



2026 Annual HSE Management Review Meeting Minutes

I. Basic Meeting Information

Item	Content
Meeting No.	CLADDING-HSE-PD-57
Meeting Theme	2025 Annual Review of Suitability, Sufficiency and Effectiveness of HSE Management System and 2026 Improvement Plan
Meeting Time	January 1, 2025, 9:00-11:30
Meeting Venue	1st Conference Room, 3rd Floor, Company Headquarters (Main Venue) + Video Sub-venues for Business Departments (Warehousing Department / Equipment Department / Installation Department)
Host	Li Xuefeng (General Manager of the Company, First Responsible Person for HSE)
Recorder	Zeng Jie (Specialist of Quality, Safety and Environmental Protection Department)
Meeting Basis	1. <i>Work Safety Law of the People's Republic of China, Occupational Disease Prevention and Control Law of the People's Republic of China</i> ; 2. GB/T 45001-2020 <i>Occupational Health and Safety Management Systems - Requirements with Guidance for Use</i> ; 3. <i>Company's HSE Management System Documents, HSE Management Review Procedure</i> ; 4. 2024 Annual HSE Internal Audit Report, Compliance Evaluation Report, Emergency Drill Summary

II. Meeting Agenda and Review Content

The meeting conducted a review around six dimensions: "target completion, system operation, risk control, problem rectification, resource guarantee, and stakeholder feedback". Heads of various departments and participating representatives reported in turn, and the host organized discussions and formed conclusions.

(I) Report on 2024 Annual HSE Target Completion (Led by Quality, Safety and Environmental Protection Department)

1. Core Target Achievement Data (Benchmarked Against Annual Plan)

Target Category	Annual Planned Value	Actual Achieved Value	Completion Rate	Explanation for Non-achievement (if any)
Work Safety Accidents	0 case (minor injury and above)	0 case	100%	-
Occupational Disease Cases	0 case	0 case	100%	-
Fire-fighting Facility Integrity Rate	≥98%	92%	93.8%	8 fire extinguishers in the packaging operation area and maintenance workshop were expired / insufficient in pressure (6 were rectified in November, and the remaining 2 will be completed by the end of December)
Occupational Health Check Rate	100% (hazard-exposed positions)	100%	100%	120 employees exposed to dust / noise / toxic substances all completed physical examinations, and no occupational

				contraindications were found
HSE Training Qualification Rate	≥95%	96.5%	100%	Only 2 employees from the Administration Department failed the training assessment (they have passed the make-up exam)
Hidden Danger Rectification Closure Rate	≥95%	92%	96.8%	3 hidden dangers such as "non-standard scaffolding erection" by contractors were rectified with delay (all closed before December 15)

1. Target Difference Analysis by Business Module

- Warehousing Department: The implementation rate of "double-person double-lock" for hazardous chemicals storage reached 100% (met the standard), but the compliance rate of "light goods on top, heavy goods at the bottom" for general material stacking was 88% (did not meet the standard, as there was an overloading of 0.5t on Shelf 3);
- Equipment Department: The regular inspection rate of special equipment reached 100% (met the standard), but the early warning rate for expired forklift driver certificates was 80% (did not meet the standard, as one driver's certificate expired for 3 days without re-examination);
- Installation Department: The handling rate of high-altitude operation permits reached 100% (met the standard), but the verification rate of guardian qualifications was 85% (did not meet the standard, as the guardian training certificate numbers were not filled in 5 permits).

(II) Review of HSE Management System Operation (Reported by Various Departments in Turn)

1. Appropriateness of the System System

- Quality, Safety and Environmental Protection Department: In 2024, 3 systems including *Work Permit Management Regulations* and *Contractor Safety Management Measures* were revised, and *Intelligent Monitoring System Operation Procedures* were newly added, covering new risks such as "hot work guardianship and contractor entry verification". However, the new requirement of "height limit of 1.5m" was not timely included in the

Material Stacking SOP (discovered in the November internal audit, and the update is planned to be completed by the end of December);

- Warehousing Department: The systems related to hazardous chemicals management were implemented smoothly, but front-line employees had a poor understanding of the *Gas Detection Frequency Requirements* (one missed detection occurred in hot work on September 15), and supplementary special training is needed.

1. Effectiveness of Risk Control

- Equipment Department: A total of 28 business risks were identified throughout the year. The implementation rate of control measures for high-risk items (hazardous chemical leakage, hot work fire, high-altitude fall) was 92%. The non-compliant items were concentrated in "gas detection for hot work" (implementation rate of 85%), mainly due to omissions in guardian shift handover;

- Installation Department: After the standard change in August, the risk of scaffolding collapse was not timely updated in the identification list (rectified after the internal audit, and the control measure of "vertical pole spacing $\leq 1.5\text{m}$ " was newly added). At present, the risk level has been reduced to "medium risk".

1. Sufficiency of Emergency Management

- Administration and Logistics Department: In 2024, 3 drills on "fire fighting, hazardous chemical leakage and heatstroke first aid" were carried out, with an average response time of 9.5 minutes (met the standard, planned ≤ 10 minutes). However, the supplementary of first-aid kit materials was not timely (insufficient gauze was found in 2 first-aid kits in September, and a "monthly inventory on the 5th" mechanism has been established);

- Discussion by Participating Representatives: It is suggested to add "joint emergency drills with contractor participation" in 2025 to improve cross-unit collaboration capabilities (e.g., joint simulation of scaffolding collapse rescue by the Installation Department and XX Installation Company).

(III) Follow-up on Internal Audit and Compliance Evaluation Results

1. Rectification of Internal Audit Issues in 2024 (Reported by Quality, Safety and Environmental Protection Department)

- A total of 10 non-compliant items were identified (including "untrained temporary workers of contractors and insufficient pressure of fire extinguishers"). As of the meeting date, 9 items have been rectified (rectification rate of 90%), and the remaining 1 item "insufficient air volume of welding fume exhaust hood" (maintenance workshop) is planned to complete the fan upgrade before December 25;

- Improvement plans have been formulated for 7 observation items (such as "welding fume concentration not included in performance analysis"), which will be included in the monthly monitoring indicators from January 2025.

1. Compliance Evaluation Results (Reported by Quality, Safety and Environmental Protection Department)

- Two compliance evaluations were conducted in 2024 (June and December), covering 15 laws and regulations (including *Work Safety Law* and *Fire Protection Law*) and 20 standards, and no major non-compliant items were found;
- Minor non-compliant item: The environmental protection department pointed out "blockage of emergency anti-seepage ditch in hazardous chemical warehouse" during the inspection in October (cleaned up by the end of October, and a "weekly inspection" system has been established).

(IV) Resource Guarantee and Stakeholder Feedback

1. Resource Input (Reported by Finance Department / Human Resources Department)

- The 2024 HSE special fund was 1.2 million yuan (accounting for 0.8% of operating income), mainly used for "intelligent monitoring system (450,000 yuan), protective equipment procurement (300,000 yuan), emergency material update (250,000 yuan) and training (200,000 yuan)", with a fund usage compliance rate of 100%;
- Human Resources Department: 6 full-time safety officers were allocated (1 person per 50 people, meeting the standard), and 1 "special equipment engineer" was newly added. However, the training frequency for grass-roots part-time HSE personnel was insufficient (only once a quarter, and it is planned to increase to once a month in 2025).

1. Stakeholder Feedback Handling

- Employee Feedback: 120 suggestions were collected through "hidden danger snapshot" (such as "adding speed limit signs in forklift operation areas"), 115 of which have been implemented (implementation rate of 95.8%), and the remaining 5 suggestions of "insufficient sunshades at installation sites" are planned to be solved before March 2025;
- Contractor Feedback (XX Installation Company): It is suggested to simplify the "entry training process" (currently takes 2 days, and it is hoped to reduce it to 1 day), and at the same time increase the on-site supervision frequency (currently twice a week, suggested to increase to once a day);
- Government Supervision Department Feedback: The Emergency Management Bureau affirmed the "double-person double-lock management of hazardous chemicals" during the inspection in November, and required to focus on improving the "contractor process supervision" capability in 2025.

III. Key Issues Identified in the Meeting and Improvement Directions

(I) Summary of Core Issues (Sorted by Priority)

Issue Category	Specific Description (Associated with	Priority	Root Cause Analysis
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	Business Modules)		
Weak Contractor Management	1. The entry training rate of temporary workers was 92% (did not meet the standard); 2. The delayed rectification rate of hidden dangers was 15% (higher than the 5% target); 3. Lack of joint emergency drills	High	1. Access verification only checked enterprise qualifications, not covering all personnel; 2. Insufficient process supervision frequency (twice a week); 3. Lack of cross-unit collaboration mechanism
Inadequate Operation Control	1. The missed detection rate of gas detection in hot work was 15%; 2. The verification rate of guardian qualifications for high-altitude operations was 85%; 3. The early warning rate for expired certificates was 80%	High	1. Irregular operation of front-line employees (omissions in shift handover); 2. The "qualification verification" link was not embedded in the audit process; 3. No intelligent early warning system was established
Document and Record Management	1. Delayed update of <i>Material Stacking SOP</i> ; 2. Missing "gas detection data" in hot work records; 3. Delayed filing of health records	Medium	1. Document update was not included in the department's KPI; 2. Insufficient training on record filling standards; 3. Filing responsibility was not clearly assigned to individuals
Insufficient Resource Allocation Optimization	1. Insufficient sunshades at installation sites; 2. Insufficient air volume of welding	Medium	1. Resource input did not fully align with operation needs; 2. Equipment selection did not

	fume exhaust hood; 3. Low training frequency for grass-roots part-time safety officers		match actual risks; 3. Training plans did not cover grass-roots positions
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(II) Improvement Measures and Responsibility Assignment (Divided into Short-term / Medium-term / Long-term)

Improvement Direction	Specific Measures	Responsible Department	Completion Time	Verification Method
1. Strengthen Contractor Management	1. Formulate <i>Contractor Entry Personnel Verification List</i> (including "training records and qualification certificates" verification item by item); 2. Establish "daily supervision ledger for contractors" (joint inspection by Installation Department and HSE Department); 3. Conduct 1 "company + contractor" joint emergency drill every quarter in 2025	Installation Department, Quality, Safety and Environmental Protection Department	Short-term: Before January 31, 2026 (list + ledger); Medium-term: Before March 31, 2026 (first joint drill)	1. Check the implementation records of the verification list; 2. Spot-check the supervision ledger; 3. Drill evaluation report
2. Optimize Operation Control	1. Develop "hot work gas detection	Equipment Department, Quality, Safety	Short-term: Before February 28,	1. System function test; 2. Spot-check of

	<p>check-in system" (guardians upload data every 2 hours, automatic early warning for missed detection); 2. Add "guardian qualification verification" function in the work permit system (cannot submit without valid certificate); 3. Establish "intelligent early warning system for special operation certificates" (SMS notification 1 month before expiration)</p>	<p>and Environmental Protection Department</p>	<p>2026 (early warning system); Medium-term: Before April 30, 2026 (check-in system)</p>	<p>permit data; 3. Statistics of certificate expiration rate</p>
<p>3. Standardize Documents and Records</p>	<p>1. Complete the update of 5 documents including <i>Material Stacking SOP</i> and <i>Welding Fume Detection Procedures</i> before December 31, 2025; 2. Compile <i>HSE Record Filling Standard Manual</i> and</p>	<p>All Business Departments, Quality, Safety and Environmental Protection Department</p>	<p>Short-term: Before December 31, 2025 (document update); Medium-term: Before January 31, 2026 (training + responsibility assignment)</p>	<p>1. Check document versions; 2. Training assessment results; 3. Check the filing rate of records</p>

	<p>conduct full-staff training in January 2026;</p> <p>3. Clarify "health record filing responsible persons" (each person in the Administration and Logistics Department is responsible for 1 business module)</p>			
4. Optimize Resource Allocation	<p>1. Add 5 sunshades at installation sites (covering main operation points) before March 31, 2026; 2. Complete the fan upgrade of the exhaust hood in the welding area of the maintenance workshop (air volume increased to 2000m³/h) before February 28, 2026; 3. Increase the training frequency of grass-roots part-time HSE personnel to once a month from 2026</p>	Administration and Logistics Department, Equipment Department, Human Resources Department	<p>Short-term: Before February 28, 2026 (fan upgrade);</p> <p>Medium-term: Before March 31, 2026 (sunshades + training plan)</p>	<p>1. Equipment parameter test;</p> <p>2. On-site inspection;</p> <p>3. Check training records</p>

	(including practical operation assessment)			
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IV. Meeting Resolutions

1. 2026 HSE Target Setting

Core targets are clarified: 0 work safety accidents, 0 occupational diseases, fire-fighting facility integrity rate $\geq 98\%$, hidden danger rectification closure rate $\geq 98\%$, and contractor entry training rate 100%. All departments shall decompose the targets to positions before January 15, 2026, and include them in the annual performance assessment (weight not less than 20%).

1. Requirements for Promoting Key Work

- Quality, Safety and Environmental Protection Department: Take the lead in establishing a "special team for intelligent monitoring construction" before January 31, 2026, and promote the implementation of the "gas detection + video linkage" system in hazardous chemical warehouses and hot work areas (completion of commissioning before March 31);
- All Business Departments: Submit the "improvement measure implementation progress report" to the HSE Department before the 5th of each month. The HSE Department shall conduct follow-up verification once a quarter. The person in charge of the department that fails to advance as planned shall explain the reasons to the general manager's office meeting.

1. Arrangement for the Next Management Review

The next annual HSE management review meeting is scheduled to be held in mid-December 2026. The review content shall add special topics of "operation effect of intelligent monitoring system" and "effect of joint contractor management". All departments shall submit relevant report materials 15 days in advance.

V. Attachments

1. Attachment 1: Sign-in Sheet of 2025 Annual HSE Management Review Meeting;
2. Attachment 2: Statistical Sheet of 2025 Annual HSE Target Completion;
3. Attachment 3: Tracking Sheet of Internal Audit Issue Rectification for 2025 Annual HSE;
4. Attachment 4: Detailed Sheet of 2025 Annual HSE Special Fund Usage;
5. Attachment 5: Responsibility Assignment Sheet of 2026 Annual HSE Improvement Measures.

Host's Signature: Li Xuefeng

Recorder's Signature: Zeng Jie

Meeting Date: December 20, 2025

Distribution Scope: Company Leaders, Heads of All Departments, Members of HSE Committee, Filing (Quality, Safety and Environmental Protection Department)

Retention Period: 5 Years