Safety Management of Hazardous Chemicals				
		3	Overseas project departments have not established a local regulation update tracking mechanism	Overseas Project Departments	Missing regulation updates, leading to compliance risks		
V. Evaluation Conclusions	1. Overall Compliance Evaluation: The Company's HSE activities are generally compliant with a compliance rate of 92%; domestic business compliance rate is 95%, while						

international compliance (import/overseas) rate is 85%; there are 2 serious non-compliances (lack of CE certification for imported equipment, lack of TIR certificate for overseas transportation); 2. Compliance Risk Level: - High Risk: 2 items (may cause customs clearance delay, vehicle detention and fines); - Medium Risk: 1 item (expired supplier qualifications); - Low Risk: 3 items (observation items, potential violations); 3. Weak Links: International compliance management (imported equipment, overseas transportation), dynamic control of supplier qualifications,

	employee compliance awareness (new regulations/international standards)						
VI. Improvement Suggestions	(I) Corrective Suggestions for Non-Compliances: 1. Procurement Department (CE certification for imported equipment): Contact EU-recognized certification bodies for expedited processing and obtain certificates before March 20; update to the procurement system after obtaining certificates; 2. Procurement Department (supplier qualifications): Notify suppliers to submit new qualifications before March 15; establish an "automatic						

<p>reminder 3 months before expiration" mechanism; 3. Logistics and Transportation Department (overseas TIR certificate): Apply to local TIR issuing authorities before March 25; obtain certificates before April 1;</p> <p>(II) Improvement Suggestions for Observation Items: 1. Procurement Department: Organize international compliance training (CE/TIR) before April 10; employees may take up posts only after passing the exam; 2. Warehousing Center: Conduct special training on the new Regulations on the Safety Management of Hazardous Chemicals</p>						
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before April 15; achieve 100% coverage; 3. Overseas Project Departments: Establish a "Local Regulation Update Tracking Form" before April 20; update monthly; (III) System Optimization Suggestions: 1. Revise the Imported Equipment Compliance Management Measures to add the full process of "CE clauses in procurement contracts - certification review - certificate filing - regular verification"; 2. Establish an "International Compliance Database" to include regulations and standards related to import/overseas business and

	<p>update in real time; 3. Incorporate international compliance into HSE performance appraisal with a weight of no less than 15%</p>						
VII. Appendices	<p>Appendix 1: Annual HSE Compliance Evaluation Plan (HSE-CE-PLAN-2025); Appendix 2: HSE Compliance Evaluation Record Form (summary of all units); Appendix 3: Evidence materials for non-compliances (lack of CE certification: equipment photos, customs declaration forms; lack of TIR certificate: transportation route sheets); Appendix 4: HSE Non-Compliance/Observation Item</p>						

	Corrective Plan (all units)						
Approval Comments	<p>Management Representative Review: Approve the report content; focus on supervising corrections of CE certification for imported equipment and TIR certificates for overseas transportation. Signature: Li Si Date: April 8, 2025</p>						
	<p>Top Management Approval: Approve the report; implement in accordance with improvement suggestions and ensure international compliance resources (e.g., certification, training fees). Signature: Zhang San Date: April 10, 2025</p>						

## Appendix E: HSE Non-Compliance/Observation Item Corrective Plan (Template, Including International Compliance)

Plan No.	HSE-CE-COR-2025001	Responsible Unit	Procurement Department	Formulation Date	March 15, 2025
Source of Non-Compliance/Observation Item	Company-Level HSE Compliance Evaluation Report (HSE-CE-REP-2025), Non-Compliance No. CE-2025-001 (lack of CE certification for imported equipment)				
Description of Non-Compliance	The imported equipment (Model: XX, Procurement Contract No.: CG-2025-001) lacks a CE certification certificate, violating the requirement of CE Certification Standard EN 13849 that "mechanical products				

	<p>must be certified before entering the EU market". The equipment has arrived at the port but cannot pass customs clearance due to the lack of certification, which may cause project delays (contract stipulates delivery before April 1) and face customer liquidated damages of RMB 50,000 per day</p>				
Level of Non-Compliance	Serious Non-Compliance	Corrective Time Limit	Before March 30, 2025 (before customs clearance deadline)		
Corrective Measures	Serial No.	Specific Measures	Responsible Person	Supporting Personnel	Completion Time Limit
	1	Screen EU-	Liu Ba (Procurement)	Wang Wu (Compliance)	March 16

		recognize d certificatio n bodies (e.g., SGS, TÜV) and confirm the expedited processin g process	ent Manager)	ce Specialist)	
	2	Submit equipment technical materials (drawings, manuals, test reports) to the certificatio n body and apply for CE certificatio n (Machiner y Directive MD 2006/42/E C)	Wang Wu	Engineer Zhang (Technical Departme nt)	March 18
	3	Follow up on the certificatio n review progress and coordinate to resolve review issues (e.g.,	Liu Ba	Wang Wu	March 19-25

		supplement test data)			
	4	Obtain the CE certification certificate (electronic + paper versions) and submit it to customs for clearance	Wang Wu	Customs Declarer Zhao	March 28
	5	Update the equipment CE certification information in the procurement system and revise the procurement contract template (add CE clauses)	Liu Ba	Lawyer Li (Legal Department)	March 30
Verification Methods	1. Document Verification: Submit copies of CE certification certificates (including certification				

	<p>body qualification certificates) and customs clearance release documents;</p> <p>2. System Verification: Check whether the equipment CE certification information has been updated in the procurement system;</p> <p>3. Contract Verification: Provide the revised procurement contract template (including CE clauses)</p>				
Approval Comments	<p>Quality, Safety and Environmental Protection Department Review: The measures are feasible and resource requirements are reasonable; focus on following up</p>				

	<p>on the certification progress. Signature: Zhang San Date: March 16, 2025</p>				
	<p>Management Representative Approval: Approve the plan; require daily progress reports on certification to ensure clearance before March 30. Signature: Li Si Date: March 16, 2025</p>				

**Appendix F: HSE Non-Compliance/Observation Item Corrective Tracking Form (Template, Including International Compliance)**

Tracking No.	HSE-CE-TRK-2025001	Associated Report No.	HSE-CE-REP-2025	Tracking Period	March 15 - April 10, 2025
Basic Information	Description of Non-Compliance: Lack of CE certification for imported equipment (Model XX); Responsible				

	Unit: Procurement Department; Corrective Time Limit: March 30; Level: Serious				
Tracking Records	Date	Progress Status	Existing Issues	Tracker	Next Plan
	March 16	SGS (EU- recognized) selected; expedited process confirmed (10 working days); document list submitted	None	Zhang San	Collect and submit technical materials before March 18
	March 18	Equipment technical materials submitted to SGS; SGS accepted (No.: SGS-CE-2025- 088)	None	Zhang San	Follow up on review progress and communicate daily
	March 22	SGS review requested "supplementary emergency stop function test report"; coordination with the Technical Department to prepare	Test report requires 3 days to complete	Zhang San	Submit the test report before March 25
	March 25	Test report submitted; SGS confirmed	None	Zhang San	Obtain the certificate and submit it to

		review approval and started certificate production			customs before March 28
	March 28	Electronic CE certification certificate obtained and submitted to customs; paper version expected to arrive on April 2	Customs clearance takes 1-2 days	Zhang San	Follow up on clearance progress and ensure release before March 30
	March 30	Customs clearance completed; equipment arranged for transportation; CE certification information updated in the procurement system	None	Zhang San	Complete the revision of the contract template before April 5
Verification Results	Verification Date: April 5, 2025; Verification Methods: Document review (CE certificate, customs clearance documents), system check (procurement system), contract review (template revision);				

	Verification Results: All corrective measures implemented; CE certification valid; clearance completed; contract template revised; Verification Conclusion: Qualified, closed-loop; Verifier Signature: Zhang San				
Status	<input type="checkbox"/> Closed <input checked="" type="checkbox"/> In Progress <input type="checkbox"/> Incomplete	Remarks	None		

## Appendix G: Compliance Evaluation Process (Newly Added, Corresponding to New Appendix A)

flowchart TD

A[Identification and Acquisition of Compliance Obligations] --> B[Establish/Update Company HSE Compliance Obligation List]

B --> C[Formulate Annual HSE Compliance Evaluation Plan]

C --> D[Evaluation Preparation (Materials/Personnel/Training)]

D --> E[Implement Evaluation (Document Review + On-Site Inspection + Interviews + Data Verification)]

E --> F[Identify Compliant Items/Non-Compliances/Observation Items]

F --> G[Prepare HSE Compliance Evaluation Report]

G --> H[Formulate Corrective Plan]

H --> I[Implement Corrections (Advance as Planned, Classified Tracking)]

I --> J[Corrective Verification (Document + On-Site + International Compliance Check)]

J --> K[Qualified → Closed-Loop; Unqualified → Re-Correct]

K --> L[Record Archiving (Retention ≥3 Years)]

L --> M[Continuous Improvement (Training/System Documents/Evaluation Optimization)]

## Appendix H: Examples of Key Evaluation Content (Newly Added, Corresponding to New Appendix B)

### H1 Key Points of Work Safety (Including Material and Equipment Business Characteristics)

Evaluation Field	Compliance Basis	Core Evaluation Content (Material and Equipment Business)	Applicable Units
Work Safety Permits	Article 24 of the Law on Work Safety, Article 14 of the Regulations on the Safety Management of Hazardous Chemicals	1. Hazardous chemical storage and operation permits (Warehousing Center); 2. Special operation permits (hot work/working at height, Equipment Management Department); 3. Hazardous chemical transportation permits (Logistics and Transportation Department)	Warehousing Center, Equipment Management Department, Logistics and Transportation Department
Special Equipment Management	Article 32 of the Special Equipment Safety Law, GB/T 30574 Rules for the Use and Management of Special Equipment	1. Annual inspection/maintenance/registration of warehouse cranes; 2. Annual inspection/insurance of transportation vehicles (including overseas transportation vehicles); 3. Certification of special equipment operators (e.g., crane drivers)	Warehousing Center, Logistics and Transportation Department, Equipment Management Department
Hazardous Chemical Management	Articles 24/30/41 of the Regulations on the Safety Management	1. Procurement and Acceptance: Hazardous chemical certificates of conformity/MSDS; 2. Storage: Zoning/leakage prevention/markings; 3. Use:	Procurement Department, Warehousing Center

	of Hazardous Chemicals, GB 15562.2	Operational specifications/protection; 4. Disposal: Compliant disposal of waste hazardous chemicals (e.g., waste cleaning agents)	
Fire Safety Management	Article 16 of the Fire Protection Law, GB 50016 Code for Fire Protection Design of Buildings	1. Warehousing Center: Fire hydrants/fire extinguishers/emergency lighting/fire separation distances; 2. Office Areas: Fire exits/evacuation signs; 3. Fire Drills: $\geq 2$ times a year with complete records	All Units

## H2 Key Points of Occupational Health

Evaluation Field	Compliance Basis	Core Evaluation Content	Applicable Units
Occupational Disease Prevention	Articles 26/35 of the Law on the Prevention and Control of Occupational Diseases, GBZ 1 Hygienic Standards for the Design of Industrial Enterprises	1. Monitoring of occupational hazards (warehouse dust/noise, welding fumes from equipment maintenance); 2. Occupational health monitoring (pre-employment/on-the-job/post-employment physical examinations); 3. Hazard notification: Occupational hazard signs at work posts	Warehousing Center, Equipment Management Department, Human Resources Department
Personal Protective Equipment	Article 45 of the Law on Work Safety, GB/T 29510 Rules for Selection and Use of Personal	1. Provision: Chemical protective clothing/goggles for warehouses, reflective vests for drivers, protective masks for welders; 2. Use: Correct	All Units

	Protective Equipment	wearing rate of employees; 3. Maintenance: Regular inspection/replacement of PPE	
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### H3 Key Points of Environmental Protection

Evaluation Field	Compliance Basis	Core Evaluation Content	Applicable Units
Pollution Discharge Permits	Article 42 of the Environmental Protection Law, Article 7 of the Regulations on the Administration of Pollution Discharge Permits	1. Pollution discharge permits for warehouse sewage and equipment maintenance waste gas; 2. Pollution discharge outlet setup/monitoring/recording; 3. Reporting of pollution discharge data (to environmental protection authorities)	Warehousing Center, Equipment Management Department, Administration Department
Hazardous Waste Management	Article 58 of the Law on the Prevention and Control of Environmental Pollution by Solid Wastes, GB 18597	1. Classification: Hazardous chemical waste packaging/waste oil/waste cleaning agents; 2. Storage: Special containers/marketing/leakage prevention; 3. Disposal: Entrust qualified units with complete transfer manifests	Warehousing Center, Equipment Management Department
Environmental Monitoring	Article 17 of the Environmental Protection Law, GB 14644 Occupational Exposure Limits for Harmful Factors in the Workplace	1. Monitoring of noise/dust concentration around warehouses (once a quarter); 2. Monitoring of waste gas in equipment maintenance workshops (once every six months); 3. Recording/analysis/improvement of monitoring data	Warehousing Center, Equipment Management Department, Administration Department

## H4 Key Points of International Compliance (Overseas/Import Business)

Evaluation Field	Compliance Basis	Core Evaluation Content	Applicable Units
Imported Equipment Certification	CE Certification Standard (EN 13849), Law of the People's Republic of China on Import and Export Commodity Inspection (General Administration of Customs)	1. CE Certification: Validity of certificates/matching of models/qualification of certification bodies; 2. Import Inspection: Customs declaration/compliance certificates for domestic import safety standards; 3. Chinese manuals/safety signs	Procurement Department
Overseas Transportation	International Road Transport Convention (TIR), Local Road Traffic Safety Law	1. TIR Certificate: Application/validity period/filing in transit countries; 2. Vehicles: Compliance with local safety standards (e.g., lighting/braking); 3. Drivers: International driver's licenses/local language training	Logistics and Transportation Department (Overseas)
Overseas Operations	Local Occupational Health and Safety Law, ISO 45001	1. Compliance with local regulations: Operation permits/safety training; 2. Emergency management	Overseas Project Departments

## 9 Supplementary Provisions

### 9.1 This procedure shall be interpreted by the Company's Quality, Safety and Environmental Protection