



兖州煤业股份有限公司
Yanzhou Coal Mining Company Limited

2017 Social Responsibility Report



卓越品质 · 和谐发展

EXCELLENT BRAND HARMONIOUS DEVELOPMENT

Statement of the Report

Yanzhou Coal Mining Co., Ltd. (“Yanzhou Coal”, “the Company” or “The Company”) hopes that by means of announcing the Social Responsibility Report, the experience and performance of the company can be summarized and shared with all sectors of the society, enhance trust and cooperation, promote sustainable development and progress of the Company and society.

The Board and the Directors of the Company warrant the authenticity, accuracy and completeness of the information contained herein this report and there are no any misrepresentations, misleading statements contained in or material omissions for which they shall assume joint and several responsibilities.

Report Subject:

Yanzhou Coal Mining Company Limited and its subordinates.

Time Scope:

1 January 2017 to 31 December 2017, the time of some information contents disclosed is earlier or beyond 2017.

Basis of Preparation:

The report has been prepared by abiding by the relevant requirements of the “Notice on Enhancing the Undertaking of Social Responsibilities of Listed Companies” and the “Guidelines on the Disclosure on Environmental Information of Listed Companies” of Shanghai Stock Exchange, and the “Guidelines on Environmental Protection, Social and Governance Report” of The Hong Kong Stock Exchange, taking references from the standards of the “Guidelines on Sustainable Development Report” of Global Reporting Initiative (GRI), the “ISO26000 Social Responsibilities Guidelines” of

the International Standards Organization etc.

Sources of Information:

The financial data in the report is extracted from the financial report prepared by the Company in accordance with IFRS in 2017. If there are any discrepancies in the information in this report with that disclosed in the annual report, the 2017 annual report shall prevail. The other data are mainly from the Company's internal and subordinate units' statistics. The amount of currency involved in the present report is denominated in Renminbi, except in particular.

Language Versions:

The report is published in simplified Chinese, traditional Chinese and English versions, should there be any discrepancies, the simplified Chinese version shall prevail.

Form of Publishing:

This report is published in both print and electronic versions. The electronic version can be found on the Shanghai Stock Exchange(www.sse.com.cn), Hong Kong Stock Exchange(www.hkexnews.hk) and the Company's website (www.yanzhoucoal.com.cn).

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Table of contents

Statement of the Report	
2 Chairman's Statement	
5 About Yanzhou Coal	
5 Company Profile	
6 Business Segment Layouts	
7 Corporate Governance	
7 Governance Improvement	
8 Internal Controls	
9 Risk Management and Controls	
10 Honesty Construction	
13 Responsible Yanzhou Coal	
14 Adhering to The Concept of Responsibilities	
15 Perfect Responsibility System	
16 Strengthen the Integration of Responsibilities	
17 Promote the Communication Responsibilities	
19 Green Yanzhou Coal	
20 Optimize Green Environmental Management	
24 Implement Pollution Controls and Emission Reduction Responsibility	
28 Energy Utilization Efficiency Enhancement	
30 Promote Ecological Civilization Construction	
32 Key Environmental Performance Indicators of 2017	
33 Safety Yanzhou Coal	
34 Implement Safety Responsibilities	
38 Ensure Safe Operation	
42 Enhance Safety Awareness	
44 Guarantee Occupational Health	
47 Quality Yanzhou Coal	
49 Efficient Operation	
51 High Quality Products	
53 Continuous Innovation	
56 Promote Sharing & Win-win	
59 Harmonious Yanzhou Coal	
60 Guarantee Employees' Rights and Interests	
63 Promote Employees' Development	
67 Care for Employees' Life	
71 Caring Yanzhou Coal	
72 Targeted Poverty Alleviation	
74 Public Charity	
75 Local People's Livelihood	
78 Honors of 2017	
79 Key Performance	
82 Outlook of 2018	
Appendix- Index	

Chairman's Statement



Mr. Li Xiyong, the Chairman

Taking responsibilities as the foundation, the value will be infinite.

In the development history of Yanzhou Coal, 2017 is a year of milestone of the starting of replacing old growth drivers with new ones, breakthrough of capital operation, reform and innovation, and leapfrog and surpass. Facing the macro environment of domestic economy transformation and adjustment, unprecedented strict safety and environment protection, market ups and downs, Yanzhou Coal always fulfills social responsibility in corporate governance and enterprise development strategies. The Company implements cooperation and win-win with customers, shares rights and interests with shareholders, grows up with staff together, seeks common development with local communities, and builds a harmonious society, the development of the Company stepping into a new era, new stage and new orientation.

Adhering to the value creation, the new leap of the economic scale equivalent of the Company is realized.

Taking the initiative to adapt to the national supply side structural reforms, grasping the opportunity of replacing old growth drivers with new ones of Shandong Province, the economy scale, brand image and industry influence of the Company have been significantly increased. The Company achieved an annual coal output of 85.62 million tons, an annual methanol production of 1.61 million tons, an annual power generation of 2.674 billion KWh, sales income of RMB52.672 billion, RMB7.363 billion of the net profit attribute to the shareholders of the Company and RMB9.029 billion of tax payment, the Company has well performed its social responsibilities.

Ranked 66th in 2017 Fortune of China Top 500, 2nd in listed coal companies and 6th Global Top 50 Mining Companies in Market Value Growth, the Company has won Golden Sail Brand Award for Outstanding Governance of the Listed Companies, etc.

Adhering to innovation-driven development, made new breakthroughs in the modernized entrepreneurship model.

The Company have overturned the traditional concept of enterprise management, innovated and implemented the high efficiency of production organization, Shared resource allocations and marketization of logistics services, forming a modernized entrepreneurship model with unique characteristics of Yanzhou Coal. By means of counterpart supports, professional services, regional management, etc., the Company built 3 clusters of mines with annual output of 10 million tons of each and 2 high-end fine chemical industry parks in Shaanxi and Inner Mongolia, forming a series of highyield demonstration mines featured "1 thousand employees for 10 million tons of coal". The

acquisition of Coal & Allied Industries Limited ("C&A") project by Yancoal Australia has been the biggest merger and reorganization in the global coal industry in the past 5 years, being named as the most forward-looking cross-border M&A transaction in 2017. In the coal industry, the Company has been the first to build and apply a share center to realize efficient allocation of resources and improvement and upgrades of management. Coordinating the international and domestic "two resources" and "two markets", promoting the synergies of regions, industries, markets and human resources, the Company maximized the benefits of limited resources.

Adhering to the safe development, the safety pre-control management has been enhanced.

Always taking the guarantees of employees' life safety and health as the first priorities, initiating and setting up the safety concepts of "hidden danger equals accident, prevention superior to disaster relieves and health value first", actively practicing "153" safety control mode, the Company promoted the transformations of safety management from accident prevention to risk controls, from survival to health, from "man-to-man" management to scientific, systematic and LEAN management.

Carrying out "safety checks" in depth, solidly promoting the construction of safety grid management and dual prevention mechanism of coal mines, the Company maintained overall stability in safety. Achieving the 11th consecutive year of safety was successfully in 2017, all eight mines of headquarter area passed the acceptance of national level one safety production standardized mine, and the safety performance has been always maintained domestic leading and international advanced level.

Adhering to the green and low-carbon development, the ecological civilization construction has been progressed into a new step.

Firmly establishing philosophy of "Green water and mountains means gold and silver mountains", adhering to orientations of clean coal, fine chemicals and high-end manufacturing, and speeding up low-carbon and high-end renovation of the traditional growth drivers, the Company has set up a green economy industrial chain of deep coal processing, low emission, high value-added and clean transformation.

Carrying out "3 year action" for environmental protection, investing RMB190 million for implementation of over 100 environmental projects, the Company has launched "Blue Sky Project", which led the green revolution of coal clean utilization. The Company has been awarded "China's most influential green enterprise in 2017".

Adhering to universal sharing, the happiness indexes of the Company's employees have been promoted.

Always practicing the concept of "Together promotion of the values of the Company and staff", the Company implemented "3 year action" of talent work, started the two-way credentials the exercise for staff, widening the channels for staff to grow up, and promoting common progress of the staff and the Company. Take care of the poverty-stricken employees and vulnerable people, with more than RMB4.2 million charity fund and subsidies distributed. The Company has strengthened the construction of recreational facilities to enrich the leisure and cultural life of the staff. Implementing the occupational safety and health protection project, organizing the health examination for all staff and the therapy

Chairman's Statement

and recuperation activities for first-line staff each year, all staff has decent jobs, happy work and healthy lives.

Adhering to giving back to the society, the Company have forged new business cards for our brand images.

Always taking "Serving our country through industries and contributing to the society" as our own role, the Company actively take the social responsibilities, forwardly devote ourselves to public services, and try our best to return the society. Adhering to the concept of "Common construction of the Company and local communities, and collaborative development", the Company actively participated in the new rural construction, improved the living conditions for surrounding villagers, and the Company has completed overall relocation of six villages and main construction of new villages for coal exposure. Implementing the "3 heart project" of warm heart, satisfactory heart and linked heart, the Company set up 243 warmhearted supporting teams, organized over 3,000 volunteers, and carried out more than 2,000 times of assistance activities. The Company implemented cooperation and win-

win with local communities closely to promote the coordinated development of the Company and regional economies.

Starting the steps of new journey in new era, the Company will take new responsibilities due to the new missions.

The year 2018 is the starting year of Yanzhou Coal's third development decade, and also the year for reform deepening, transformation breakthrough, surpassing across and splendidness continuation. With the start-up of test area of replacing old growth drivers with new ones of Shandong Province, the Company will make breakthroughs of industrial path optimization and scale equivalents, have a "real go" of replacing old growth drivers with new ones and green, low carbon development, take a lead in practicing staff benefiting and social responsibility performance. The Company will stay true to the mission, keep in mind that the mission, make efforts in effect, and step at the forefront, and make all efforts to create maximum values for various stakeholders including shareholders, customers, employees, society and so on.

About Yanzhou Coal



General Manager Mr. Wu Xiangqian

Company Profile

Yanzhou Coal Mining Company Limited (Yanzhou Coal) was a listed company and set up by Yankuang Group Company Limited ("Yankuang Group") itself in September 1997. The H shares and A shares of Yanzhou Coal were separately listed in Hong Kong and Shanghai in 1998, and its controlled subsidiary, Yancoal Australia Limited (Yancoal Australia) was listed in Australia Securities Exchange in Australia. Through 20 years of development, the Company's business has been extended from coal production to the coal chemicals, electric power, electromechanical equipment manufacturing, financial investment, logistics & trade and potassium mineral resources development and other fields, gradually forming a "Three in

One" industrial development system of the entity industries, financial investment, logistics & trade; Main business areas have been extended from Shandong Province to Shaanxi, Shanxi, Inner Mongolia Autonomous Region, Australia and Canada, gradually being developed into the a globalized integrated energy group with a "three-pillar" layout of Shandong Headquarters Base, Base of Shaanxi and Inner Mongolia, Australia.

As at 31st December 2017, the total equity of the Company was 4.912 billion shares, total asset was RMB197.313 billion, sales revenue was RMB52.672 billion, and net profit attribute to shareholders of the Company was RMB7.363 billion.

With lean management, efficient capital operation and standardized corporate governance, the Company has received worldwide recognition. The Company twice won the "National Quality Prize", listed in Platts Global Top 250 for many years, and has been the only China's coal company awarded the "Asian Quality Excellence Award" and "Global Outstanding Performance Efficiency"; It is the first listed coal enterprise rated as "Investment Grade" by international rating agents. Yanzhou coal industry has also been awarded the "Golden Sail Award for Outstanding Governance 2017", "China Top 100 Enterprise Award" and "China's Moral Enterprise Award", etc.



"China Top 100 Enterprise Award"



"China's Moral Enterprise Award"

About Yanzhou Coal

Business Segment Layout



Corporate Governance

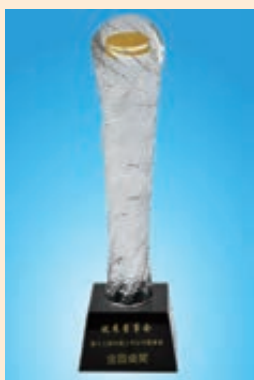
Governance Improvement

Continuously strengthening the standard operation, Yanzhou Coal set up the legal person management structure of “Clear authority and responsibility, Each performs its own functions, Mutual coordination, Effective checks and balances”. General meeting of shareholders, board of directors, board of supervisors and managers exercise their functions and powers in accordance with the company's Articles, rule of procedures and working instructions, forming the effective mechanisms of decision-making, supervision, management and checks and balances.

According to the domestic and foreign regulations, the Company improved the corporate governance system. The Company set up the Articles and rules of procedures for general meeting, board of directors, board of supervisors, managers' meeting. And the Company also set up the internal governance systems of normative information disclosure, investor protection, connected transactions, risk management, internal controls, internal audit, etc. In 2017, the Company amended items related to party construction and labor union

organization in the Articles. Through continuous improvement of the internal governance systems, the Company's various operation activities have been normalized and standardized, providing the institutional guarantees to fully implement the resolutions and decisions of the general meeting and board of directors.

During the reporting period, the Company held totally 8 general meetings, 16 board meetings and 6 meetings of board of supervisors. The procedures of meetings and voting complied with the conditions of the laws, regulations, the Articles and rules of procedures, and the relevant provisions of the voting results are all legal and valid. Actively promoting the training of the management team, the Company organized the directors and supervisors to participate in relevant continuous training by regulators, organized the learning of the newly issued laws and regulations, constantly enhanced the directors', supervisors' and managers' consciousness of legal, responsibilities, self-discipline and standardized operation, promoting Company's scientific decision and management levels.



Gold Round Table "Excellent Board of Directors" Award



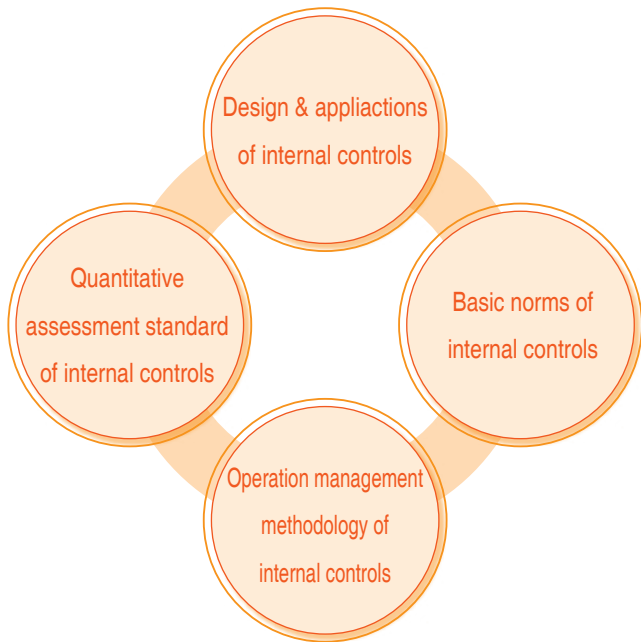
"Golden Sail Award for Outstanding Governance 2017"

Corporate Governance

Internal Controls

According to the Basic Norms of Enterprise Internal Controls and Matched Guidelines of Enterprise Internal Controls jointly issued by five ministries including the Ministry of Finance and the regulatory requirements of the listing areas, the Company has continuously improved internal control systems and set up the sound systems of internal controls.

The Company has continuously and periodically implemented internal control evaluations to ensure the effective operation of internal controls. Each year, the board conducts a self-assessment of the effectiveness of the Company's internal control systems, and entrusts domestic and foreign auditors to evaluate the internal control systems of the Company.



Board of Directors	Establishment, improvement and effective operation of internal controls
Audit committee of board	Inspection and supervision of the Company's internal control to ensure efficient operation, continuous improvement and self evaluation, Auditing on the Company's internal controls by outside units
Board of Supervisors	Supervision of the establishment and operation of internal controls by the Board
Management Team	Organizing the supervision of the routine operation of internal controls
Operation Level	Executive the internal controls as per the Company's internal control systems

Risk Management and Controls

Earnestly implementing relevant policies and regulations, the Company strived to improve the risk control systems, focused on solving outstanding problems and ensured healthy operation. During the reporting period, the Company continued to improve the control system, implement the

responsibilities for control, control and prevent special risk guard against risk decision-making, standardize trade business control, contract risk, etc, continuously deepened risk controls and the implementation of application, promoting the risk management ability of continued ascension.

Improvement of control systems

According to the actual conditions of coal market and current sales policies, studying the industry's advanced sales pricing and management experience, the Company improved the coal sales system of the Company, formulated and issued the Management of Coal Sales Prices and Management of Coal Customer Relationship. The Company also strengthened its credit risk management, improved the customer credit examination and approval, guarantee management and credit risk pre-warning, etc., formulated and issued the Management of Credit Risks.

Implementation of control responsibilities

The Company quarterly conducted self-evaluation of the management and control results of the major risks evaluated in 2017, and issued the major risk management and control reports. Through the responsibility realization level by level, the Company supervised and urged them to strengthen the tracking and management of the major risks, ensuring the implementation of management strategies and responding solutions for major risks, and ensuring the effective management and controls of the Company's major risks. According to management and control changes and existing defects, the Company timely improved the management and control measures, risk management and control abilities and levels.

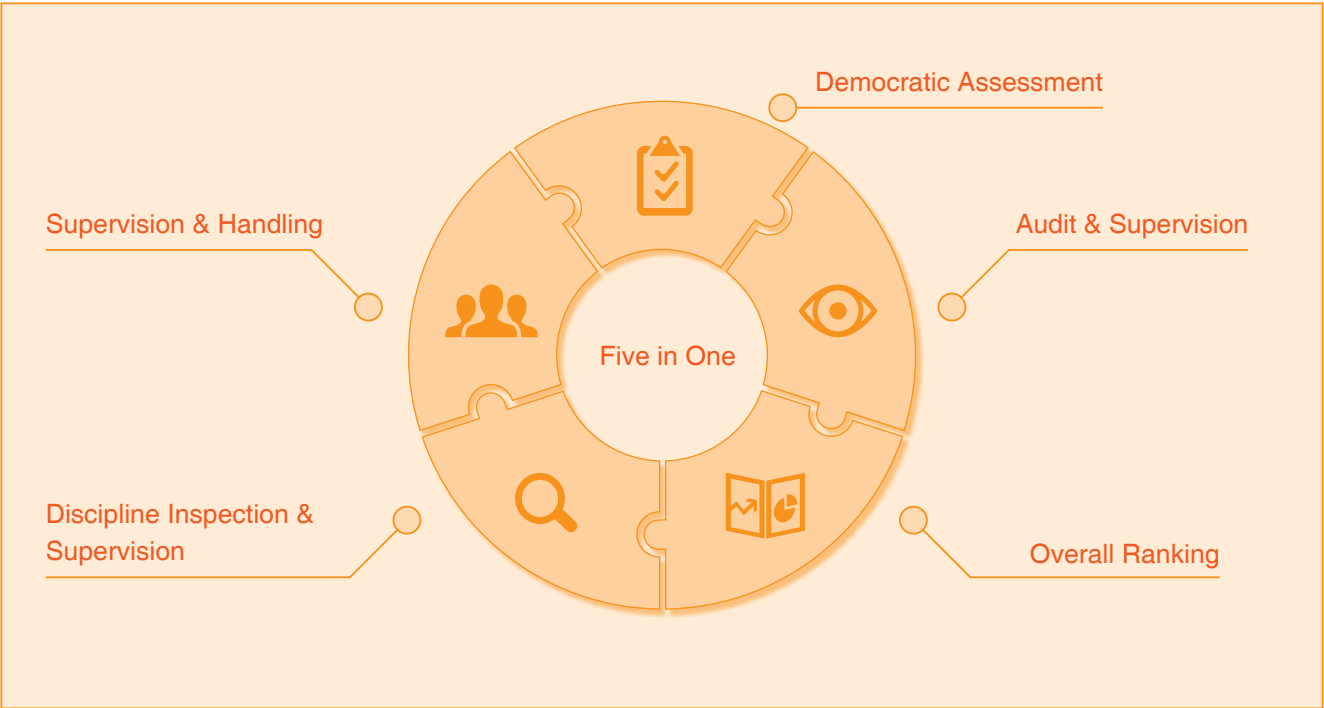
Prevention and controls of specific risks

Identifying specific risks and implementing responding strategies, the Company strengthened the prevention and controls of decision-making risks, trade risks, contract risks, financial risks and operational risks.

Corporate Governance

Honesty Construction

Adhering to the scheming and deployment of the anti-corruption in the overall deployment, the Company actively promoted the integration of anti-corruption and operation management and controls, striving to build the Five in One supervision and guarantee mechanism, which meets the requirements of domestic and overseas list companies.



"Five in One" Supervision and Guarantee Mechanism

In 2017, focusing on the main responsibilities and business, the Company further improved the management systems, fully implemented supervision responsibilities, strengthened the supervision and enforcement accountability, strengthened quality and image, achieved the new results of the anti-corruption, providing strong guarantees for the completion of various annual targeted tasks of the Company.

Perfection of the management systems

The Company established Work Opinions of Party Style Construction and Anti-corruption of 2017, the Work Responsibility Division and Assessment Implementation Details for Party Style Construction and Anti-corruption of 2017 and Work Opinions about Strengthening of Efficiency Supervision of 2017. The Company also established and improved the work mechanisms of responsibility breakdown, supervision and inspection, situation report and accountability.

Strict discipline and accountability

Strengthening the discipline inspections to handle cases, emphasizing performance priorities, the Company achieved quick, strict and detailed inspections. In 2017, the Company handled 119 reports of complaint reporting by the public, 97 preliminary clue verifications, 25 case registrations and 25 case settlements. The Company strictly implemented the systems of supervision & handling and limit-time reporting in 72 hours, and set up the WeChat platform for key work inspection, supervision and handling.

Improve quality and image

The Company implemented effective mechanism research of “Dare not corrupt, Cannot corrupt, and Don't want corrupt”, organized to watch the special film Enforce Strict Discipline, and issued the new works In the Name of the People. The discipline inspection and supervision leaders at all levels have taken the initiative to adapt to the new normal, played their due role in the fighting against corruption.

Create favorable environments

The Company organized the “3 stricts” theme education of “Serious political life, strict discipline observation and strict supervision and accountability”. The anti-corruption campaign was integrated in the “three meetings and one lesson” study plan of central committee of party committee and party branch. Meanwhile, the Company organized the clean occupational commitment and honesty commitment activities of party members and cadres at all levels, with honesty commitment of 4,580 cadres, performance commitment of 124 discipline inspectors, consciously accepting the supervision of staff and masses, building the good environment of cadres' uprightness, incorruptible work and clear and bright work styles.

Free reporting channels

The Company strictly implemented the Handling System of Public Complaints Filed through Letters and Visits and Implementation Rules of Case Inspections. By means of phone, email, report box, letter and visit reception, the Company strengthened discipline inspection and supervision, addressed the potential problem in advance so as to maintain harmonious and stable situation.

Corporate Governance

In 2017, strictly abiding by the relevant laws and regulations, policies and regulations of the Party and the state, no violation of relevant laws and regulations was found in the Company.

During the reporting period, the Company and its employees were not involved in cases such as corruption and money laundering.



Party style construction and anti-corruption meeting of 2017 held by Yanzhou Coal



Adhereing to The Concept of Responsibilities

Perfect Responsibility System

Strengthen the Integration of Responsibilities

Promote the Communication Responsibilities

Development with responsibility and concept as the first priority, put responsibility in heart and keep fair and faithful, Yanzhou Coal always incorporates social responsibility into corporate governance and integrates it into development strategy, carries out win-win cooperation with clients, shares interests with shareholders, grows with employees, seeks common development with local community, builds harmony with the society, Yanzhou Coal has stepped into a new era, a new stage, and a new position.

Adhering to The Concept of Responsibilities

Establishing the responsibility concepts of “Responsibilities in the heart and Fair creditability”, taking “Dedicating light and heat, creating values” as the mission responsibilities, and through measures of business drives, innovative development, safe production, energy conservation and emission reduction, caring staff, community participation and so on, the Company

effectively fulfilled social responsibilities, promoted the harmonious development of economy, environment and society, made efforts to create the optimal comprehensive values, constructed social responsibility demonstration enterprise, establishing the social responsibility standard image of China’s coal enterprises.



Economy Responsibilities

The Company innovates business mode, strengthens lean management, adheres to technology revolutions, and constantly promotes core competitiveness, creating more economic values to the society.



Environmental Responsibilities

The Company makes efforts to further reduce the emission, save resources utilization, reducing the environmental influence due to the Company’s business.



Social Responsibilities

The Company always devotes itself to the community development and social public welfares, and does what little it can to help the joint construction of the harmonious society.



Employee Responsibilities

Always taking “people oriented and caring staff” as the purpose, the Company guarantees the welfare treatment for staff, protects staff’s safety, promotes the self-development of staff.



Partner Responsibilities

The Company always focus on reciprocal relationships with cooperative partners, and makes efforts to seek cooperative opportunities of long-term win-win.

Perfect Responsibility System

The Company set up social responsibility work systems covering all levels and all areas, established the social responsibility leading group with the main leaders of the Company as the group leaders, being responsible for the leading of the Company's overall management of social responsibility. The social responsibility office is set up under the social responsibility leading group, mainly responsible for formulating social responsibility work planning and system construction, and organizing the implementation of social responsibility practice. The Company revised and optimized

the Social Responsibility Management Methods, defining the management principles, organization and responsibilities and social responsibility management content of the social responsibility work. The Company promoted the social responsibility management as a whole from four aspects including promotion of social responsibility awareness, establishment of social responsibility core value system, setting the social responsibility goals and standardizing the social responsibility behaviours.



Strengthen the Integration of Responsibilities

Through the integration of the social responsibility concept with strategic vision, development planning, operation management and performance evaluation, the Company has put down the roots of the social responsibility, combined the social responsibility work with day-to-day operations,

transmitted and promoted social responsibility on the value chains, set up the cooperation governance mechanism with related parties, standardizing the Company's responsibility behaviors, and enhancing level of social responsibility management.



Strategic Mission Integration

Strategy mission: Harmony in Yanzhou Coal, pursuit of excellence.

Build a harmonious Yanzhou Coal Mining big family, build up good win-win cooperation relationship externally, pursue a harmonious co-existence, positive development of man-to-man, man-to-nature and man-to-society; march towards a world-class energy company, work hard to explore the development path of advanced technology, advanced quality, advanced management, leading efficiency, maintain a leading position in the main industry of coal in China.



Development Plan Integration

When the Company formulated the "Thirteenth Five-Year Plan", it fully considered the corporate responsibilities comprising innovation-driven dynamics, green development, safe production, care and concern for staff, harmonious community etc., drafted human resources planning, technological planning, environmental protection and energy saving planning etc, which working as documents of responsibility.



Operation Management Integration

Build up a "Six attributes company", namely, intrinsic safety, eco-friendly, quality benefit, innovation driven, people oriented and harmonious development, push forward the company to perform corporate responsibilities, integrate corporate responsibilities into the operation management of the company.



Performance Evaluation Integration

Integrate corporate responsibility elements into performance evaluation, and continue to guide value creation and sustainable development. Organize social responsibility meeting regularly to summarize and evaluate the implementation of social responsibility.

Promote the Communication Responsibilities

The Company proactively promotes and improves communication mechanism with related parties, implements flexible exchanges through its annual report, social responsibility report, performance presentation by road show, shareholder's meeting, customer satisfaction degree

investigation, clients' symposium, etc. to understand expectations and requests from related parties in multi dimensions, strives for support and understanding and vigorously perform obligations to various related parties.

Related Parties	Expectation and Request	Daily Communication Approach
Governments and supervisory institution	Promote sustainable and healthy development of economy Provide services adapting to government's service-oriented concept and facilitate social development Compliant operation and fair competition	Policy guidance Supervision guidance Daily research and investigation, communication and work meeting information reporting
Shareholders and investors	Stable and healthy operation Reasonable returns Information disclosure shall be transparent, on time, authentic, accurate and complete.	Shareholder's meeting Company's announcements Annual report, social responsibility report Performance presentation by road show Investor hotline, email, fax, special column on relationship in company's official website
Employees	Rights and interests safeguard Vocational development Health and safety Value realization	Employees Representative meeting Trade unions at all levels Employees communication platform Employee satisfaction survey Discussion and interview
Clients	Provide safe and prime products and services Enhance clients' satisfaction	Client's satisfaction survey Conference and visit
Suppliers and partners	Keep promises; fair cooperation, mutual benefit and win-win; Share experience.	Contract negotiation; routine business exchange; share management experience & technical standards; launch project cooperation; Accept feedback opinion.
Peer companies	Obey national and industry rules and regulations Build sound competitive environment Cooperation at fair and in good faith	Sign cooperative agreement Routine visit exchanges Files and letters communication Participate policy study

Promote the Communication Responsibilities

Related Parties	Expectation and Request	Daily Communication Approach
Community	Increase community employment; protect community environment; Participate in society construction; support social charity; Exchange & communicate with the community;	Investigate community needs; Community education & publicity; Conference & exchange; Launching charity activities; Safety & environmental protection knowledge advertising education; Execute state energy policies; Compliance information disclosure
Environment	Concentrate on climate change, support low carbon economy initiate energy saving and emission reduction, build a Conservation-oriented society	Formulate and initiate energy saving and emission reduction Launch green charity activities

Through diversified communication channels, Yanzhou Coal has identified the impact of key social responsibility topics on related parties and established a matrix demonstrating the importance of key topics to the company and related parties

in 2017, which provided basic evidences for company's social responsibility management improvement, establishment of the frame of this report and information disclosure.





Optimize Green Environmental Management System

Implement Pollution Control and Emission Reduction Responsibility

Energy Utilization Efficiency Enhancement

Promote Ecological Civilization Construction

Key Environmental Performance Indicators of 2017

“Building an energy saving and eco-friendly enterprise” as the harmonious development goal, realizing commitment of clean energy, Yanzhou Coal has integrated “green governance philosophy” into the whole process of production and operation, dedicates itself to supply clean energy to the society and unceasingly enhance the social responsibility performance in the area of environment.

Optimize Green Environmental Management System

Yanzhou Coal profoundly comprehends construction and perfection of environment management, which is the premise and base for compliant operation, green development concept implementation and harmonious development goal achievement. In 2017, Yanzhou Coal further improved energy saving and environment protection mechanism, enhanced compliant governance of projects, lifted emergency capability to environment change, launched "Blue Sky" project, initiated publicity and education on environment protection and continuously optimized environment management system.



Honored 2017 National Most-influential Green Enterprises Brand



Environmental Management System

In accordance with Environment Management Requirement and Guideline (GB/T 24001-2016/ISO 14001:2015) and Energy Management System Requirement and Guideline (GB/T 23331-2012) prepared by the People's Republic of China, the Company has established and carried out green management

system in a strict manner, explicated management frame and function, improved management policies and regulations, implemented target and duties, standardized operational supervision and assessment. The management system covers 5 main businesses including coal, coal chemicals, equipment manufacturing, electric and heat power, railway transportation.

Management frame and function

The Company has set up energy saving and emission reduction leading group and a three-dimensional management mechanism covering three levels in the Company, subordinates and workshops. The Company set up Electromechanical & Environment Protection Department, which engages in the environment protection-related work of Yanzhou Coal and its subsidiaries. Subordinates of the Company found Electromechanical & Environment Protection Division, which implements management requirements put forward by the Company.

Management policy and regulation

The Company has formulated policies and regulations such as Environment Protection Regulations and Energy Saving Regulation, which provided comprehensive bases and support for energy saving and environment protection management.

Management goal and duty

The Company identified and evaluated major risks arising from environment in the course of operation and formulated Liability Statement. It disintegrated the goal of energy saving and environment protection to each individual. Meanwhile, we implemented accountability and one-vote veto system to exercise management duties in a stringent way.

Operational supervision and assessment

The Company carried out supervision and evaluation in a comprehensive and in-depth manner through daily supervision, self-examination on monthly and quarterly basis, annual evaluation and self-examination and rectification in 2017.

Optimize Green Environmental Management System

Environment Protection Compliance Governance

Compliant governance on construction projects

Strictly abided by laws and regulations on environment protection, such as the PRC Environmental Protection Act and the PRC Environmental Impact Assessment Act, all projects (including new, reconstruction and expansion projects) of the Company have implemented environment management regulations on impact evaluation, assessment alternation and “3 simultaneities” in a stringent manner to comprehensively eradicate environment-related unlawful issues in the course of project construction.

Compliant governance in daily operation

To ensure compliant governance of environmental protection, the Company has launched compliance evaluation of environment management system for the year 2017, which covers 10 aspects such as applicability of laws and regulations, pollutant discharge, surface subsidence management and energy saving management. According to the evaluation result, no major violations on environmental protection occurred in 2017.

The Company strictly implemented “zero report” system, summarized and analyzed online monitoring data of water quality and exhaust smoke discharged by units per day, provided pollutants emission concentration billboard to the public and accepted social supervision. In 2017, the Company realized 100% compliance with the pollutants emission standards in its business segments.

Emergency Management on Environment

To ensure active response to emergent environmental incident, the Company has carried out emergency preparedness and

response layer management, set up emergent environmental incident assessment system, identified and evaluated overall major risk factors concerning these incidents and formulated Yanzhou Coal Major Environment Factors List of 2017, requested all units to put forward feasible and efficient contingency environment response plan, which mainly targeted potential risks to environmental protection covering fire, hazardous chemical leakage, spontaneous combustion in the coal yard, faults in environmental protection facilities. At the same time, we have strengthened disaster-relief supplies provision. Furthermore, we actively launched emergency drill and made publicity and education on emergency management. We enhanced all employees' awareness on emergent incident's prevention and response and overall capacity to the emergency.



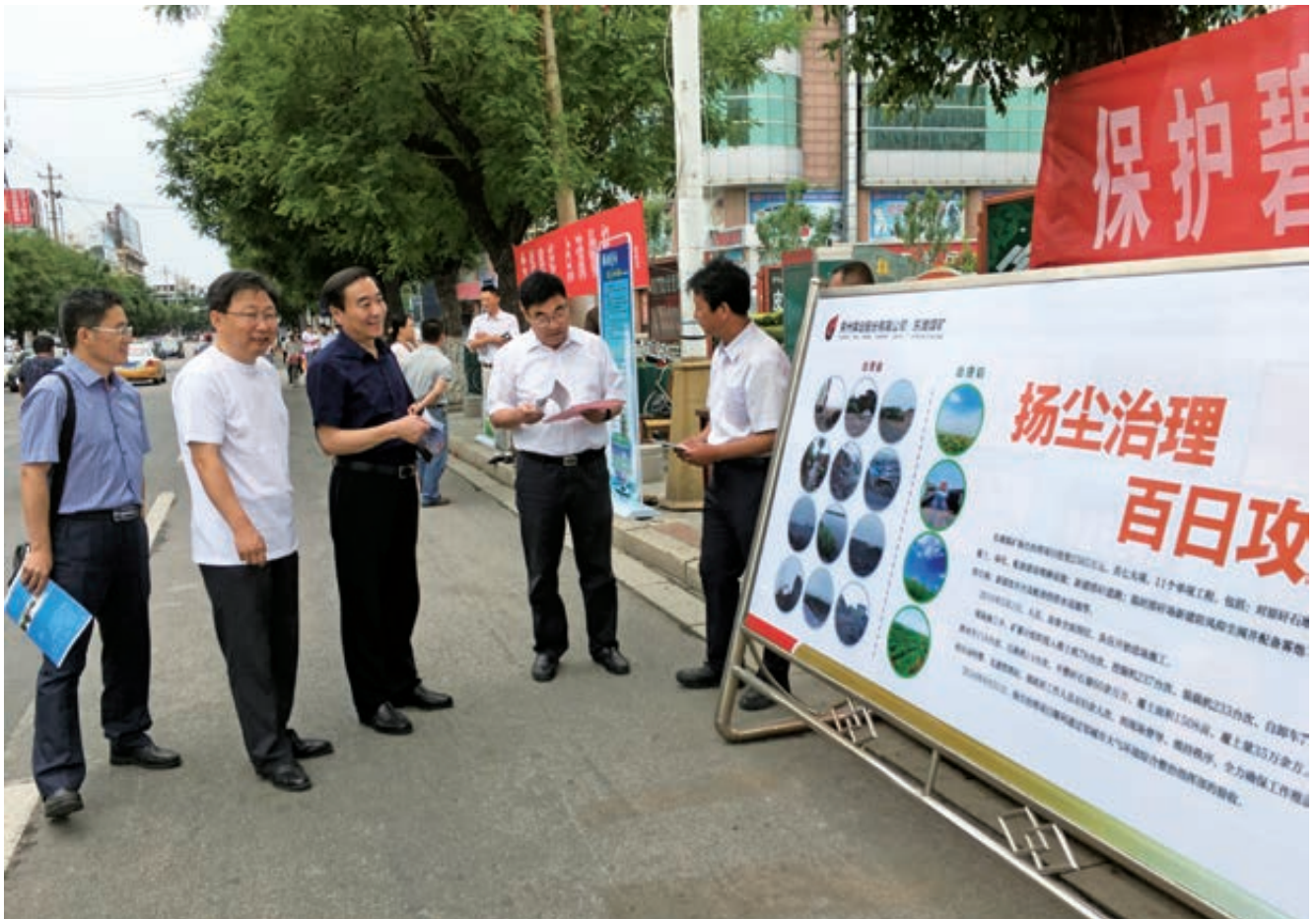
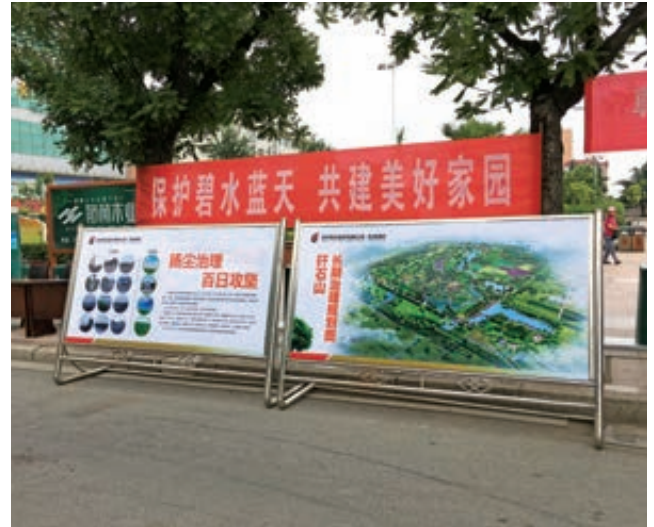
Emergency Drill on Chemical Leakage



Emergency Drill on Tank Leakage

Publicity and Education on Environmental Protection

Overall promotion of employee's environmental awareness is a powerful guarantee to environmental protection management of a company. We have organized professional training concerning environmental protection rules and regulations, energy managers, clean production, environmental manager's capability enhancement, etc. by way of centralized training and video lectures. Making good use of theme days, such as "Earth Day" on 22 April, "World Environment Day" on 5 June and energy conservation week, we have launched diversified environmental protection and publicity campaigns, which further improved all employees' understanding and awareness of environment philosophy.



Implement Pollution Control and Emission Reduction Responsibility

In 2017, Yanzhou Coal stringently implemented duties on pollution control and emission reduction, carried out various pollutants control campaigns in a comprehensive manner, smoothly pushed forward plenty of key environmental protection control projects with special fund on environmental protection of RMB190 million in total. Benefiting unremitting

endeavour in the whole year, we have achieved partial results in the area of ultralow emission of exhausted smoke from furnace, heavy salt water, dust control, volatile organic compound, etc. with outstanding performance in pollution control and emission reduction work in 2017.

Boost Key Environmental Protection Projects

Dust Control

Dry-type ash disposal area in methanol plant of Yulin Neng Hua Co., Ltd.

Ultralow emission modification

Furnace's ultralow emission projects including No.1, No.4 and No. 3 furnaces in power plants of Jining No. 2, Baodian and Dongtang coal mines, respectively

Sewage discharge reduction

Treatment and modification works on underground mine water of Jining No.2 coal mine

Dry type waste stockpile in methanol plant of Yulin Neng Hua Co., Ltd.

A new waste stockpile was established in methanol plant of Yulin Neng Hua, realized disposal of all waste in line with laws and regulations. This project has passed examination and obtained acceptance in environmental protection, safety facility and water & soil conservation and was put into operation.



Furnace's ultralow emission projects including No.1, No.4 and No. 3 in power plants of Jining No. 2, Baodian and Dongtang coal mines, respectively

In 2017, we implemented furnace's ultralow emission projects including No.1, No.4 and No. 3 furnaces in power plants of Jining No. 2, Baodian and Dongtang coal mines, respectively. During the process of electricity generation and end treatment, efficient and synergetic desorption integrated technique on multiple pollutants was adopted, which achieved "50355" standardized emission. Currently, all ultralow emission transform projects have been obtained acceptance and put into operation.



Treatment and modification works on underground mine water of Jining No.2 coal mine

In 2017, Jining No. 2 coal mine invested RMB5 million for modification of mine water surface treatment facility. Upon the completion, waste water from CHPP was reprocessed and recycled to CHPP and watering for dust fall, which achieved closed cycle. The treated mine water was partly used for production and the remaining was standardized discharged.

Waste water from industrial plant was collected and treated together with mine water and heavy salt water from power plant was pre-treated and reused for supplementary water in CHPP. Benefiting process modification, water utilization mode covering staged treatment, quality-based usage and cost-reducing discharge was realized in Jining No.2 coalmine, which significantly promoted utilization efficiency of water resource.



Implement Pollution Control and Emission Reduction Responsibility

Launch Pollution Control

Salt content treatment of mine water

In accordance with regional treatment principle, we have propelled mine water's comprehensive utilization and salt content treatment in Dongtan coal mine, Baodian coal mine, Jining No.3 coal mine and Jining No.2 coal mine to entirely lift mine salt content treatment of mine water in the whole Company.

Perfect dust fall facility

Each coal mine was equipped with spraying intelligent control system in coal yard with the spraying process wholly controlled.

Full hardening process was fulfilled in coal yards of Xinglongzhuang coal mine and Baodian coal mine.

Coal yards and spraying water collection and handle were improved in Baodian and Xinglongzhuang coal mines, respectively.

Dust control facilities used for loading and unloading ash and transport vehicle of subordinate power plants in Huaju Energy Company were perfected.

VOCs and welding fume purifying treatment

Donghua Heavy Industry company has launched transformation on spray paint line activated carbon adsorption facility and deep treatment of welding fume purifying system and mobile station tobacco collection and treatment device, and VOCs, etc.

Construction of Storage warehouse for hazardous waste

All units producing hazardous waste have fulfilled construction of hazardous waste storage warehouses in conformity with related regulations.



Smog gun for dust fall in coal yard



Hazardous waste storage warehouse



Mine water efficiency sedimentation basin

Energy Utilization Efficiency Enhancement

Yanzhou Coal has actively performed social responsibility in energy saving as a whole by way of obedience to the philosophy of “systematic energy saving from the source” and attaching equal importance to technology and management energy saving”, taking annual energy saving duty goal as principle and total control in energy consumption as the key work, holding technological innovation in energy saving, propelling energy saving related project, strengthening delicacy management, carrying out supervision and check in a stringent manner, actively launching publicity on energy saving to strengthen energy saving awareness of all employees.

Launch energy saving campaign

Propel key projects and enhance energy saving facility ability

In 2017, 3 key energy saving projects have all been completed and put into operation.



The No.4 furnace expansion project of Baodian power plant in Huaju Energy

In 2017, Huaju Energy implemented transformation and renovation to original furnaces in Baodian power plant, which applied new furnace with high efficiency, environmental friendly and energy saving characteristics and was put into trial operation on 1 December.

The released gas waste heat recovery for generation project (12MW units) of Rongxin Chemical Company

Rongxin Chemical set up a waste heat generation units with installed capacity of 12MW, which was used for waste heat recovery generation. As at the end of 2017, total output of electricity was approximately 250 million KWH, which operated at full load and all technical index were in normal operation.

Slurry drying system and recovery & utilization of waste heat from pressurized furnaces and coal mine methane project in Zhuanlongwan coal mine

Zhuanlongwan has spent RMB12.4423 million in the slurry drying system and recovery & utilization of waste heat from pressurized furnaces and coal mine methane project, which



solved problems of boiled water consumption both for living and Zhuanlongwan coal mine offices in summer, and partly solved heating problem, realizing furnace shutdown in non-heating supply season and declined usage in heating supply season. It can save 4,487 tons of standard coal and operating expense of RMB3.225 million annually.

Carry out energy auditing and reinforce energy management in a scientific manner

The Company entrusted energy auditing institutions to carry out energy auditing to Dongtan coal mine, Nantun coal mine, Jining No.3 coal mine, Tangcun Industry, Yulin methanol plant, Anyuan coal mine, Zhuanlongwan coal mine, Rongxin Chemicals, etc, in the course of energy use and financial process and made corresponding detection, inspection, analysis and evaluation according to national laws and regulations, which systematically analyzed potential ability of energy saving of these units and provided basic evidence for implementation of energy saving transformation projects.

Eliminate outdated facilities with high energy consumption and boost energy efficiency

According to the requirement of Industrial Restructuring Guidance Catalogue (2011) by National Development and Reform Commission and Outdated Electromechanical Equipment with High Energy Consumption Catalogue by Ministry of Industry and Information Technology of the People's Republic of China, Yanzhou Coal launched self-inspection, resolutely eradicated all outdated electromechanical equipment with high energy consumption that national government definitely demanded for elimination. Meanwhile, we have made a close combination between outdated equipment elimination and advanced facilities generalization and implemented energy saving jobs in motor system, waste heat and over-bottom pressure utilization, energy system optimization, etc. In 2017, we weed out 424 electro motors, 29

transformers, 3 electric arc welders and 11 water pumps in total.

Carry out energy measurement and entirely propel energy saving and emission reduction

In 2017, Yanzhou Coal carried out allocation, circulation use, verification and calibration, maintenance and scrap of measuring devices in coal, electric power, water, oil, heat, etc to ensure these devices meeting the requirement of accuracy class, basic chat in General Rule on Allocation and Management of Measuring Devices in Energy-Using Units and Inspection Standard on Measurement in Key Energy Units.

Launch publicity on energy saving and emission reduction and promote employees' awareness of energy saving

Taking advantage of "National Energy Saving Publicity Week" and "National Low Carbon Day", the Company organized all units to participate in energy saving publicity with popular topics, multi types in an active manner, reinforced publicity and extensively mobilized public to engage in energy saving and carbon reduction campaign.

Intensify supervision, inspection and evaluation, and promote energy saving performance

In 2017, Yanzhou Coal devoted to intensify site inspection on energy saving to ensure the efficient implementation of scheme and measures on energy saving. The Company enhanced site inspection on energy saving with 26 issues found for the whole year and corresponding rectifications made and implemented. At the same time, the Company strengthened duty implementation and evaluation, carried out comprehensive examination on energy saving target of each unit with good deeds rewarded and bad deeds fined, which gave full play of incentives and restrictions to energy saving inspection.

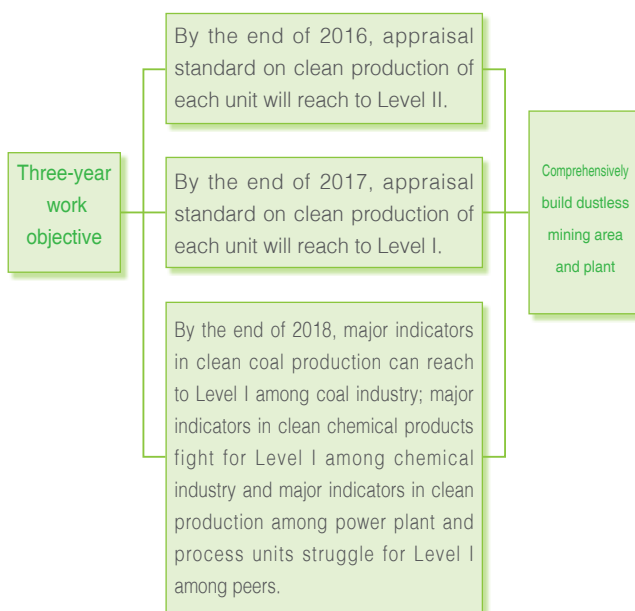
Promote ecological civilization Construction

Taking full consideration of the impact of operation on ecological environment, Yanzhou Coal has continuously implementing ecological protection including land subsidence administration, reclamation and afforesting, water and soil conservation, green mine construction, which realized harmonious unity between operation and ecological environment.

Clean Production Management

Taking “efficient, clean and green” as development goal, Yanzhou Coal has stringently driven clean production models of “low-carbon emission of high carbon energy, low sulfur emission of high sulfur energy and greenization of black energy”, which achieved green, eco-friendly and low carbon sustainable development of the Company.

Combining key projects breakthrough and ordinary management in energy saving and emission reduction, Yanzhou Coal further enhanced overall clean production level. In 2017, each unit of the Company reached level I in clean production evaluation and fulfilled target of Phase II in the Three-year goal. Yanzhou Coal is uninterruptedly enhancing integrated coal mining efficiency by way of exploring new path for coal mining, washing & processing and transportation and always pursuing green operation model for low energy consumption, less emission and efficiency. In 2017, the comprehensive energy consumption of raw coal production was 3.82 kilogram standard coal equivalent per ton. By adhering to innovative mining technology and continually improving recovery rate of coal mining, the average coal recovery rate of the Company in 2017 was 83%.



Case

“Blue Sky” project

Actively responding to the national policy of clean utilization of coal and civil- used coal administration, the Company launched the “Blue Sky” project with approximately total investment of RMB337 million. In 2017, we brought in R&D team in ultra-low emission of furnace headed by academician from Chinese Academy of Sciences, founded sci-tech committee, set up industrial clean coal tec lab, established 1 million tons of clean coal plant, 500,000 tons of additive plant and automatic production line of 100,000 furnaces per year. Thus we have explored a new path for coal’s clean and efficient utilization and taken a solid step in replacing old drivers with new ones. The “Blue Sky” project was honored “Top 10 Key Projects” in Jining City, listed key recommendation projects in Shaanxi and Shanxi provinces, etc, and our technology in clean utilization of civil used coal was honored No.1 among national top 10 best companies.

Ecological Environmental Protection

Yanzhou Coal has been persisting in the principle of unity in utilization and protection, exercising protection in the course of utilization and implementing development in the course of protection. Yanzhou Coal is performing ecological environmental protection obligations in a proactively manner through attaching importance to integrated planning before coal mining, determining the areas of land subsidence by way of scientific survey and verification, carrying out mining simultaneously with subsidence management to initiatively prevent land subsidence.

The Company formulated land subsidence management planning and Reclamation Implementation Scheme, which demonstrated ecological environmental protection in a scientific way. The reclamation land totaling 7789.36 mu (519.29ha) fulfilled in 2017. Meanwhile, the Company vigorously coordinates local government, proactively carried out land subsidence management of subsided land was 9072.68 mu (604.8ha) in total in 2017.



Case

Green mines

In 2017, Yanzhou Coal made a total investment of RMB25 million on dust governance covering ground hardening of coal yard, reject storage site and road, construction of barricade and wind dust net, laying spraying pipelines and vehicles washing platform. All coal yards are equipped with wind and dust net, realizing full fencing across coal dispatching area. Stationary rotation sprayer and high-pressurized smog guns are equipped in coal yard to spray water on time every day with backwater from spraying pumped into recovery pond and re-pumped to CHPP and mine water treatment system for reuse after purification. PM10 dust online monitoring system was installed and data was uploaded in time, which achieved on-line remote monitoring and supervision for 24 hours.



Environment Key Performance Indicators for the year 2017

Unless otherwise noted, the scope of data statistics on environment KPI of Yanzhou Coal covers 5 main businesses domestically, including coal, coal chemical, equipment manufacturing, electric power and heat and railway

transportation. In the future, the Company will proactively carry out data statistics on environment KPI to overseas businesses and make disclosure at appropriate time.

1. Gas emission⁽¹⁾

INDEX

TOTAL AMOUNT OF GREENHOUSE GAS EMISSION ⁽²⁾ (SCOPE 1 AND 2) ⁽³⁾ (10,000 TONS)	533.44
COMPREHEISIVE GREENHOUSE GAS EMISSION (TON/MILLION RMB OUTPUT)	56.27
TOTAL AMOUNT OF SO ₂ EMISSION (TON)	1,032.37
TOTAL AMOUNT OF NO _x EMISSION (TON)	1,833.70
VOCs (TON)	53.42
SMOKE (TON)	266.50

(1)As the specific operation characteristics of the 5 main businesses of the Company, its major gaseous emission is greenhouse gas, SO₂, NO_x, VOCs and smoke, which is mainly generated from electric power and fossil fuel.

(2)Greenhouse gas list of Yanzhou Coal covers carbon dioxide, methane and nitrous oxide. The data on greenhouse gas emission is shown according to equivalence of carbon dioxide and calculated on the basis of provision from 2006 IPCC National Greenhouse Gas List Guidance. The statistics on scope 3 greenhouse gas is to be carried out at appropriate time.

(3)Scope 1 means greenhouse gas emission directly from company's businesses. Scope 2 means greenhouse gas emission from internal consumption within the Company (indirect energy such as outsourced electric power, heat and steam). Greenhouse gas emission of scope 3 and the coal-bed methane generated in coal mining process will be counted in the future.

2. energy consumption⁽⁴⁾

INDEX

TOTAL AMOUNT OF COMPREHENSIVE ENERGY CONSUMPTION (MILLION KWH)	29,532.91
TOTAL AMOUNT OF COMPREHENSIVE ENERGY CONSUMPTION (10,000 TONS STANDARD COAL)	362.77
TOTAL AMOUNT OF COMPREHENSIVE ENERGY CONSUMPTION (MWH/MILLION RMB OUTPUT)	311.52
COMPREHENSIVE ENERGY CONSUMPTION FOR RAW COAL PRODUCTION (MWH/T)	0.03
COMPREHENSIVE ENERGY CONSUMPTION FOR POWER GENERATION AND SUPPLY (MWH/KWH) (INCLUDING HEAT SUPPLY)	0.002
COMPREHENSIVE ENERGY CONSUMPTION FOR METHANOL PRODUCTION IN COAL CHEMICAL (MWH/T)	12.07
COMPREHENSIVE UTILIZATION RATE OF COAL REJECT/WASTE (%)	100%

(4)Energy consumption amount is calculated and based on the direct and indirect energy consumption amount and conversion factor from 2006 IPCC National Greenhouse Gas List Guidance.

(5)Since the energy consumption of the machine manufacturing and transportation segment accounts for a small proportion of energy consumption in all businesses (about 0.3%), this report will not respectively disclose them in accordance with the principle of the importance of information disclosure.

3. Water consumption⁽⁶⁾

INDEX

TOTAL WATER CONSUMPTION (MILLION M3)	2117.29
COMPREHENSIVE WATER CONSUMPTION (M3/MILLION RMB OUTPUT)	22334.28

(6)Water consumption is the total water consumption for production by statistics.

4. Sewage and waste management

INDEX

TOTAL AMOUNT OF COD EMISSION (TON)	314.99
TOTAL AMOUNT OF AMMONIA NITROGEN EMISSION (TON)	29.75
TOTAL AMOUNT OF HAZARDOUS WASTE (10,000 TONS)	1.13
COMPLIANT DISPOSAL RATE OF HAZARDOUS WASTE	100%
TOTAL AMOUNT OF NON-HAZARDOUS WASTE (10,000 TONS)	644.39

(7)As the packing materials for manufactured product are seldom used in main business, it was not disclosed in this report according to the principle of importance disclosure.



Implement Safety Responsibilities

Ensure Safe Operation

Enhance Safety Awareness

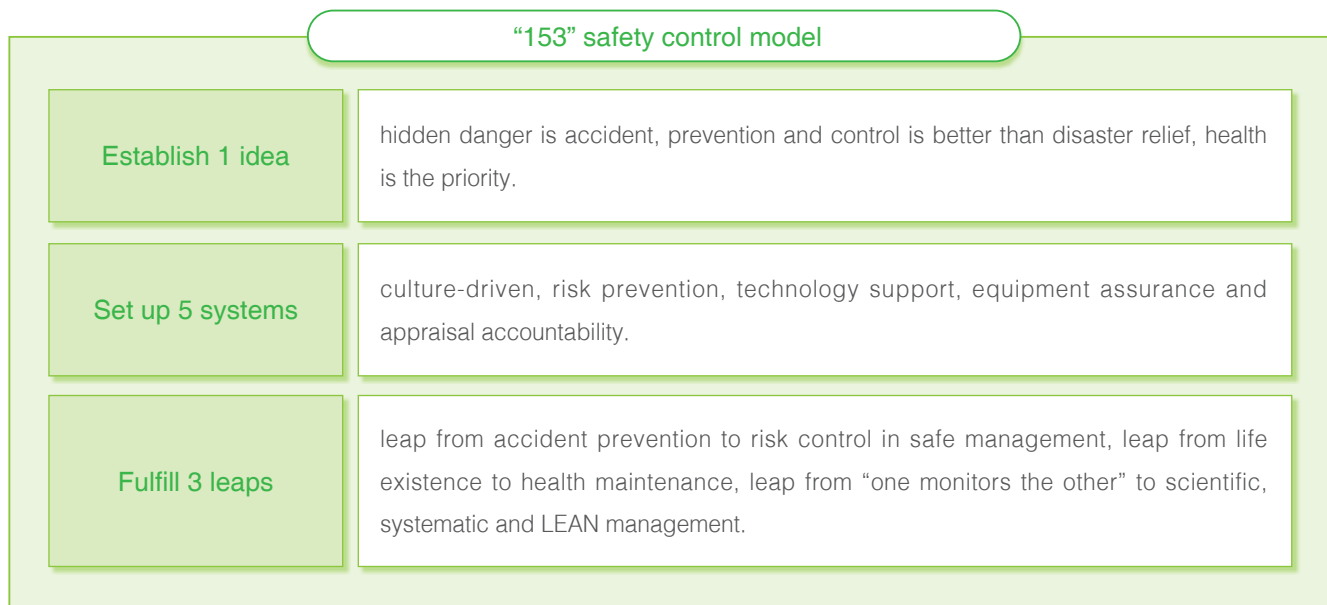
Guarantee Occupational Health

Regard safety production as the rigid index of maintaining benefit, development and overall situation, implement principal responsibility for safety production in a stringent manner, prevent and control potential safety peril in advance, constantly enhance accountability for safety production, launch safety training in an innovative way, Yanzhou Coal has further improved its capability in safety cultural guidance, pre-control support and emergency handling and ensured safety production continuity and stability.

Implement Safety Responsibilities

Year 2017 is a year of overall promotion with outstanding performance for Yanzhou Coal with capability improvement in safety obligation performance as well as safety administration and control. Guided by CPC Central Committee and State Council on Views for Promotion of Reform and Development in Safety Production, led by "153" safety control model and obeyed by Law on Safety in Production of the People's Republic of China and Law on

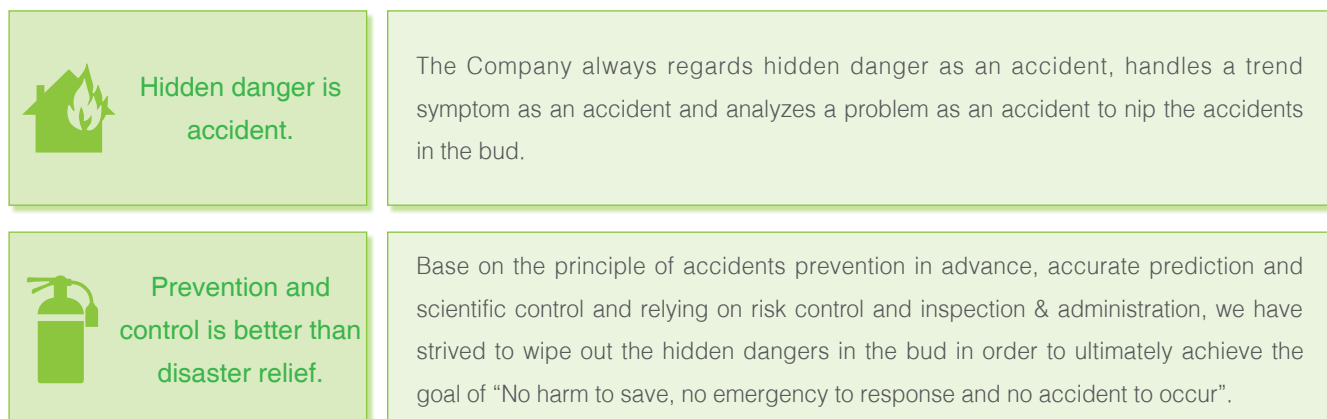
Prevention and Control of Occupational Disease, we have established rules and regulations, such as Examination Approach on Safety in Production of Yanzhou Coal Mining Company Limited and Occupational Health Management Approach of Yanzhou Coal Mining Company Limited and the safety goal of zero fatality rate per million ton for the whole year was successfully achieved.



Safety Responsibility Philosophy

The Company always persists in the safety concept of "hidden danger is accident, prevention and control is better than disaster relief, health is the priority", constantly sticks

to the safety red line of "development never comes at the cost of sacrifice in safety" and strived for the safety thinking of "life and safety is the first priority."





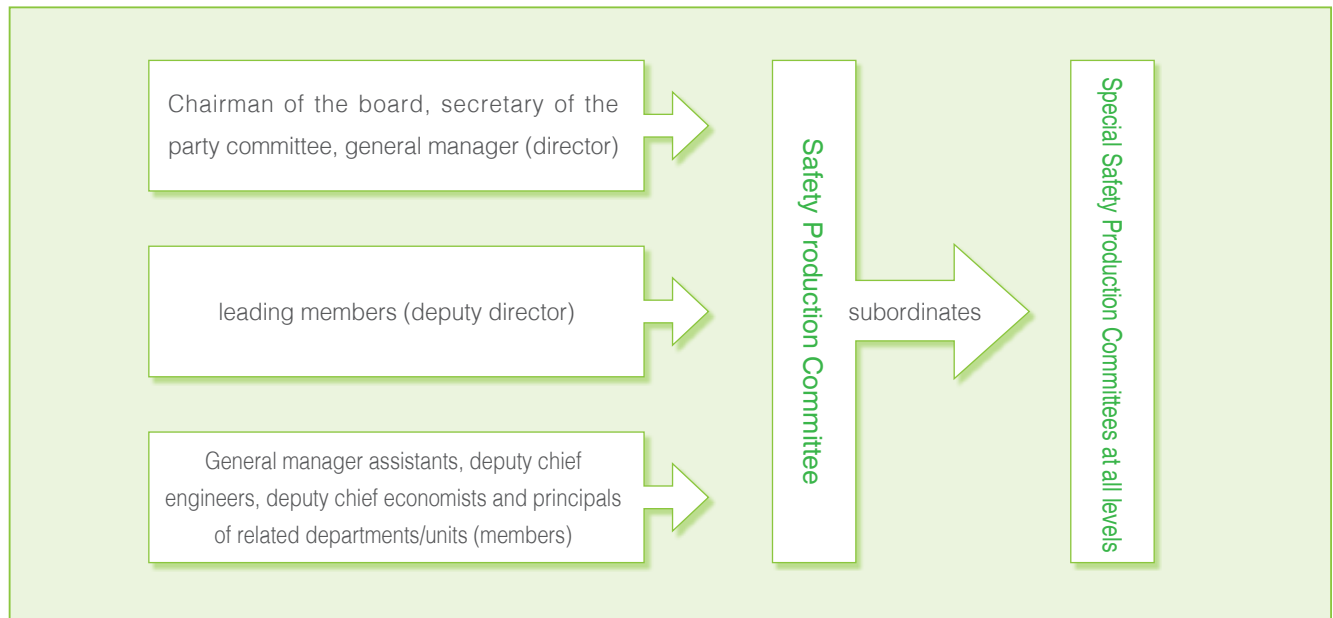
Health value is the priority.

Regarding employees' life and health guarantee as the maximum welfare and the uppermost responsibility of the management, the Company has implemented occupational safety and health guarantee campaign, which created an atmosphere of working decently and happily and living healthily.

Safety Responsibility Management

According to the principle of "organizations and branches integration with definite rights and obligations", the Company has established safety management system

characterizing Safety Production Committee as the leading organization and Special Safety Production Committees at all levels as branches for implementation.



The Safety Production Committee engages in the overall safety production, covering: set up safety management system of the company, formulate responsibility system for safety production, prepare policies & regulations and safety planning, education & training and emergency rescue schemes, examine and determine input for safety production, carry out responsibility accountability, evaluation and rewards/fine, etc.

Special Safety Production Committees at all levels are responsible for the specific safety production work in its individual industry and unit, and exercises implementation of

decisions and policies formulated by the Safety Production Committee.

The Company has carried out "grid management" on working sites of all production units to accurately implement safety production responsibility. The working sites are divided into various areas that are re-divided into some units according to criticality and difficulty degrees of safety control, and defined individuals responsible for safety to eliminate blind zones, which promoted guarantee capability of safety production of the Company.

Implement safety responsibilities

Safety & Risk Control

The Company has established relatively mature safety and risk assessment mechanism, under which regular risk identification and risk assessment was carried out to realize risk pre-alarming and control. In respect of potential risks among production

technology, equipment, materials, on-site and position in relation to high-risk industry, the Company will undertake system identification and include into safety and risk database by class and rank of risks, and formulate and implement corresponding risk management and control measures.

Inspection and Control of Hidden Perils

The Company has strictly implemented the inspection and control standard for hidden perils of safety accident, severed the responsibility of the organ in charge of hidden peril inspection and control, and continuously implemented reverse investigation mechanism for responsibilities of hidden perils. All serious hidden perils caused by people, not identified timely or not controlled adequately, will be considered as accident to be strictly investigated and asked for accountability. In 2017, more than 860 cases of hidden perils were identified through special inspection, thus effectively reduced the occurrence of various safety accident.

Safety Production Standardization

The Company has continued to implement the new edition of "Measures of Standard Scoring and Assessment on Mine Safety Production Standardization", and formulated more stringent safety production standard. In sectors like chemicals, power generation, equipment manufacturing, logistics and etc. the Company carried out safety quality standardization and premium workshop for electro-mechanical equipment manufacturing, so as to realize standardization in safety management, operation, equipment and facilities and operation environment.

Safety Emergency Management

The Company has set up fast responding and highly-efficient emergency and rescue mechanism, and consolidate the commanding and coordinating capabilities of the management personnel, and improve the on-site employees' skills of danger escaping, self and mutual medical aid, and early treatment by means of Emergency-responding Operation Start Manual, Staff Emergency Handling Manual and emergency rescue skills training. Meanwhile, the Company has further strengthened the mine and hazardous chemicals rescue base and team construction, and increased emergency rescue synergy by regional emergency rescue sources sharing. The Company also undertook emergency drills to increase the dispatching, commanding and management level in safety production and improve emergency handling and comprehensive rescue capability.

Case

Emergency Drill on Roof Falling Accident in Anyuan Coal Mine

In May 2017, Anyuan coal mine carried out a rehearsal in respect of roof falling accident in one of its advancing workface. On the day of rehearsal, in compliance with the Emergency Rescue Plan for Safety Accidents of Anyuan Coal Mine, the dispatch center, the safety team, the underground rescue team and the expert group successfully completed the rescue work by way of close cooperation and quick rescue. Through the drill, the mine's safety and rescue ability have stood test and the rescue skills of the participants were greatly improved.



Safety Responsibility Supervision

According to the principle of "placing equal focus on both process control and result assessment", the Company has made supervision and assessment on its subordinates' performance of the safety responsibilities. The Company established a scientific and reasonable quantitative evaluation mechanism, with the equal responsibilities by the Party and the management, one position two responsibilities and vertical management as the main content of supervision and inspection, and the assessment results were hooked with the performance assessment, team appraisal and promotion.

In terms of accident investigation and handling, give full play

to the accident investigation and punishment to strengthen and improve the work of production safety. By adhering to "analysis per accident, handling per accident and reporting per accident", the company implements strict accident report, investigation, analysis and handling process, and all accidents are required to be reported at the first time. In accordance with the scope of accident management, the party concerned shall be asked for accountability once the reason seriously analyzed and the responsibilities clearly defined.

The company set up all-dimensional supervision comprising of the party, the management and the employee so as to enhance effectiveness of supervision through mass prevention and mass control. The party work department of the Company has set up a safety ideological education front to strengthen dynamic supervision of the situation of education. The discipline inspection department of the Company is responsible for strengthening the supervision over safety performance and carrying out regular inspection of safety discipline. The Company also gives full play to the role of the trade union, the communist youth league, the assistance union and other organizations in safety supervision and management, and protects the mass employees' right to know, participate and supervise in accordance with laws, thus to escort the Company's production safety. In addition, the company has specified and announced a reporting method by ranks to ensure a clear safety reporting channel, under which, the report by the mass employees can be heard in 24 hours a day and the safety problem reported can be addressed in time and the nonstandard safety behaviors can be severely investigated and punished. Establish a safety real-name reporting reward system, the reporter in real name will be rewarded after verifying that the report is true.

Ensure safe operation

The company continues to promote safe production management and upgrading, and comprehensively improve the level of safe production through safety technology improvement in key areas, strengthening safety training and safety education. In 2017, the company has achieved remarkable results in coal mine safety management, chemical safety management, power supply safety management and transportation safety management. No major or above-mentioned safety accidents occurred in 2017.

Mine Safety Management

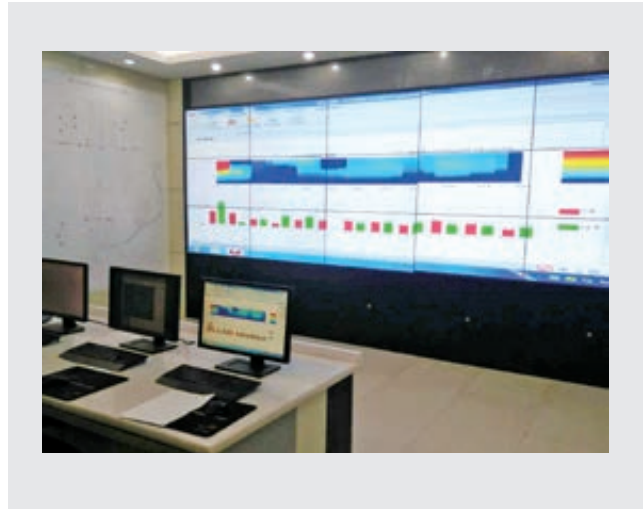
Coal Burst Control.

In 2017, the company further strengthened the practical training on the knowledge of coal mine pressure bump, striving to make breakthroughs in the understanding of disaster mechanism, forecasting methods and control measures. At the same time, the company continues to strengthen the research on the complex dynamic disaster accident, and improve the understanding of the impact of the large buried deep and high stress isolated coal.

Case

Prevention and Control of coal burst in Jining III Coal Mine

In 2017, Jining III Coal Mine has continued to focus on major disaster prevention and control as the main task, and further improve the "three-dimensional" control system. In view that the coal burst is the first threat to mine safety production, Jining III Coal Mine has set up a "five in one" coal burst prevention and control system comprising reasonable design, expert assessment, comprehensive monitoring, prevention and scientific management and control. The mine also has a full-time deputy chief engineer in charge of coal burst, and has established special organs like coal burst prevention office, coal burst prevention team, and coal burst monitoring center for 24 hours monitoring. In view of its advanced prevention and control level in that field, Jining III Coal Mine was designated as the first batch of Demonstration Coal Mine for coal burst Prevention and Control.



“One Ventilation Three Preventions” Management.

The Company further strengthened the management efforts in mine ventilation, gas prevention and control, dust prevention and control, spontaneous combustion, including optimizing ventilation system, perfecting gas monitoring and discharge, increasing dust control and improving fire distinguish system.

Case

“One Ventilation Three Preventions” by Jining II Coal Mine

Jining II Coal Mine has established an independent and complete central parallel ventilation system, which can satisfy the ventilation capacity for mine, mining area and work face to meet the requirements of safe production. The mine has also established an emergency safety system, including three permanent shelters, which can provide safety and life support for the personnel in case of emergency.



Water Management by Geological Survey.

Adhering to the water management principle of “forecasting and alarming, making exploration wherever there is doubt, making exploration before excavation and making water management and control before mining”, the Company has vigorously promoted technical management, actively organized scientific research on hidden perils identification of water disasters, hydrologic forecasting and prevention and prevention and control of water disasters. Moreover, it has focused on the tracking and management of the hidden perils of water disaster and completed a number of engineering project of water management.

Case

Water Management by Nantun Coal Mine

Nantun coal mine has set up a mine water management team headed by the manager of the mine to undertake water hazard detection and management in weekly, monthly, quarterly and annually. The mine is equipped with specialized water detection and discharge equipment and a qualified water detection and discharge team. High-efficient drainage system was equipped in each mine, mining area and working face to ensure that the water can be discharged rapidly. The mine also has established a relatively complete monitoring system in aspect of hydrological safety monitoring, with several surface observation and underground water pressure observation boreholes and installed multi-parameter hydrological dynamic monitoring intelligent warning system, which realizes automatic measurement and recording of the borehole water level (pressure) and related hydrological parameters.



Mine Electromechanical Management:

The reliable operation of electromechanical system is the life foundation of mine. In 2017, the Company further optimized the operation control of power supply, lifting, transportation, ventilation, air pressure, drainage and other equipment, and improved safety protection devices and safety facilities. The company strictly implement procedural overhaul system through combination of equipment compulsory maintenance with status overhaul, strictly prohibits the operation of equipment with problem, and eliminates overload and over-parameter phenomena.



Case

Electro-mechanical Business Communication by Ordos Neng Hua

Ordos Neng Hua Co., Ltd. organizes monthly mechanical and electrical communication activities at which the excellent mechanical and electrical management personnel are invited to give lecture. In class, these elite personnel deliver their own knowledge and experience to the electrical and mechanical management and technicians. In this way, not only the knowledge of our electrical and mechanical management and technicians were updated, but also the knowledge and experience can be applied in the production process.

Ensure Safe Operation

Chemical Safety Management

The company will strengthen the research on key technologies such as remote automatic monitoring, emergency shutdown, anti-leakage of inflammable and explosive, toxic and harmful substances, and automatic monitoring and extinguishing of key fire areas. In order to intensify the prevention and control management of the hidden perils of disaster, the Company strengthened the filing and management of the critical

equipment and facilities, such as pressure vessels, pressure pipelines and safety accessories from the perspective of design and type selection, raw materials, welding quality and pressure-bearing operation. In this way, the risks like aging, wearing, corrosion and leakage can be identified in advance and corresponding measures can be taken. This year, the company also organized a number of safety emergency drills.

Case

Rongxin Chemicals Fire Drill

In May 2017, Rongxin Chemicals Co., Ltd. cooperated with the local police station, and conducted a drill of emergency disposal of the leakage of a fusel oil tank in the intermediate tank of synthesis area in Sanliang industrial park of Dalad Banner. Four fire engines, an ambulance and dozens of employees were involved in the drill. On the same day, according to the accident emergency plan, the Company conducted simulation tests on the reliability of accident monitoring, personnel evacuation, accident reporting, rescue treatment, fire control system and so on. After this drill, the safety emergency procedures

and safety response system of the park have stood fully tested.



Power Supply Safety Management

The Company has strictly implemented the Working Regulation on Electricity Power Safety, strengthened the management of key equipment such as boilers, steam engines and pressure

vessels, and enhanced the inspection and maintenance of power transmission and distribution facilities to ensure the safety of power generation system.

Case

Emergency Drill for Pole Collapse by Huaju Energy Co., Ltd

In August 2017, Huaju Energy Co., Ltd organized an emergency drill for pole collapse of the power supply line in the west of Tiexi substation, which simulated the on-site emergency disposal process. The simulation of accident reporting, rescue organizing, on-site operation and so on, greatly improved the personnel's quick response and disposal capability in case of high voltage line accident.



Safety Management in Machinery Manufacturing

In 2017, the Company has transformed, updated and maintained the safety equipment and facilities for machinery manufacturing, including fire extinguisher maintenance and replacement, anticorrosion of gas storage tank, noise control, lifting equipment limiter maintenance and purchase of emergency rescue equipment. The company has also carried out safety facilities maintenance including crack detection of crane hook, electrical test of substation, lifting machinery maintenance, safety valve inspection, etc., as well as a number of related safety drills.



Transportation Safety Management

The Company, with focus on comprehensive contingency plans, special emergency plan and on-site disposal plan, organized 36 items of emergency drills such as railway transportation, traffic equipment, "three preventions" in winter and summer, and personal injury. Totally more than 850 people

participated. Through all kinds of drills, the Company tested and improved the contingency plan and on-site disposal plan, increased team rescue capabilities, and enhanced the whole personnel's capability in on-site disposal, self and mutual medical aid and comprehensive emergency disposal.



Enhance Safety Awareness



In 2017, the Company organized safety training for personnel in three categories of positions, totally 12,504 person times involved. Among which, 1,189 person times for mine safety production management personnel, 7,020 person times for special production operators, 1,597 person times for head of team or group, 1,532 person times for non-coal safety production management personnel, 1,166 person times for special operators. All subordinate units of the Company also carried out internal safety training in various forms, with more

than 60,000 person times participated, which realized 100% employees with position certificate and 100% employees participated safety training. In addition to on-site training, the Company also attached great importance to online safety training platform. Through online learning and self-testing, the employees' knowledge of safety technology has been greatly improved. By the end of 2017, a total of 53,000 person times participated in the examination of online safety training platform.

Case

Safety Training by Yangcun Coal Mine

Yangcun coal mine makes full use of the team leader's safety training network platform and all-staff-involved safety training network platform, and strengthens training informatization construction. The training information and database of more than 600 people are standardized by use of training network platform. Yangcun coal mine also shared resources of high quality training courses and excellent courseware through the network platform, so as to help the trainees rapidly grasp related knowledge and increasing their relevant skills by means of "promoting learning by practice and promoting application by examination".



Case

"Family Letter of Safety" Activity

In order to further improve the safety production consciousness of the mass employees and promote the Company's "safe and civilized family" activities, the Company has carried out a collection activity of "A Family Letter of Safety" in 2017, which collected thousands of family letter of safety from the mass employees. All the family letters expressed the employees' thinking about position safety in various forms like safety warns, feeling and experiences of safety production, and case analysis of safety accident. Through recommendation and selection, 273 pieces of family letters were published on the website of the company, and selected 10 first prizes, 20 second prizes and 30 third prizes, which were then compiled and

printed for the employees to study and exchange.



Case

"Safe Production Month" Activity

June 2017 is the 16th national "Safe Production Month". In order to further implement the State's policy in relation to safe production, promote the accountability of safe production organs and effectively prevent major or extraordinary serious safety accident, Yanzhou Coal launched the "safe production month" activity. The activity was well organized and all employee involved. It advocated concept of safety development and supported the consensus on safe production, thus laid a solid safe foundation for the Company's innovative upgrading and transformative development.

Baodian coal mine organized a series of activities including the "safe production month" propaganda, "153" safety culture theme propaganda, enterprise safety production publicizing and consulting day, topic interview of safety production accountability and theme essay collection of safety. Dongtan coal mine hung safety publicity slogans, banners in the square of the mining area

and the mining management building to guide the mass employees fully understand the complexity of the safety production and perform safe production. Xinglongzhuang coal mine organized specific emergency drills to increase emergency response ability and emergency management level.



Guarantee Occupational Health

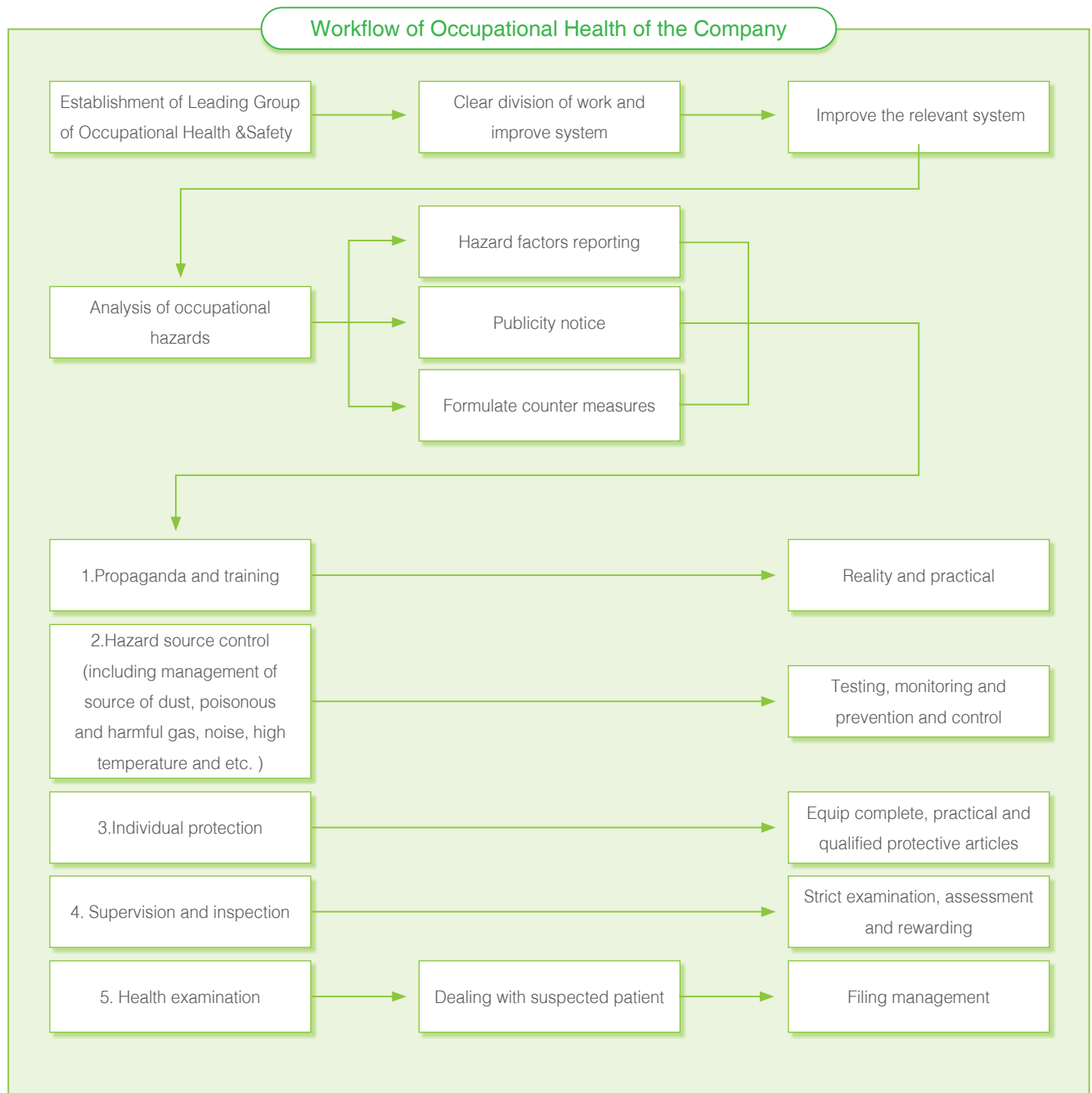
In compliance with Occupational Diseases Prevention and Control Act of the PRC, Occupational Health Monitoring Regulations, Labor Protection Rules for Labors in Site using Toxic Substances and other laws and regulations, the Company, withholding to the principle of “source management and combined method of prevention with control”, has implemented comprehensive prevention and control measures in dealing with high-risk dust, smoke dust, high temperature, noise, poisonous and harmful gases, radioactive substances and etc., and standardized management of the use and allocation of the individual labor protection articles. The Company also formulated a series of systems and measures in relation to occupational disease hazard warning and informing, daily monitoring, regular reporting, prevention and protection measures, occupational health monitoring, namely, System of Responsibility for Occupational Disease Hazard Prevention and Control, System of Warning and Informing for Occupational Disease

Hazard and Reporting System of Items of Occupational Disease Hazard. The Company also has continued to carry out occupational health information management work and the health recuperation activity for underground mine workers. In 2017, the Company's realized 100% coverage in occupational disease examination.

All units of the Company have established leading groups in charge of occupational health and safety, and the principal of each unit is the first person responsible for the prevention and control of occupational diseases. Each business function department is responsible for the occupational-disease-prevention management within its scope of responsibility. The Company's Safety Supervision Department, as the comprehensive supervision and management department of occupational hazards prevention and control, is responsible for overall coordinating work relevant to occupational health.

The responsibilities of each business function department in relation to occupational-disease-prevention management:

- responsible for the identification, evaluation and reporting of occupational-disease-inductive factors within the scope of responsibility;
- implement the laws and regulations on occupational hazards prevention and control and relevant national, industrial standards and regulations;
- organize and develop occupational health management system and occupational-disease-prevention measures;
- carried out management work of publicize education, technical guidance, inspection and assessment in regard to occupational disease prevention and control.

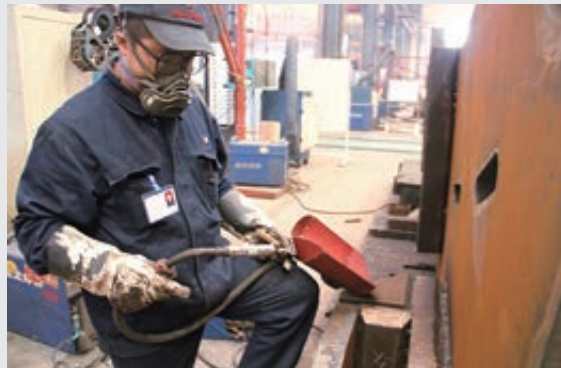


Guarantee Occupational Health

Case

Transformation of Paint Spraying Site of Donghua Heavy Industry Co., Ltd.

In 2017, Donghua Heavy Industry Co., Ltd. made further control over the occupational hazards. In order to reduce the on-site occupational hazard factors, Donghua invested RMB2.9 million to transform and upgrade the paint spraying site. The newly-invested painting spraying line adopts poisonous and harmful gas treatment technology with "baffle plate + filter cotton + activated carbon adsorption and catalytic combustion", to ensure standard discharge of the paint waste gas, thus reducing the risk of occupational disease.





Efficient Operation

Excellent Products

Continuous Innovation

Promote Sharing & Win-win

Proactively adapt itself to national policy of supply-side structural reform, actively grasp the opportunity of replacing old drivers with new ones in Shandong Province, effectively allocate resources, upgrade and optimize management, seek for excellence, blaze innovation in a pioneering spirit, Yanzhou Coal has grown with stakeholders as well as continuous and steady development.

The Company has further developed the “Three in One” industrial development layout comprising industrial sector, finance industry and logistics and trade. Relying on the three bases in Shandong, Shaanxi and Inner Mongolia and Australia, the Company has continued to improve its industrial system with main business segments of coal, coal chemical, electric power, equipment manufacturing, and positively promote replacing old drivers with new one. It also has established and upgraded logistics platform to link resources of upstream customers with that of

downstream customers by taking advantages of capital, name brand and creditability generated from long-term and sound operation. The Company has successively made several moderate investments in industrial acquisitions in Australia, Canada and Ordos China by means of industry and capital combination of “resource + capital”. As a result, the Company has realized internationalization and regionalization of its industry layout, which has initially shown the operation effectiveness.

Case

Acquisition of 100% Equity Interest of C&A by Yancoal Australia

In 2017, Yancoal Australia acquired 100% equity interest of C&A held by a wholly-owned member of Rio Tinto for a consideration of USD2.45 billion. It was the largest merge and acquisition transaction among global industry in past five years, which was evaluated as the most forward-looking cross-border merge and acquisition transaction. Upon completion of the transaction, the coal resource of Yancoal Australia was increased from 4,805Mt to 7,924Mt, while coal production capacity up from 44Mt to 80Mt, making it the largest specialized coal producer in Australia, ranking No.3 among Australian mining companies.



Efficient Operation

With focus on improving product quality and operation results, the Company has positively sought innovative management mode, continuously promote a series of key programs, such as “Three Reductions & Three Improvements” program, “1866” program and “1916” program. In other words, it is to maximize its economic benefit by optimizing the industrial structure, reducing production cost, improving production technology and equipment.

“Three Reductions & Three Improvements”

Company has continued to take whole-process value reengineering of “Three Reductions & Three Improvements” as principal guideline. Starting from optimizing mining layout, production system and mining technology, and from the links of technology and equipment, personnel allocation, assessment of rewards and punishments, the Company worked out reduction and improvement plan by industry and by units, consequently promote the “Three Reductions & Three Improvements” in all sectors, all fields and all directions.

As for coal segment, the Company realized purposes of high-

efficient integrated production, increase in unit production and unit advancing, increase in resource recovery ratio and labor reduction through optimizing development layout, optimizing mining equipment and technology, promote application of advanced production technology, optimizing labor organization and other methods. In term of coal chemical segment and electricity power segment, the Company realized long-period, stable and full-load system running through optimizing production organization, system configuration, unit operation, production technology management and raw materials structure, and reducing stop time, constraining bottlenecks and production consumables.

In the process of further promoting “Three Reductions & Three Improvements” in coal segment, the Company has continuously promote “Six Optimizations” in production layout, mining engineering, equipment allocation, production technology, electromechanical transportation system and preparation system. By the end of December 2017, the Company has completed 135 projects, recovered 536,000 tons of coal resources totally, making profit of RMB430 million.

“Three Reductions & Three Improvements”

Coal

development unit, Reduce workforce, Reduce system; Improve speed, improve quality and improve efficiency

Coal Chemical

Reduce shutdown, reduce hidden problem; improve quality, improve quantity and improve efficiency

Electricity Power

Reduce shutdown, reduce cost, reduce backward production technology and equipment; improve quantity, improve efficiency, and improve operation level and quality

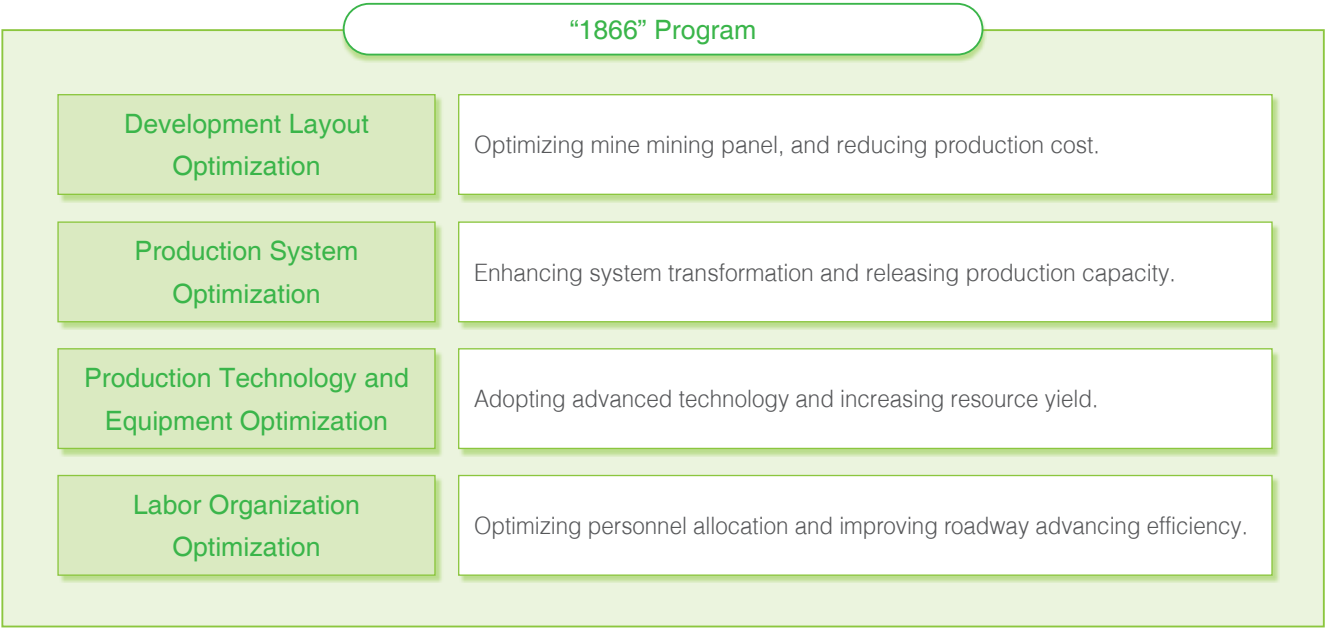
Efficient Operation

“1866” and “1916”Program

In 2017, the Company further carried out “1866” and “1916”program by relying on “Three-dimensional support “of technology optimization, equipment upgrading and following-up guarantee.

“1866”Program is to fully analyze the problems in current

development layout, production system, production technology and equipment and labor organization by comparison with domestic leading coal companies, implement the system optimization measures, and realize cost reduction and consumables saving, labor saving and efficiency improvement.



“1916”Program is to optimize production technology indicators, reduce technological consumables and maximize

economic benefit by strengthening four controls, and three optimizations.



High Quality Products

The Company strictly abides by the laws and regulations of the State and the industry standards. In 2017, there is no violation of the relevant laws, regulations and system by the Company in term of operation and sales of product. And zero product sold or shipped was taken-back for the sake of safety and health issues.



Honor of National Advanced Enterprise for Implementation of Excellent Efficiency Mode

Coal Products

The Company will continue to implement and expand the "Three Nils Project" and establish a fine quality control system. It vigorously built a quality culture with "Three Nils

"Three Nils" Project



Project" as the main content, develop brand products, and consolidate and enhance the brand image. At the same time, the company further improved the quality management system, expanded standard implementing fields, optimized the quality management process and refined operation standard, implemented process control, so as to ensure the process quality is always in a state of control.

The Company strictly inspects the coal quality and evaluates the ash, calorific value, total moisture, particle size and gangue rate of coal products in strict accordance with the national standard. In 2017, the Company's impurity percentage have been kept below 1kg per 10,000 tons of coal product. Take the Company's main products of #2 Clean Coal as an example:

Indicators of #2 Clean Coal

Year	Ash(%)	Calorific Value (MJ/kg)	Sulphur(%)	Impurity rate per 10,000 tons of product coal(kg)
2015	8.47	27.91	0.54	0.91
2016	8.80	27.58	0.55	0.91
2017	8.65	27.46	0.54	0.90

CHHP Workshop



High Quality Products

Coal Chemical Products

The Company has applied strict control over the quality of methanol and various by-products. By strengthening quality monitoring of the production process, the Company ensured that the methanol in the intermediate tank reaches the qualified standard before being sent to the finished product tank, and then it is sealed in tank for sale. Prior to the delivery of each product, the Company shall conduct laboratory analysis in accordance with the national standards, and issue analysis report after ensuring the qualification. The Company's methanol products meet the highest quality standard requirement, including the excellent grade of national standard GB 338-2011, the U.S. Federal Standard O-M-232FAA and international standard ASTM D1152:2006, and the qualification ratio of product sampling inspection is 100%.



Electromechanical Equipment Products

The Company has continued to refine the quality control system to improve the overall quality control level. Through establishing and improving the life-cycle control system of electromechanical equipment products, the Company realized whole-process tracing from receiving an order to after-sales. Take the main product of hydraulic support as an example, the Company has developed a standard management system for manufacturing hydraulic support,

which specifying the worker competence requirements, working position requirement, prevention and protection requirements, production technology application requirements, equipment management requirement, workpiece quality requirement and inspection requirement.



Electricity/Heating Power Products

In accordance with the requirements of the State and industry, the Company has continuously strengthened the operation and maintenance of electricity power, and provided users with safe, reliable and high-quality electricity and heat. The quality of electricity power and heating power are mainly reflected in the continuous, stable and reliable operation of the power generation units. In order to ensure the quality of products, the Company has formulated the "Long Period Operation Management Assessment Method" and "Assessment Method on Production Dispatching Management" to carry out process assessment of the operation of power generation unit. Meanwhile, each power plant has made exchange and communication with the users through visits, reception, telephone and letters and user satisfaction survey, so as to collect the users' opinions and suggestions in relation to electricity and heat supply. According to these feedbacks, the Company will make corresponding measures and improvement in a timely manner.

Continuous Innovation

In 2017, the Company has continued to follow the guiding principle of "Independent Innovation, Key Leapforward, Support Development & Lead the future" and to further promote original innovation, integrated innovation and re-innovation after the digestion and absorption of the introduced technology, with promoting the optimization and upgrading of industrial structure as the objective and with emphasis on making breakthrough in core technology of the main industry.

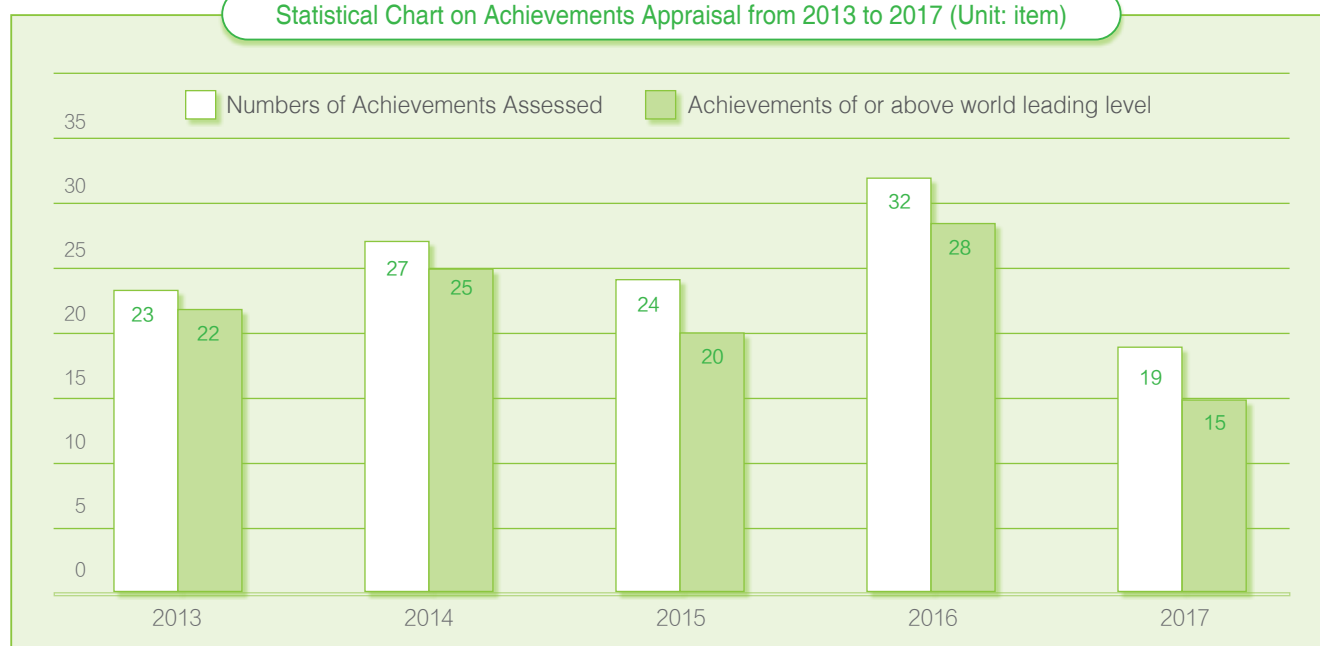
Innovation Achievements

The Company has positively promoted the construction of science and technology innovation system, enhanced scientific and technological innovation capacity, strengthen innovation strength so as to provide technology support for the Company's development. In 2017, the Company invested RMB93.75 million. The Company achieved 68 items of scientific and technological achievements in 2017, of which, 19 achievements passed technological assessment and 15 achievements reached the international advanced level.

The company made in-depth analysis on the general character and the key subjects of the industry, actively participated in science and technology programs, and endeavors to improve the level of technology R&D and advanced the development of industrial technology. Among these key subjects, "intelligent mining control technology and equipment" was included in 2017 national key R&D program (2017YFC0804304), "research on and application demonstration of the high-performance laser cleaning equipment with complex components" was included in 2017 Shandong key R&D program (2017CXGC0809), and another six projects such as "research on the mechanism of mine earthquake in Yanzhou mining areas and on the prevention and control technology" were included in 2017 guiding plan of China National Coal Association.

Thanks to the unremitting efforts in innovation, the company won 19 scientific and technological innovation awards at ministerial and provincial level in 2017, including 1 science and technology award granted by China Petroleum and Chemical Industry and 18 science and technology awards of China Coal Industry.

Statistical Chart on Achievements Appraisal from 2013 to 2017 (Unit: item)



Continuous Innovation

Technology Awards at Ministerial and Provincial Level from 2013 to 2017 (Unit: items)

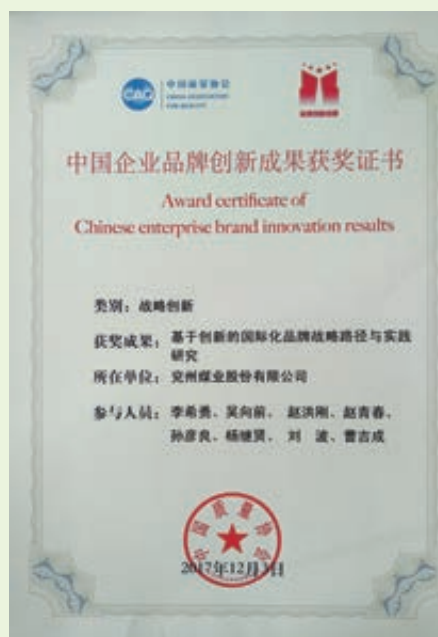
Year	2013	2014	2015	2016	2017
Awards Number	18	65	26	22	19

Case

Yancoal Australia continues to use its strong technology to promote the longwall top coal caving technology and ultra-clean coal technology to other Australian coal companies. The longwall top coal caving technology enables the longwall machine to excavate coal in the thick seam with a thickness of 5 to 12 meters, thus improving the mining efficiency and the economic benefit. Thanks to the ultra-clean coal technology, chemical cleaning can be used to produce coal with higher purity which, as a high-performance fuel for power generation, discharges less waste gases and greenhouse gases in combustion. At present, this technology has been applied in 12 countries, including Australia, China, Japan, UK, Canada, Germany, India, New Zealand, Russia and South Africa and obtained patent approval.

In addition to technological innovation, the company is also committed to management innovation to optimize management mode and improve enterprise efficiency. In 2017, the company has completed 127 management innovations. Meanwhile, the company won a good many honors, including one "The 4th Management Innovation Achievement Award for Shandong Enterprises", two brand innovation

achievements issued by China Association for Quality, seven excellent management innovation achievements issued by China National Coal Association, two Shandong provincial management innovation achievements, twenty-seven excellent management innovation achievements issued by Shandong Provincial Coal Association and so on.

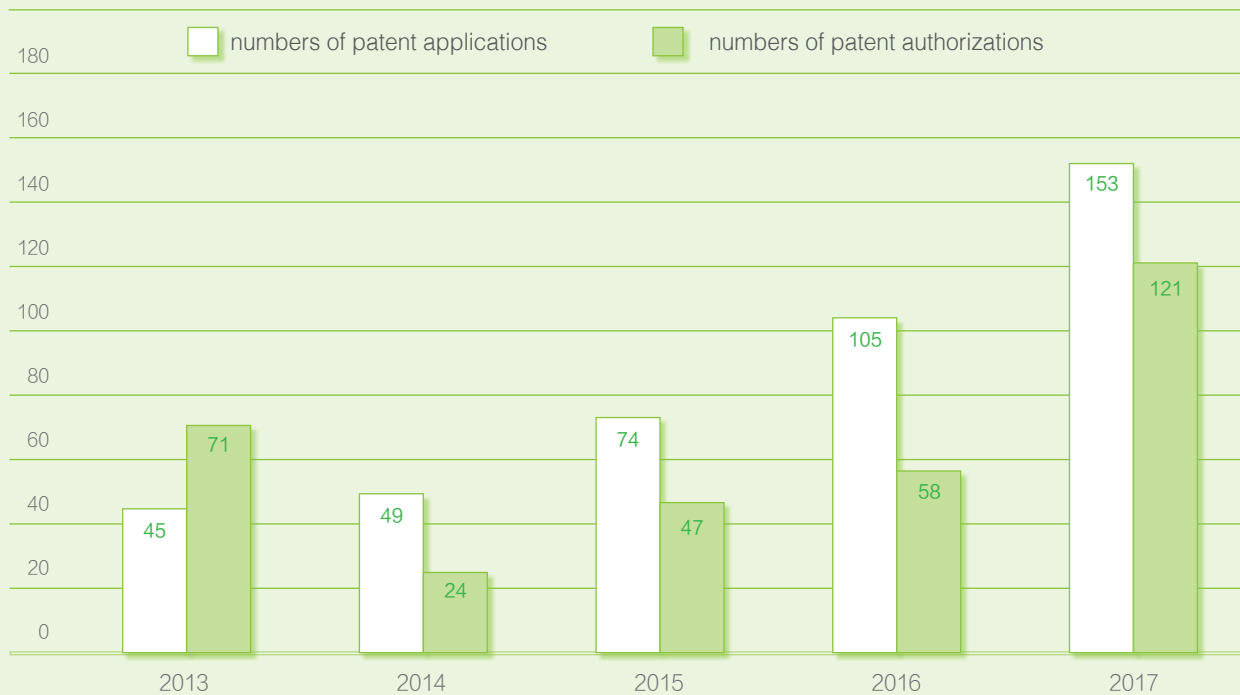


Intellectual Property Management

In terms of intellectual property management, the company has comprehensively strengthened the creation, application, protection and management of intellectual property rights, and actively promoted the capitalization of intellectual property rights. The company earnestly implemented the national “standard of enterprise intellectual property management”, the “intellectual property management manual” and the “program document for intellectual property management system”, and

actively carried out the cultivation for the “national intellectual property demonstration enterprise”. In 2017, the company has completed 153 patent applications, including 49 invention patents, 99 utility models and 5 appearance designs. The company has obtained 121 authorized patents, including 29 invention patents, 72 utility model patents and 20 appearance designs. In addition, the company has also obtained 15 software copyrights.

Statistics on the number of patent applications and authorizations from 2013 to 2017



Promote Sharing & Win-win

The company attached great importance to the relationship with investors, suppliers, and customers, actively communicated with all parties and listened to opinions from all sides to makes the stable and sustainable mutual benefit and win-win relationship, realizing the healthy development together with the parties.

Investor Relations

The company has formulated and continuously improved the “investor relations management system” in accordance with the laws and regulations in domestic and overseas listing places, and actively carried out investor relations management.

Through various forms including general meeting of shareholders, site investigation by investors, roadshow, reverse roadshow, investment forum of securities traders, and many channels including email, telephone, network platform, WeChat consultation and face to face communication, the company conducted in-depth exchanges with domestic and overseas capital market concerning industry development, company operation, project implementation significance, etc. to strengthen the identification and acceptance by investors and enhance the understanding and support by investors. Meanwhile, the company could be aware of the opinion and demand from investors and capital market in time through communication so as to improve all the work continuously

and further protect the interests of the company and equities of minority shareholders.

Owing to the excellent management of investor relations, the company's information disclosure in 2016 was again rated as grade A by Shanghai Stock Exchange in the annual assessment. In addition, the Company also won the “Tianma Award for Investor Relations of Chinese Listed Companies” and Golden Hong Kong Stock Award for “The Best Manager of Investor Relations”.



Golden Hong Kong Stock Award for "The Best Manager of Investor Relations"

Customer Relation Management

The company attached great importance to customer relation management. In order to strengthen customer relation management, improve customer satisfaction and protect customer information, the company has formulated a number of administrative measures such as Regulations on Further Strengthening the Credit Management for Clients, Administrative Measures for Client Visit, Administrative Measures for Confirmation of Clients and Returning Clients, Temporary Provisions on Confidentiality Management and so on.

The company brings Internet thinking into full play and makes full use of "Internet +" to communicate with clients through various channels. In the first half of 2017, the company scored 98.16 in the customer satisfaction poll. In the second half of 2017, the company scored 98.08 in the customer satisfaction poll. In 2017, the company has not received any service complaints. The company has received one objection from the customer in the aspect of product which has been properly handled.

To safeguard customer information, commercial information security and customer interests, the company clearly requested that personal information, contract price, negotiations content should not be disclosed without authorization. The confidential information related to customer is managed by the special person. In addition,

the custody and inspection of confidential information should be under strict and standard approval procedure.

Supplier Management

The company is committed to the establishment of a standardized, effective and win-win supplier management system. While ensuring the interests of the enterprises, the company also considered the supplier's interests and grew with the suppliers.

In order to establish a scientific and effective supplier management system and standardize supplier management, the company revised the Supplier Management Measures. The company strictly implements the supplier approval process, fully considers all kinds of supplier access conditions, and carefully verifies the supplier qualification. In order to promote and standardize the effective competition of suppliers, the company publicizes the list of new suppliers and sets up a complaint telephone.

In terms of supplier's rights and interests, the company is committed to creating an open, fair and equitable procurement environment, strictly enforcing contracts and trying to prevent commercial bribery and other corruption incidents. In 2017, the contract performance of the company reached 100%.

Promote Sharing & Win-win



The company uses technology sharing platform to share information with suppliers, discusses the development direction of the industry and market together, and uses its own advantages to promote the progress and growth of suppliers. The company has integrated the concept of social

responsibility into the supply chain. Through the fulfillment of clear responsibilities in terms of the contract and signing “social responsibility Commitment” with suppliers, the company managed its environmental and social risk and promoted the suppliers to fulfill social responsibility together.

Region	Supplier No.
I. Domestic	1561
(I)Shandong	629
1. Jining	320
2. Other	309
(II)Outside Shandong	932
II. Overseas	14
Total	1575



Guarantee Employees' Rights and Interests

Promote Employees' Development

Care Employees' Life

Staff is the most precious strategic resources of enterprise development and the foundation of the enterprise. Yanzhou Coal always adheres to the people oriented, guarantees the legal rights and interests, attaches importance to ability cultivation, cares employees' life, constantly stimulates their enthusiasm, initiative and creativity, provided platform and space for everyone's development with purpose to achieve company and staff development simultaneously.

Guarantee Employees' Rights and Interests

The company respects and protects the legitimate rights and interests of employees, and actively constructs harmonious labor relations. In 2017, the company strictly abided by the Labor Law of the PRC, Labor Contract Law of the PRC and Social Insurance Law of the PRC and other laws and regulations, observed and constantly improved the recruitment management system of the company, perfected the system of supervision and administration of employee rights, built effective employee security system to protect the legitimate rights and interests of employees.

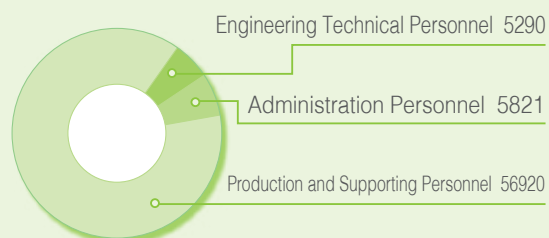
Staff Structure

As at 31 December 2017, there are 68,030 employees totally in Yanzhou Coal, among which, 64,038 in China and 3992 overseas; male 49,801 and female 18,229.

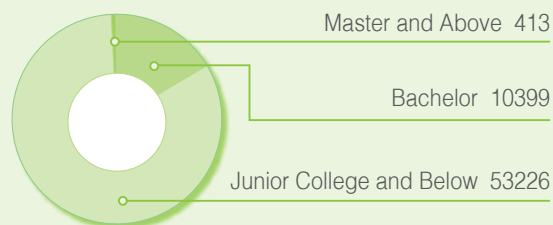
Geological Distribution of the Staff

location	Person(s)
Shandong Province	56816
Shaanxi Province	860
Shanxi Province	1362
Inner Mongolia	5000
Australia	3987
Canada	5

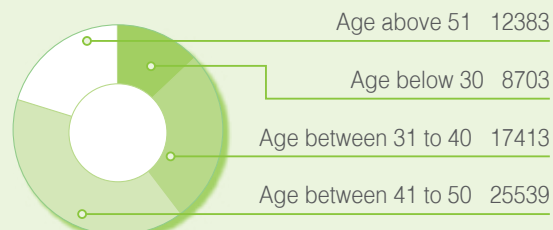
Staff Composition



Education Mix in PRC



Age Composition in PRC



Employment

For the purpose of sustainable development, the company periodically gets information about the employment needs of subsidiaries, makes recruitment plans and timely supplements talents reserve. The company adopts the personnel recruitment strategy of external employment and internal selection. Each year, the company will select excellent graduates from secondary technical schools and colleges and receive veterans so as to inject new vitality to staffs. Meanwhile, the company selects talents to fill the vacant managerial posts by means of competitive selection, election and so on, thus providing an unimpeded channel for employees' promotion.

As regards the dismissal of employees, the company adheres to the principle of equality and freewill, understands employees' choices and supports their development. For employees who voluntarily terminate the labor contract, we will properly hand over the personnel files and social insurance to them. For employees who fail to perform the labor contract and fail to pass the assessment upon the expiry of labor contract, the company will terminate the labor contract with them according to laws and regulations.

Legal employment

The company follows the principle of equality, voluntary and consensus, signs labor contracts with all employees, strictly implements the relevant policies of national labor contracts, and earnestly performs the relevant obligations of labor contracts. The company unified the contract text

and signing requirements, clearly requested the contract period, working hours, working place, post type of work, rest and vacation, salary and benefits, etc., and turned over to the local labor department in time for the review and record, to ensure that the labor contract are legally effective. In 2017, the signing rate of the company's labor contract was 100%, and the record rate of labor employment was 100%.

The company strictly enforces the standard work-hour system. Its employees enjoy statutory paid vacations, including statutory holidays, annual leave, marital leave, family leave, funeral leave, maternity leave, sick leave and work-related injury leave. The company also funds various types of social insurance for its employees, including basic pension insurance, basic medical insurance, supplementary medical insurance, industrial injury insurance, birth insurance, unemployment insurance and housing accumulation fund.

The company provides fair and reasonable jobs and has no discriminatory provisions against the race, nationality, religion, physical disability, sexual preference, union members and political affiliation of any employee in regard to employment, salaries, training opportunities, promotions, dismissals and retirement. The company also strives to eliminate discrimination in its daily activities.

The company consistently and strictly abides by national laws and stipulations on legal employment. In 2017, the company did not use child labor or force labor.

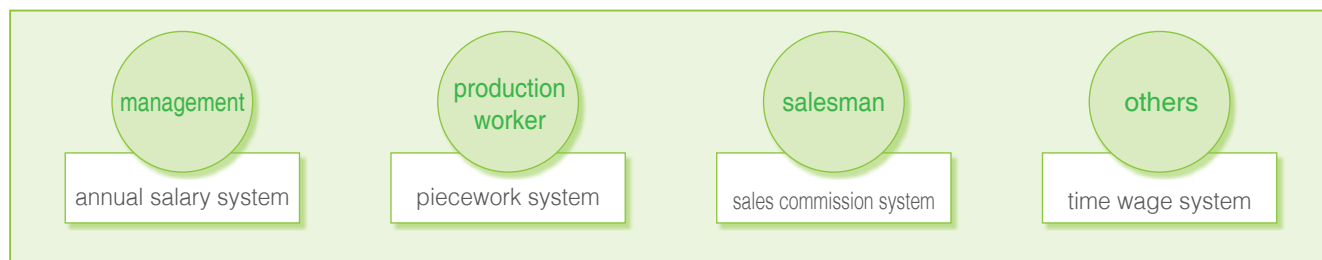
Guarantee Employees' Rights and Interests

Salary and Welfare

The company adopts the salary allotment system which is based on the post performance salary mechanism. The salary is divided into post wage, performance pay, allowances & subsidies and supplementary wage. The salary allotment is managed in a marketized manner and implemented in diverse and flexible forms. The company effectively safeguards employees' right to know, right to participate and supervise by establishing petition handling office, labor dispute mediation committee, democratic

management system and so on, so as to develop a harmonious and democratic labor relation.

In order to improve employees' living quality and satisfaction, the company provides favorable welfare and salary benefits to employees, which include summer high temperature allowance, housing subsidies, holiday and festival subsidies, aids for poverty-stricken or the disabled, night shift allowance, wage subsidies, team leader allowance, poisonous and harmful post allowance, etc.



Democratic Rights

The company protects the employees' right to know, to participate and to supervise through the office of letters and calls, the labor dispute mediation committee and the democratic management system to construct a harmonious labor relationship.

The company attaches great importance to the protection of women's rights and interests and establishes the women's commission to protect the legitimate rights and interests of

female employees. Through equal consultation, the company and the female employees signed the Special Collective Contract on Special Rights and Interests Protection. At the same time, in accordance with the Law on the Protection of Women's Rights and Interests and related system, the company strengthens supervision and inspection on safety and health conditions and labor protection for female employees to safeguard the legitimate rights and special interests of female employees in accordance with the law.

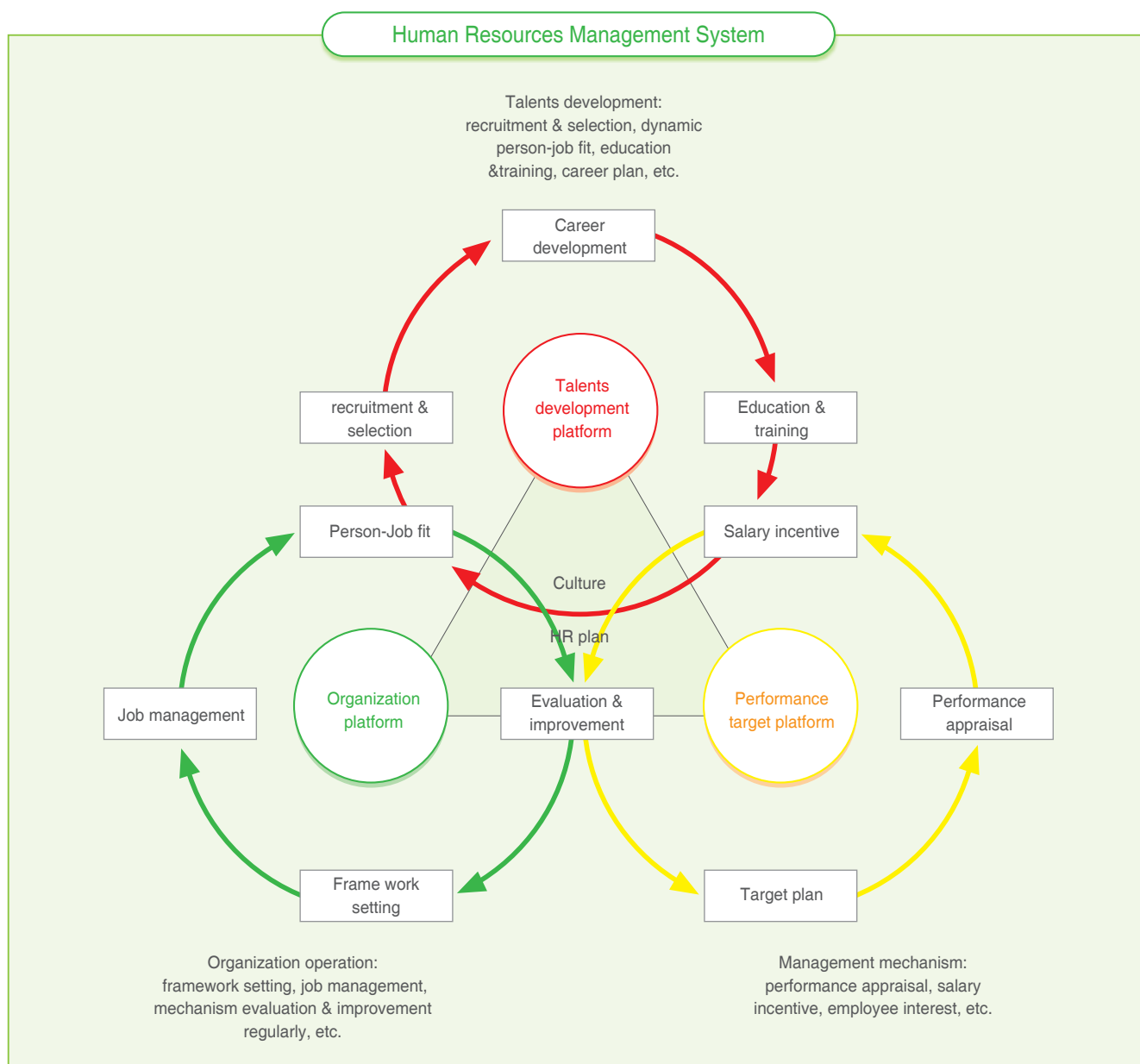
office of Letters and Calls	Set up an information service platform through network and WeChat, listen to the suggestions from grassroots employees, guide and encourage employees to express their demands rationally.
Labor Dispute Mediation Committee	Labor disputes and labor disputes shall be dealt with in a timely manner by the labor union, HR department and other relevant departments.
Democratic Management System	It is the staff congress to carry out an open and equal consultation system to ensure the democratic rights of employees involving in matters about their own interests, such as salary and welfare.

Promote Employees' Development

The company respects the value of people, thoroughly implements the people-oriented concept, and considers human resources as the inexhaustible motive force and source of innovation for the enterprise development. The company pays attention to communicating with the employees, actively creates favorable conditions for the employees' development, making employees work in a kind and collaborative atmosphere to fully arouse the enthusiasm of every employee and promote the organic integration between personal value

realization and enterprise healthy development.

The company innovates the training mode, creates three platforms of talents development, institutional framework and performance target, builds employee development system integrated with personnel construction, organization operation, management mechanism, cultivates a innovative talent team with industry-leading level, providing a strong talent guarantee for the sustainable development of the company.

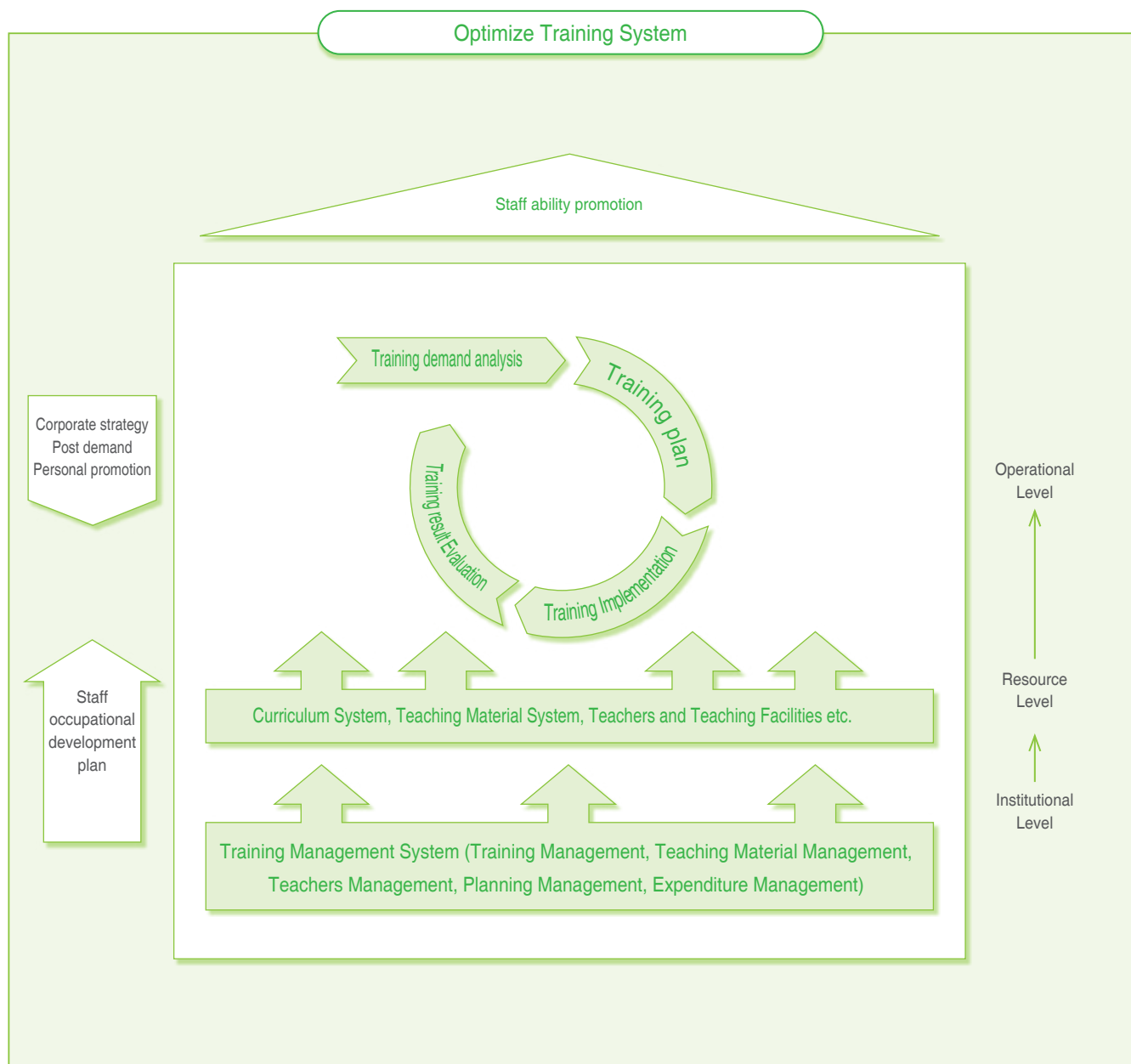


Promote Employees' Development

Optimize Training System

Training is the source of the sustainable development of enterprises. From the perspective of the development strategy, position requirements, and personal promotion, the company establish a set of comprehensive training

system containing three levels of system, resources and implementation for the career development plan. The high-quality training provided the technical support and human resources guarantee for the company's rapid development.



The company creates a good training environment for employees. It sets up safety skills training center which is a comprehensive occupational and educational training base

integrated with safety training, occupational training, skills identification, education for technicians and skilled workers, party member education, and adult continuing education.

Optimize Training System

Improve training conditions

The company has completed the reconstruction of the simulated fully-mechanized coal mining working face in the key training site. The level of its function layout and supporting facilities realized new promotion. The old factory is rebuilt into a spacious workshop for repairing and practical training. The workshops for mining machine maintenance and electrical work training were newly established.

Optimize teaching living conditions

900 sets of new desks and chairs has been put into use. Two lecture halls have been rebuilt, the space layout, lighting and sound conditions of which have been improved significantly. Student accommodation has been further improved. Sports and fitness facilities became more diversified.

Build a digital campus

The construction of safety and skill training center management platform, teaching software and its data base, integrated teaching system has been completed basically.

Case

Electrical Technique Quality Enhancement Training

To improve the professional competence and the electrical technique management and control capability of the electrical technique management staffs, the company organized a two-day quality enhancement training which attracted 71 electrical technique management staffs from all mining departments to participate in. After the training on the principle and application of static var generator(SVG), principle and application of frequency converter, unattended automation and control technology, permanent magnet synchronous motor and so on, the trainees got a further understanding of the latest development and development tendency of electrical technology, thus promoting them to work in an effective and targeted manner in the future.

Enhance Skill Training

The company attaches great importance to skill training for staffs. Following the principle of fulfilling job duties and learning to meet practical needs, the company prepares an annual training plan each year, and actively looks for experienced and qualified external training institutions to provide professional manager training for middle and senior management personnel. In addition, the company makes full use of the current talent team and training institutions to strengthen the construction of full-time and part-time teacher team and to develop the activity of "having leaders give lessons and give training on the scene". An online learning platform is built up for team leaders, and the question banks for different types of jobs are prepared, so as to enrich the training content, enhance team leaders' communication abilities and management skills, and improve workers' operational skills and their abilities of handling emergent problems. The total number of training in 2017 was 66,783.

Case

Rongxin Chemicals' Intelligent Training Room

In July 2017, the intelligent training room of Rongxin Chemicals was formally built and put into use. Since the use of training room, it has completed the edit and totally input questions into the database amounting to 11,183, 15 rounds of examinations and students information amounting to 620, and stored more than 180 pieces of electronic paper, and 542 person times have been studied and examined here.

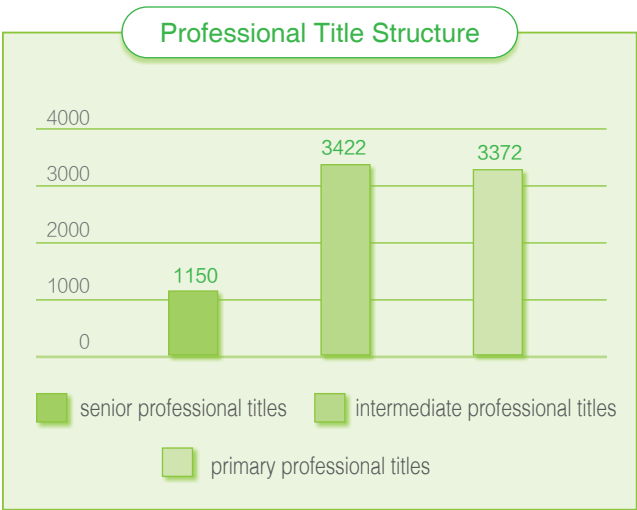
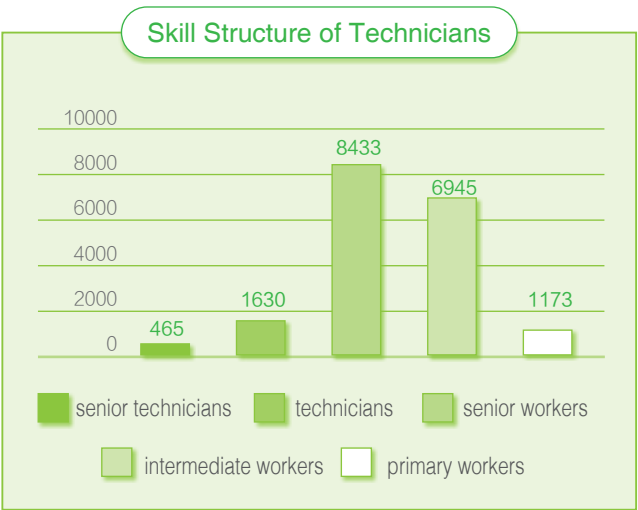


Promote Employees' Development

Skill Appraisal

The company steadily carried on job skill competition, occupation skill appraisal, professional titles review and other activities to provide employees development platform. Currently, there are 465 senior technicians, 1630 technicians, 8433 senior workers, 6945 intermediate workers, 1173 primary workers in the company. The skill

structure of the technicians is reasonable. Meanwhile, the company encouraged management and technical personnel to obtain various professional titles adopting the combination of review and examination. Currently, there are 1150 senior professional titles, 3422 intermediate professional titles, 3372 primary professional titles in the company.



Case

Job Skill Competition in Baodian Coal Mine

Baodian coal mine held a job skill competition with the theme of “big training for job, everyone to be a craftsman”. This activity was divided into two categories: underground job skill operation and ground job skill operation. The players strictly followed the standard procedures and steps to demonstrate their excellent quality and superb skills. This activity further promoted the employees’ enthusiasm to hone their own skills and the enterprising spirit to make great efforts.



Care for Employees' Life

Yanzhou Coal concerns about employees' life, enhances the care for the their emotiona, pays attention to their occupational health, enriches their spiritual and cultural life, solves their practical difficulties and handles concrete affairs in a down-to-earth manner to promote their sense of belonging and happiness.

Culture and Sports

During the New Year' day and the Spring Festival, the company well organized recreational and sports activities, and extensively carried out "Celebrate New Year's Day and Welcome the New Spring" garden tour activities. What's more, the company held excellent painting and calligraphy works exhibition themed on the The Analects of Confucius quotes, held the Staffs' Spring Festival Gala Evening Performances for three times in 2017, invited and received six sessions of performances of gratitude, played nine New

Year movie shows, and organized the folk art group which consisted of over 280 performers to give four performances to families of staffs in mining areas.

The company also held staff calligraphy (couplet writing) and photography exhibition themed on "Devote to Work, Love the Mine as Home, and Cherish the Party in My Heart", during which a total of 49 photography works were on display. Besides, the company held a number of other recreational and sports games such as the 10th Tug-of-War for Staffs, the 2nd Staff's Badminton Game and so on.

Diverse cultural and sports activities enriched the spare time cultural life of staffs, cultivated their sentiment, relieved them from the busy work, improved their working enthusiasm, strengthened their cohesion and fostered their sense of belonging to enterprise and their sense of group honor.

Making Chinese dumplings by Yancoal Australia's employees at Spring Festival



Badminton match in Dongtan coal mine



Basketball match in Shilawusu coal mine



Calligraphy (couplet writing), photography and manual work exhibition in Xinglongzhuang coal mine



Care for Employees' Life

Care for Employee Health

The company takes care of every employee and ensures employees' physical and mental health in a variety of ways

so that employees can concentrate on their work and live in peace.

Case

Employee Recuperation

The company adhered to the principle of “three-line and coordinated promotion” and completed three tasks of occupational health recuperation, honor health recuperation and recuperation care. In 2017, the company organized occupational health recuperations involved 2806 people, honor health recuperation of 2912 people and recuperation care involved 255 people. The employee satisfaction rate for recuperation is up to 96%.



Case

Summer-heat-relieving Activities

Each year, the company will distribute summer-heat-relieving articles to staffs. In 2017, the company organized the activity themed on “Fight Against High Temperature and Rainy Season, Ensure Safety and Promote Production”, during which various articles for heatstroke prevention were distributed to the first-line workers. Staffs were encouraged to take care of themselves to avoid heatstroke, and to work safely. The activity not only helped workers to keep up high morale, but also aroused their working enthusiasm.



Case

Pay Attention to Employees' Mental Health

To ease employees' mental health problems that may occur in their work and life, psychological consultants in Baodian coal mine conducted psychological counseling for employees in need at weekends through heart-to-heart exchanges and stories sharing to realize good adjustment on employees' psychological states. Psychological consultants also taught some psychology knowledge, introduced simple and effective decompressing and relief method to help employees effectively adjust their mental states and maintain positive and healthy mind in work and life.



Care for Female Employees

The company carried out series of activities themed on "I Am the Most Shining Beauty", distributed over 500 books concerning the subject of "Books, My Companion", organized mobile class for female workers and the exhibition of their reading notes, and held the Celebration of the 107th Anniversary of International Women's Day and Award Evening, so as to create a stage for female workers to show their accomplishments and enrich their spiritual and cultural life. To show humanistic care to female workers, the company listed and filed some special groups including the needy divorced female workers, dispatched female workers, left-behind female workers and so on, for whom the company launched the visit

and sympathy-expressing activity during the International Women's Day and the International Children's Day.



Anniversary of International Women's Day and Award Evening

Care for Employees' Life

Care for Needy Workers

The company steadily carried out heart-warming action, stayed close to the grassroots to investigate employees' states, regularly visited and cared for needy workers, got to know the family difficulties in detail, helped them to deal with practical problems, made them feel the warmth from organization. In 2017, the company visited 3128 households

of needy workers, granted relief funds and solatium of RMB1.94 million; implemented "golden autumn student support" activity to help 179 special difficulty students with relief fund of RMB0.8194 million; succored serious disease pension of RMB1.4278 million to 48 households of serious illness workers.



The Scene of 2017 Golden Autumn Student Subsidy Activity



Targeted Poverty Alleviation

Public Charity

Local People's Livelihood

Implement core value of socialism as the responsibility, stick to society contribution and return, support poverty alleviation, and devote to charity to benefit local livelihood.

Targeted Poverty Alleviation

The Company actively carried out various tasks for poverty alleviation and took initiative to assume social responsibilities. In 2017, the company designated three poverty-stricken villages in Xitaiji, Chenlou and Shaoji, Huangdian Town, Dingtao District, Heze City, and focused on the Party building work, infrastructure construction, industrial development, and poverty alleviation in the three villages. For help, a total of RMB2.6 million was invested in helping and supporting, and a donation amount of RMB11,900 was donated. According

to local government's arrangements for the construction of poverty alleviation sites for employment, the Company donated RMB 190,000 for reconstruction assistance. The Company selected young cadres to form the "First Secretary Working Group" and went to the village to help the villagers in person and led the local villagers to carry out activities such as building roads and wells, developing animal husbandry, and promoting cultural development, so as to effectively help the people get out of poverty.

Achievements in targeted poverty alleviation

Unit: RMB10 thousand

Indicators	Amount of Investment and Progress
I. Overview	956.29
of which: 1. Poverty alleviation fund	904.34
2. Material equivalent in RMB	51.95
3. Number of filed poverty-stricken people who overcome poverty with the help of the Company's poverty alleviation (persons)	
II. Investment by items	
1. Industry development support	
of which: 1.1 Types of industry development support project	<input checked="" type="checkbox"/> Agriculture, forestry <input type="checkbox"/> Tourism <input type="checkbox"/> E-commerce <input type="checkbox"/> Asset income <input type="checkbox"/> Science and technology <input type="checkbox"/> Others
1.2 Number of industry development project	1
1.3 Amount of investment in industry development project	15
1.4 Number of filed poverty-stricken people who overcome poverty with the help of the Company's poverty alleviation (persons)	
2. Poverty alleviation by transferred employment	
of which: 2.1 Amount of investment in occupational skills training	
2.2 Number of people involved in occupational skills training (person times)	
2.3 Number of employment for filed poverty-stricken household (persons)	
3. Poverty alleviation by relocation	
Of which: 3.1 Employment provided for relocated household (persons)	
4. Poverty alleviation by education	
Of which: 4.1 Amount of investment in poverty-stricken students	81.94
4.2 Number of poverty-stricken students subsidized (persons)	179
4.3 Amount of investment in improving education resources in poverty-stricken region	
5. Poverty alleviation of Health care	
of which: 5.1 Investment amount in medical treatment and public health resources of poverty area	
6. Poverty alleviation by ecological protection	

Indicators	Amount of Investment and Progress
of which: 6.1 Project name	<input type="checkbox"/> carrying out ecological protection and construction <input type="checkbox"/> setting up ecological protection compensation mode <input type="checkbox"/> establishing ecological public welfare job <input type="checkbox"/> others
6.2 Investment amount	
7. Last line of guarantee	
of which: 7.1 Investment amount for helping left-behind people	
7.2 Number of helped left-behind people	
7.3 Investment amount in helping poverty disabled people	
7.4 Number of helped poverty disabled people	
8. Social poverty alleviation	
of which: 8.1 Investment amount in east and west poverty alleviation collaboration	
8.2 Investment amount in targeted poverty alleviation	443.95
8.3 Charity found on poverty alleviation	
9. Other project	
of which: 9.1 Number of project	3
9.2 Amount of investment	415.40
9.3 Number of filed poverty-stricken people who overcome poverty with the help of the Company's poverty alleviation (persons)	
9.4 Other explanation	Carried out Charity Donation Day activity to help needy employees and medical aids for serious disease
III. Honors and Awards (name and rank)	

Case

Bridge Reconstruction Assistance in Dachenlou Village

There are 6 brick arch bridges in the northern part of Dachenlou Village, Heze City, Shandong Province. This is the only way for local villagers to go out for work and life. However, due to disrepair, it has generated a large number of hidden safety hazards and even accidents. After the "First Secretary" sent by the Company came to the village, he treated the bridge as a top priority related to local people's livelihood. What he did was not only repaired the bridge, but also made it beautiful and practical. As a result, the bridge could facilitate the villagers' travel, but also become a landscape in the village.



Case

Zhuanlongwan Coal Mine assisting the processing of agricultural and sideline products

In order to provide better feedback to the surrounding communities, Zhuanlongwan Coal Mine helped establish and improve the agricultural product processing industry chain in Sainiewugai Village in Ordos City. The Mine has carried out a number of targeted poverty alleviation actions in the locality and vigorously developed the precision processing of agricultural and sideline products. Thanks to these actions, the local established a series of agricultural and by-products processing plants. They used local raw materials to further produce products with higher added value and sold the products in the surrounding areas, which greatly improved the lives of local residents.



Targeted Poverty Alleviation

Case

Yulin Nenghua Implementing Targeted Poverty Alleviation

In order to fully implement targeted poverty alleviation and win the fight against poverty, Yulin Nenghua invested RMB20,000 to fund the construction of the Xiaofutan Village Happy House in Jinjitan Town, Xiangyang District, and improved the living conditions of the widowed old people; the investment of RMB60,000 was funded to the "Zhizhi Double Help" program organized by Jinjitan environment of Fuyang District. The beach government organized the "Zhizhi Double Help" program; it funded RMB200,000 grants to support the construction of village committees and other event facilities in the Gaoshamao administrative village of the Anya office in Xiangyang District, which has won wide acclaim from local governments and the people.

The targeted poverty alleviation by Yulin Nenghua

Targeted poverty alleviation plan	Amount of donation RMB 10 thousand
Poverty alleviation for Anya Office in Daheta Town	20.00
Poverty alleviation for Xiaofentan Village in Jinjitan Town	6.00
Poverty alleviation for Xingfu Community in Xiaofentan Village	2.00



Public Charity

While paying attention to its own development, the Company sincerely gave back to society, actively participated in social charity, encouraged employees to participate in volunteer activities, and advocated a new trend of social civilization. In the face of disasters, come forward and take the initiative to reach out and help vulnerable groups and contribute love and warmth to those in need. In 2017, the Company actively participated in charities to enhance the well-being of the people and establish the image of "Love Yanzhou Coal".

Case

Yulin Methanol Factory Relief Action

From July 23 to July 26, 2017, heavy rainfall in Yulin City led to catastrophic flooding in the urban areas of Yulin City, Suide County and Zizhou County. Seven counties were seriously affected and caused serious damage to the people's lives. After the occurrence of the disaster, Yulin Methanol Factory demonstrated corporate responsibility and dispatched two sets of fire brigade at the earliest time to urgently rescue the disaster-stricken areas and carry out water delivery and emergency rescue work. At the same time, Yulin Methanol Factory held a donation activity and raised a total of RMB36,700 to help affected people to resume production and rebuild their homes. The rescue operation was widely acclaimed by the people in the hard-hit areas, Yulin Municipal Government and people from all walks of life.



Benefit Local People's Livelihood

While continuously improving its economic efficiency, the Company actively understood the needs of the community and conducted community investment activities in accordance with the principle of "Complementary Advantages, Benefit Sharing, and Co-ordination," and strived to drive economic growth and optimization and upgrade the industrial structure around the Company.

Case

Dongtan Coal Mine Volunteer Service

Dongtan Coal Mine Warmhearted Volunteer Service Center adhered to the volunteer on duty service every Friday. The service content covered all aspects of daily life. Since its establishment, 9 volunteer service teams had provided 540 hours of on-duty service, serving 1,236 employees, subject to helping people with 100% satisfaction. The coal mine carried out volunteer service activities for widows and widowers, the elderly, difficult families, retired employees, etc., and actively provided services such as medical care, poverty alleviation, hygiene and cleansing, and psychological counseling. In order to optimize the community's public environment, the Warmhearted Volunteer Service Center organized the "Building Safe Dongtan Together" initiative to regularly carry out public fitness equipment maintenance, energy conservation and emission reduction theme promotion and waste battery recycling and other volunteer service activities.



Case

Yangcun Coal Mine Health Skills Master Studio

Yangcun Coal Mine Staff Hospital established Fang Xianghua's Skill Master Studio, conducted service activities, such as launching a health-giving community, sending services into families, and sending safety to the district team. Kindergartens provided targeted health care services for the elderly and children, and regularly went to the residents of the community for health advice and medication instructions. In order to enhance community residents' awareness of preventive health care, the studio opened the "Fang Xianghua Small Classroom" and regularly held targeted health lectures and first aid knowledge training. This experienced team of community guardians was affectionately referred to as "healthy guardians in the community."

Fang Xianghua Flow Clinic



Fang Xianghua First Aid Training Lecture



Local People's Livelihood

In community activities, the Company encouraged employees to develop the spirit of Lei Feng, carry out volunteer services, integrate into communities, and convey love and hope. In The

Company has 266 warm-hearted teams and more than 2,000 assistance activities were carried out in 2017.

Case

Xinglongzhuang Coal Mine Community Service

The Xinglongzhuang Coal Mine carried out volunteer activities of "Warmhearted" and assisted 11 households with precision through "one assisting one" and "multi-assistance to one" to provide household health and life care for the vulnerable and disadvantaged groups. In the whole year, the "Warmhearted" Volunteer Service Team was organized to carry out 101 assistance activities. 454 volunteers participated and served 362 people in the activity.



Case

Baodian Coal Mine Warmhearted Action

Baodian Coal Mine held the "We Are Together. Warm Homeland" warm-hearted action and launched "love" donations, clothing claims, "Lei Feng" hairdressing services, smart hand sewing, pediatric massage, psychological counseling, and blood pressure measurement in local community. Volunteers fulfilled their duties and cooperated with each other to provide convenience to the family members of the employees and were well received by the families of employees.



In 2017, the Company actively communicated with local government during the relocation of the villages besides the coal mine and the Company paid compensation fee more than RMB1.72 billion including relocation compensation, land compensation for coal mining subsidence, collapse land reclamation fees, cultivated land occupation tax, crops compensation, attachment compensation, river bank treatment, roads repairing fees and cost of various power line management so as to effectively protect residents' legitimate interests and long-term livelihoods, and ensure the social harmony and stability of the mining area and the sustainable and healthy development of the regional economy.



A solar photovoltaic power station on the treated subsidence area



Vineyard on the treated subsidence area

Honors of 2017

During the reporting period, the good performance of Yanzhou Coal in fulfilling its social responsibilities has won widespread recognition from all sectors of society.

No.	Awards	Awarded by
1	China Most Influential Green Enterprise Brand	Xinhuanet, China Society for Environmental Sciences
2	China Leading Company in Brand Innovation	China Quality Association
3	A Level in Shanghai Stock Exchange 2016 Annual Information Disclosure Evaluation	Shanghai Stock Exchange
4	The 8th China Investor Relations Tianma Award - Best Board of Directors in Investor Relations of China Main Board Listed Companies	Securities Times
5	"China Top 100 Enterprise Award" and "Chinese Moral Enterprise Award"	China Top 100 Listed Companies Summit Forum Committee
6	Golden Sail Award for Outstanding Governance of Listed Company in 2017	21st Century Business Herald
7	The most Forward-looking Cross-border M&A Transactions in 2017	Tianxin Capital
8	The 13th Session of "Golden Round Table - Outstanding Board of Directors" Award of China Listed Companies	Board of Directors Magazine
9	National Advanced Enterprise in Excellent Performance Model	China Quality Association
10	2017 "Golden Hong Kong Shares" Best Investor Relations Management of Listed Companies	Zhitong Finance

Key Performance

Economic Performance Indicators	2017	2016	2015
Raw coal (thousand tons)	85,620	66,738	68,478
Product coal (thousand tons)	79,924	62,365	62,869
Goods Transportation by Railway (thousand tons)	14,385	13,443	15,993
Methanol (thousand tons)	1,614	1,641	1,671
Power generation (kW)	267,434	277,715	263,952
Heat production (10 thousand steam tons)	138	133	130
Sales income	526.72	332.72	364.04
Total Assets (RMB 100 million)	1,973.13	1,474.55	1,424.72
Total Liabilities (RMB 100 million)	703.61	655.78	694.80
Equity attributable to shareholders of the Company (RMB 100 million)	474.11	371.39	353.70
Net income attributable to shareholders of the Company (RMB 100 million)	73.63	16.49	1.64
Return on net asset(%)	15.53	4.44	0.46
Earnings per share (RMB)	1.50	0.34	0.03

Social Performance Indicators	2017	2016	2015
Tax amount (RMB100 million)	90.29	52.73	54.42
Dividend per share(RMB)	0.48	0.12	0.01
Total cash dividend(RMB100 million)	23.58	5.89	0.49
Corporate credit rating	AAA	AAA	AAA
Contract implementation rate	100	100	100
Social contribution per share1(RMB)	5.75	3.96	4.20
Social contribution per share2(RMB)	5.87	3.87	3.99
Complaints from key customers	0	0	0
Significant illegal and undisciplined events	0	0	0
Number of employees	68,030	68,550	65,894
Total female employees	18,229	17,678	18,213
Fatality rate per million tons of coal production	0	0	0

1.In accordance with Chinese accounting standards.

2.In accordance with International Financial Reporting Standards

Key Performance

Environmental Performance Indicators	2017	2016	2015
Sulfur dioxide emissions (ton)	1,032.37	2,612	1,795
Nitrogen oxide emissions (ton)	1,833.70	3,111	3,423.5
Smoke and dust emissions (ton)	266.50	*	*
Volatile organic emissions (ton)	53.42	*	*
Purge gas production (10 thousand tons)	4,925.83	*	*
Purge gas efficient utilization rate	100%	*	*
COD emissions (ton)	314.99	225	239.4
Ammonia nitrogen emissions (ton)	29.75	12.5	20.10
Production wastewater discharge (10 thousand cubic meters)	1,970.86	*	*
Comprehensive utilization of production wastewater (10 thousand cubic meters)	3,147.05	*	*
Greenhouse gas emissions (10 thousand tons)	533.44	*	*
Hazardous waste generation (10 thousand tons)	1.13	0.21	*
Hazardous waste compliance disposal rate	100%	100%	100%
Non-hazardous waste generation (10 thousand tons)	644.39	*	*
Comprehensive utilization rate of coal rejects	100%	100%	100%
Comprehensive utilization rate of fine coal ash	100%	100%	100%
Comprehensive utilization rate of boiler waste	100%	100%	100%
Comprehensive utilization rate of gasifier waste	100%	100%	100%
Coal consumption (10 thousand tons)	148.41	159.84	15.53
Coal slurry consumption (10 thousand tons)	114.67	119.42	92.01
Coal reject consumption (10 thousand tons)	16.19	*	*
Petrol consumption (ton)	281.59	*	*
Diesel consumption (ton)	6,433.96	*	*
Electricity consumption (Million kWh)	1,974.56	112.144	109.85
Natural gas consumption (10 thousand cubic meters)	125.97	*	*
Outsourcing steam consumption (10 thousand tons)	97.58	*	*
Comprehensive energy consumption (10 thousand tons of standard coal)	362.77	414.1761	68
Comprehensive energy consumption (Million kWh)	29,532.91	*	*
Comprehensive energy consumption per RMB1 million output value (MWh)	311.52	*	*
Annual water consumption (million cubic meters)	2,117.29	*	*

Environmental Performance Indicators	2017	2016	2015
Total comprehensive energy consumption in coal segment (10 thousand tons of standard coal)	32.74	*	*
Total comprehensive energy consumption in coal segment (Million kWh)	2,665.76	*	*
Comprehensive energy consumption of raw coal production (kilogram of standard coal equivalent per ton)	3.82	3.24	3.26
Comprehensive energy consumption of raw coal production (MWh per ton)	0.03	*	*
Total comprehensive energy consumption in coal chemical segment (10 thousand tons of standard coal equivalent)	239.33	*	*
Total comprehensive energy consumption in coal chemical segment (Million kWh)	19,483.54	*	*
Comprehensive energy consumption of methanol production (MWh per ton)	12.07	*	*
Total comprehensive energy consumption in electricity and heat segments (10 thousand tons of standard coal)	89.42	*	*
Total comprehensive energy consumption in electricity and heat segments (Million kWh)	7,279.84	*	*
Comprehensive energy consumption of electricity production and supply (heat supply inclusive) (MWh/kWh)	0.002	*	*

Note:

1. Since the energy consumption of the machine manufacturing and transportation segment accounts for a small proportion of energy consumption in all businesses (about 0.3%), this report will not respectively disclose them in accordance with the principle of the importance of information disclosure.
2. Greenhouse gases produced from the combustion of coal gangue and coal slime are not yet adequately calculated in the industry. Therefore, this report only discloses the use level of greenhouse gases.
3. Content marked with "*" has not been disclosed in its social responsibility report of the corresponding year.

2018 Outlook

Year 2018 is the starting year for full implementation of the spirit of the 19th CPC national congress, the progressing year for the new era of socialism with Chinese characteristics and the year for implementation of replacing old drivers with new ones in Shandong Province and embracing the opportunities for leapfrog development. Looking ahead to 2018, the Company will strive to capture the opportunities, strive for opportunities, work together to meet challenges, continue to uphold quality and efficiency, adhere to green development,

continue inheritance and innovation, and ensure production safety. In order to promote the common development of enterprises and employees, the Company will actively carry out targeted poverty alleviation and social public welfare, implement corporate social responsibility, and make new contributions to the steady and healthy development of the national economy and social harmony and stability, and work with all stakeholders to create a better future.

Main Topics	2018 Development Goals
ECO-friendly development	<ul style="list-style-type: none"> Deepen the establishment of green mines and implement three-year environmental protection actions; Promote the comprehensive improvement of "three wastes" and explore the use of coal gangue filling, orogenicity, and mine water reuse; Upgrade energy-saving equipment, coal flow system, frequency conversion, SVG project; Make full use of the national energy-saving and emission-reduction policy to further improve the environment and build the company's green development brand.
Safe production	<ul style="list-style-type: none"> Focusing closely on the "153" security management model, fully implement the safety production standardization and standardization process, and build a stable and controlled safety work pattern; Strengthen the basics of system regulation, technical support, equipment support, education and training, occupational health, district team management and team building, and promote the effective implementation of safety responsibilities at all levels.
Quality innovation	<ul style="list-style-type: none"> Actively promote reform and innovation and fully stimulate the endogenous driving force of the sustainable development of the Company; Adhere to the intensive and efficient cooperation with safe production promoted by science and technology, vigorously encourage the "operators reduction through mechanization and automation" project and "Three Reductions and Three Enhancements" work; Realize the mechanization of product coal washing process, informatization of production system, visualization of command and dispatch, and strive to build production intelligence.
Employee Care	<ul style="list-style-type: none"> Insist on relying on employees, sharing achievements in development so as to promote sustainable and harmonious development of the Company; Giving Full Play to the Active Role of the "Dual Representative Congress" and Strengthening the Democratic Management of the Company; Improve the training system and expand the career development space of employees through multiple channels; Pay attention to the humanistic needs of employees, help needy employees, and enhance their sense of belonging and happiness.
Benefit People's Livelihood	<ul style="list-style-type: none"> Insist on donation, disaster relief and employee volunteer activities; Deepen targeted poverty alleviation and improve sustainable effects of poverty alleviation; Promote truth, goodness and beauty, spread positive energy, and contribute to the harmonious development of society.

ESG¹ Index

Content	Page
A. Environment category	
A1 Emissions	
General disclosure: Waste gas and greenhouse gas emissions, discharge of water and land, generation of harmful and non-hazardous waste, etc.: I Policy; and II Compliance with relevant laws and regulations that have a significant impact on the issuer.	P20–27
A1.1 Types of emissions and related emissions data.	P32,P80
A1.2 Total greenhouse gas emissions (in tons) and (if applicable) density (if calculated per unit of output, per facility).	P32,P80
A1.3 The total amount of hazardous waste generated (in tons) and (if applicable) density (if calculated in units of production per facility).	P32,P80
A1.4 The total amount of non-hazardous waste produced (in tons) and (if applicable) density (if calculated in units of production per facility).	P32,P80
A1.5 Describe the measures to reduce emissions and the results obtained.	P24–27
A1.6 Describe ways to deal with hazardous and non-hazardous waste, measures to reduce production, and results obtained.	P24–27
A2 Resource use	
General disclosure: Policies for the effective use of resources (including energy, water, and other raw materials). Note: Resources can be used for production, storage, transportation, buildings, electronic equipment, etc.	P28–29
A2.1 Direct and/or indirect energy (eg electricity, gas, or oil) by total consumption (in thousands of kWh) and density (if calculated in units of production per facility).	P32,P80–81
A2.2 Total water consumption and density (if calculated in units of production per facility).	P32,P80
A2.3 Describe energy use efficiency plans and results achieved.	P28–29
A2.4 Describe any problems with obtaining suitable water sources, as well as plans for improving water use efficiency and achievements.	P25
A2.5 Total amount of packaging materials used in finished products (in tons) and (if applicable) per unit of production.	P32
A3 Environment and natural resources	
General disclosure: To reduce the listed company's policies that have a significant impact on the environment and natural resources.	P30–31
A3.1 Describe the major impact of business activities on the environment and natural resources and the actions that have been taken to manage the impact.	P30–31
B. Social category	
B1 Employment	
General Disclosure: Regarding remuneration and dismissal, recruitment and promotion, working hours, holidays, equal opportunities, diversification, anti-discrimination and other benefits and benefits: I Policy; and II Compliance with relevant laws and regulations that have a significant impact on listed companies.	P60–62,P67–70
B1.1 The total number of employees by sex, type of employment, age group and region.	P60
B1.2 The employee turnover rate by sex, age group and region.	Not Counted
B2 Health and safety	
General Disclosure: Provides a safe working environment and protects employees from occupational hazards I Policy; and II Compliance with relevant laws and regulations that have a significant impact on listed companies.	P33–46
B2.1 Number of deaths and rates.	P34,P79
B2.2 Lost work days due to work-related injuries.	Not Counted
B2.3 Describe the occupational health and safety measures adopted, as well as the relevant implementation and monitoring methods.	P33–46
B3 Development and training	
General Disclosure:Policies on improving employees'knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	P63–66
B3.1 Percentage of employees trained by gender and category of employee (eg senior management, middle management).	Not Counted
B3.2 The average number of hours each employee completed training based on the type of employee and gender.	Not Counted

ESG¹ Index

Content		Page
B4 Labor standards		
	General disclosure: Regarding the prevention of child labor or forced labor: I Policy; and II Compliance with laws and regulations that have significant influence on listed companies.	P60–62
B4.1	Describe measures to review recruitment practices to avoid child labour and forced labour.	P60–62
B4.2	Describe the steps taken to eliminate the situation when the violation was discovered.	P60–62
B5 Supply Chain Management		
	General disclosure: Supply chain environmental and social risk management policies.	P56–58
B5.1	Number of suppliers by region.	P58
B5.2	Describe the practice of hiring suppliers, the number of suppliers that implement the relevant practices, and the methods of implementation and monitoring of relevant practices.	P56–58
B6 Product liability		
	General Disclosure: Health and safety, advertising, labeling and privacy issues and remedies for the products and services provided: I Policy; and II Compliance with relevant laws and regulations that have a significant impact on listed companies.	P49–56
B6.1	Percentage of products sold or shipped for safety and health reasons.	P51
B6.2	Number of complaints about products and services received and how to deal with them.	P56
B6.3	Describe practices related to the maintenance and protection of intellectual property.	P53–55
B6.4	Describe the quality verification process and product recovery procedures.	P51–52
B6.5	Describe consumer data protection and privacy policies, and related implementation and monitoring methods.	P56
B7 Anti-corruption		
	General disclosure: Regarding prevention of bribery, extortion, fraud, and money laundering: I Policy; and II Compliance with relevant laws and regulations that have a significant impact on listed companies.	P7–12
B7.1	The number of corruption lawsuits filed against the listed company or its employees during the reporting period and the results of the lawsuit.	P10–11
B7.2	Describe preventive measures and whistle-blowing procedures, as well as related implementation and monitoring methods.	P10–12
B8 Community investment		
	General Disclosure: Policies on community involvement to understand the needs of the communities in which they operate and to ensure that their business activities take into account the interests of the community.	P72–77
B8.1	The policy on community involvement to understand the needs of the communities in which they operate and to ensure that their business activities take into account the interests of the community.	P72–77
B8.2	Resources (such as money or time) used in the focus area.	P72–77

1. ESG refers to Environmental, Social and Governance.

GRI² Index

Index	Disclosure status	Page
1. Strategy and Analysis		
G4-1	Statement from the most senior decision-maker of the organization	P2-4
G4-2	Description of key impacts, risks, and opportunities	P2-12
2. Organizational Profile		
G4-3	Organization name	Statement of the Report
G4-4	Primary brands, products, and services	P5-6
G4-5	Location of the organization's headquarters	P7-12
G4-6	Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics	P5-6
G4-7	Nature of ownership and legal form	P2-6
G4-8	Market served	P60-62
G4-9	Scale of the organization	P5-6,P60
G4-10	A.total number of employees by employment contract and gender. B. total number of permanent employees by employment type and gender.	P56-58
G4-11	Percentage of total employees covered by collective bargaining agreements	P2-6,P56-58
G4-12	Organization's supply chain	P34-41
G4-13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	P21,P29-30,P72
G4-14	Whether and how the precautionary approach or principle is addressed by the organization	Not Disclosed
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	Not Disclosed
3. Determined substantive aspects and boundaries		
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization	Not Disclosed
G4-17	A. List all entities included in the organization's consolidated financial statements or equivalent documents. b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	Statement of the Report, P4-5
G4-18	A. Explain the process for defining the report content and the Aspect Boundaries. B. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	P14-18
G4-19	Material Aspects identified in the process for defining report content.	P17-18
G4-20	For each material Aspect, report the Aspect Boundary within the organization	P17-18
G4-21	For each material Aspect, report the Aspect Boundary outside the organization	P17-18
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements	Not Applicable
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	Statement of the Report, P17-18
4. Stakeholder participation		
G4-24	List of stakeholder groups engaged by the organization	P17-18
G4-25	Basis for identification and selection of stakeholders with whom to engage	P17-18
G4-26	Organization'S approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	P17-18
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns	P17-18
5. Report Profile		
G4-28	Reporting period (such as fiscal or calendar year) for information provided	Statement of the Report
G4-29	Date of most recent previous report (if any)	Not Disclosed

GRI² Index

Index	Disclosure status	Page
G4-30	Reporting cycle (such as annual, biennial)	Not Disclosed
G4-31	Contact point for questions regarding the report or its contents	Statement of the Report
G4-32	'In accordance' option the organization has chosen	Not Disclosed
G4-33	Organization's policy and current practice with regard to seeking external assurance for the report	Not Disclosed
6. Governance		
G4-34	Governance structure of the organization, including committees of the highest governance body	P7-8
G4-35	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	P15
G4-36	Whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body	P15
G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics	P17-18
G4-38	Composition of the highest governance body and its committees	P15
G4-39	Whether the Chair of the highest governance body is also an executive officer	Not Disclosed
G4-40	Nomination and selection processes for the highest governance body and its committees	P7-9
G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided and managed	P7-9
G4-42	The highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts	P15
G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	P14-18
G4-44	Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics	P14-18
G4-45	A. The highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes. B. Whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.	P9,P14-18
G4-46	The highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics	P9,P14-18
G4-47	The frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	Not Disclosed
G4-48	The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered	P15
G4-49	Process for communicating critical concerns to the highest governance body	Not Disclosed
G4-50	Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	Not Disclosed
G4-51	Remuneration policies for the highest governance body and senior executives	P62
G4-52	Process for determining remuneration	P62
G4-53	How stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	Not Applicable
G4-54	Ratio of the annual total compensation for the organization's highest-paid individual in	Not Disclosed

GRI² Index

Index	Disclosure status	Page
	each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.	
G4-55	Ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	Not Disclosed
7. Ethics and integrity		
G4-56	Organization's values, principles, standards and norms of behavior	P2-4, 14-16
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity	P8
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity	P9-10
8. Economic		
G4-EC1	Direct economic value generated and distributed	P79
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Not Disclosed
G4-EC3	Coverage of the organization's defined benefit plan obligations	Not Disclosed
G4-EC4	Financial assistance received from government	Not Disclosed
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	Not Disclosed
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	Not Disclosed
G4-EC7	Development and impact of infrastructure investments and services supported	P72-77
G4-EC8	Significant indirect economic impacts, including the extent of impacts	P79
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	Not Disclosed
9. Environmental		
G4-EN1	Proportion of spending on local suppliers at significant locations of operation	P80
G4-EN2	Percentage of materials used that are recycled input materials	P80
G4-EN3	Percentage of materials used that are recycled input materials	P80
G4-EN4	Energy consumption outside of the organization	P80
G4-EN5	Energy intensity	P80
G4-EN6	Reduction of energy consumption	P29
G4-EN7	Reductions in energy requirements of products and services	P29
G4-EN8	Total water withdrawal by source	P80
G4-EN9	Water sources significantly affected by withdrawal of water	Not Disclosed
G4-EN10	Percentage and total volume of water recycled and reused	P80
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not Applicable
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	P30-31
G4-EN13	Habitats protected or restored	P30-31
G4-EN14	Total number of iucn red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	Not Applicable
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	P32
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	P32
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	P32
G4-EN18	Greenhouse gas (GHG) emissions intensity	P32

GRI² Index

Index	Disclosure status	Page
G4-EN19	Reduction of greenhouse gas (GHG) emissions	Not Disclosed
G4-EN20	Emissions of ozone-depleting substances (ODS)	Not Applicable
G4-EN21	Nox, sox, and other significant air emissions	P32
G4-EN22	Total water discharge by quality and destination	P80
G4-EN23	Total weight of waste by type and disposal method	P80
G4-EN24	Total number and volume of significant spills	Not Applicable
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the basel convention ² annex i, ii, iii, and viii, and percentage of transported waste shipped internationally	P32
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff	Not Applicable
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	P20-32
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	P32
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Not Applicable
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	Not Applicable
G4-EN31	Total environmental protection expenditures and investments by type	P20-32
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	Not Disclosed
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	P56-58
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	Not Disclosed

10.Social

G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Not Disclosed
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Not Disclosed
G4-LA3	Return to work and retention rates after parental leave, by gender	Not Disclosed
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	Not Disclosed
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	Not Disclosed
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	P79
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	P44-46
G4-LA8	Health and safety topics covered in formal agreements with trade unions	P36-37
G4-LA9	Average hours of training per year per employee by gender, and by employee category	Not Disclosed
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	P63-66
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Not Disclosed
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	P60
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	Not Disclosed

GRI² Index

Index	Disclosure status	Page
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	Not Disclosed
G4-LA15	Percentage of new suppliers that were screened using labor practices criteria	Not Disclosed
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	P61-62
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Not Disclosed
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Not Disclosed
G4-HR3	Total number of incidents of discrimination and corrective actions taken	Not Disclosed
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	Not Applicable
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	P61-62
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	P61-62
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	Not Disclosed
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	P30-31
G4-HR9	Total number of incidents of violations involving rights of indigenous peoples and actions taken	Not Applicable
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	Not Disclosed
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	Not Disclosed
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	Not Disclosed
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Not Disclosed
G4-SO2	Operations with significant actual and potential negative impacts on local communities	Not Applicable
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	P10-12
G4-SO4	Communication and training on anti-corruption policies and procedures	P10-12
G4-SO5	Confirmed incidents of corruption and actions taken	P10-12
G4-SO6	Total value of political contributions by country and recipient/beneficiary	Not Applicable
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	Not Applicable
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Not Disclosed
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	Not Applicable
G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	Not Disclosed
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	Not Disclosed
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	P51-52
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	Not Applicable

GRI² Index

Index	Disclosure status	Page
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	P51-52
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	P56
G4-PR5	Results of surveys measuring customer satisfaction	P56
G4-PR6	Sale of banned or disputed products	Not Applicable
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	Not Applicable
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	P56
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Not Applicable

2.GRI refers to Global Reporting Initiative

Shanghai Stock Exchange Disclosure Recommendation Index

No.	Content	Page
Table 1: Notice on Strengthening Corporate Social Responsibility of Listed Companies and Promulgating the "Guidelines on Environmental Information Disclosure of Listed Companies of Shanghai Stock Exchange"		
1	Article I: Requirement on responsibility awareness enhancement of listed companies	Non-Report Content
2	Article II: Requirement on social responsibility strategic plan and work mechanism	P14-18,P20-32,P48-57,P60-70,P72-77
3	Article III: Requirement on content and time for disclosure	Non-Report Content
4	Article IV: Social contribution per share	P79
5	Article V: (I) Information on promoting social sustainable development of the Company	P34-46, P48-57, P72-77
6	Article V: (II) Information on promoting environment sustainable development of the Company	P20-32
7	Article V: (III) Information on promoting economy sustainable development of the Company	P7-12, P60-70
8	Article VI: Documents required for disclosure application of social responsibility report	Non-Report Content
9	Article VII: Encourage companies that actively disclose social responsibilities	Non-Report Content
10	Article VIII: Guidance on Formulation of Specific Information Disclosure of Social Responsibility at Appropriate Time	Non-Report Content
11	Article IX: Issuance of Environment Information Disclosure of Listed Companies in Shanghai Stock Exchange	Non-Report Content
Table 2 Index on Environment Protection Information Disclosure by the Listed Companies listed in Shanghai Stock Exchange		
12	Article I: Relevant implementation regulations	Non-Report Content
13	Article II: Significant events in relation to environment protection	Not Applicable
14	Article III: (I) Company's environmental protection policy, annual goal and effect	P20-32
15	Article III: (II) Total annual resources consumption of the Company	P32, P80
16	Article III: (III) Environmental protection investment and related technology development of the Company	P24-31
17	Article III: (IV) Pollutants emission's type, quantity, concentration and disposal of the Company	P32, P80
18	Article III: (V) Construction and operation of the Company's environmental protection facilities	P24-31
19	Article III: (VI) Handling, disposal, recycle and utilization of the waste	P22,P28,P69
20	Article III: (VII) Voluntary agreement concerning environment improvement activities signed with environmental protection departments	Not Applicable
21	Article III: (VIII) Honors by environmental protection department	Not Counted
22	Article III: (IX) Other environment-related information the Company voluntarily make public	P20-32, P80-81
23	Article IV: Enterprises listed in serious polluters	Not Applicable
24	Article V: Documents required for disclosure application of environment information	Non-Report Content
25	Article VI: Amount of estimated liabilities on environmental protection	Not Counted
26	Article VII: Way and time of disclosure	Non-Report Content
27	Article VIII: Punishment for not being proper disclosure	Non-Report Content
28	Article IX: Commencing date on the execution of the guidance	Non-Report Content
Table 3 Index for Preparation of Social Responsibility Report by the Listed Company		
29	Article I Definition in Social Responsibility Report	Non-Report Content
30	Article II Content and Headlines in Social Responsibility Report	Non-Report Content
31	Article III Notice of the trueness, accuracy and completeness of the content	Statement of the Report
32	Article IV (I) Content in relation to social sustainable development by the listed company	P34-46,P48-57,P71-77
33	Article IV (II) Content in relation to promote environmental sustainable development by the listed company	P20-32
34	Article IV (III) The Content in relation to promoting economic sustainable development	P7-12,P60-70
35	Article V Social contribution value per share	P79
36	Article VI Explanation in relation to the third party's verification on Social Responsibility Report	Not Applicable
37	Article VII Explanation on any discrepancy in relation to the report content viewed by the director	Not Applicable
Table 4 Notice on further disclosure of poverty-alleviation work by listed companies		
38	Article I Explanation on supporting and encouraging the listed companies to perform social responsibilities in proactive manner	Non-Report Content
39	Article II (I) Disclosure of targeted poverty alleviation plan in annual report	Not Applicable
40	Article II (II) Disclosure of overview of annual targeted poverty-alleviation in annual report	Not Applicable

Shanghai Stock Exchange Disclosure Recommendation Index

No.	Content	Page
41	Article II (III) Disclosure of effectiveness of targeted poverty alleviation in annual report	Not Applicable
42	Article II (IV) Disclosure of following targeted poverty-alleviation plan in annual report	Not Applicable
43	Article III Disclosure of targeted poverty alleviation in social responsibility report	P72-73
44	Article IV. Obligation of extraordinary information disclosure	Not Applicable
45	Article V: Encouraging the listed company to make disclosure of target poverty-alleviation in quarter report and interim report.	Non-Report Content
46	Article VI: The commencing date of implementation of the notice	Non-Report Content



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