



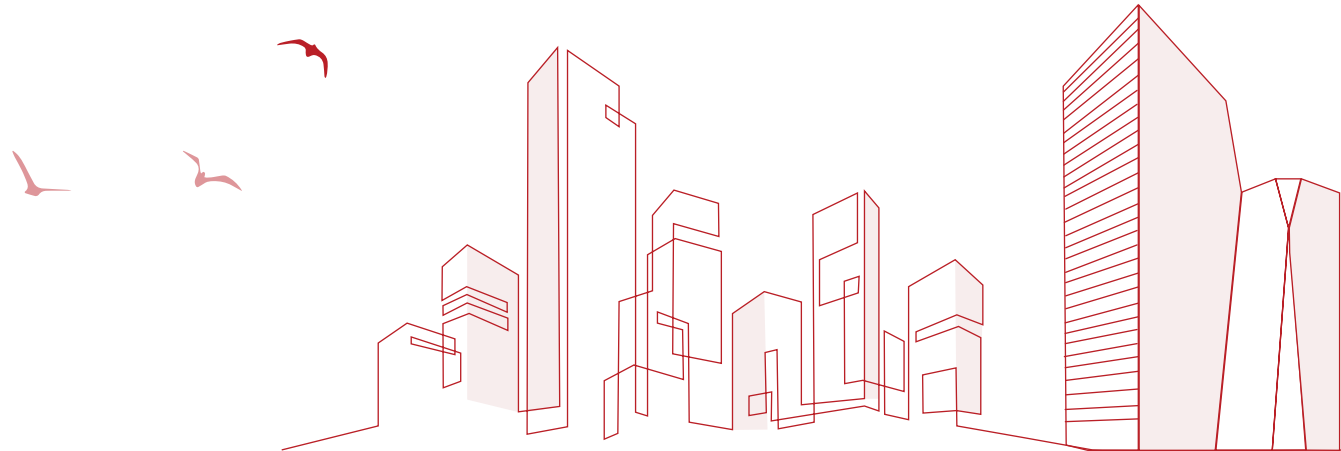
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BBMG CORPORATION SUSTAINABILITY REPORT

(ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT)

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About the Report

The *BBMG Corporation 2025 Sustainability Report (Environmental, Social and Governance Report)* (the Report) is a true reflection of BBMG Corporation's active fulfillment of economic, environmental, and social responsibilities, and its pursuit of comprehensive, coordinated, and sustainable development. Statements concerning future business plans, development strategies, and any other future endeavors herein do not constitute a substantial commitment of the Group to investors.



Reporting Boundary

Time period: January 1 to December 31, 2025 (this year), with some content slightly extending beyond this period.

Organizational Scope: The Report covers BBMG and its affiliates.

Abbreviations

For ease of reference and readability, BBMG Corporation is also referred to as “BBMG”, “the Group”, “the Company”, or “we” in this Report.

Basis for Preparation

The Report was primarily prepared in accordance with the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies - Sustainability Report (Trial)*, the *Environmental, Social and Governance Reporting Code* by the Stock Exchange of Hong Kong Limited, and the *Corporate Sustainability Disclosure Standards -- Basic Standards (Trial)* issued by the Ministry of Finance, and with reference to the *International Financial Reporting Standard S1 - General Requirements for Disclosure of Sustainability-related Financial Information* by the International Sustainability Standards Board (ISSB) and the *GRI Standards* by the Global Reporting Initiative (GRI). The preparation of the Report strives to meet the industry-accepted standards for sustainability disclosure, while considering industry background and enterprise characteristics.

Reporting Principles

Materiality: During the Reporting Period, BBMG actively conducted double materiality assessment, based on which targeted disclosures are made in this Report. The Board has been informed of the results of the double materiality assessment and has approved this Report.

Quantitative: BBMG uses standardized ESG indicator management tools to regularly measure and calculate key performance indicators within the ESG scope, which are then aggregated and disclosed at the end of the year. Where feasible, this Report provides statistical standards and instructions on cited measures for ESG quantitative key performance indicators.

Consistency: This Report used consistent statistical methods for all the data disclosed herein. In order to ensure comparability between this Report and the reports in previous years, this Report made no major adjustments to the disclosure scope and adopted the same preparation means as those in previous years.

Data Source

The data and information included in the Report are sourced from internal data collection and statistical systems of BBMG, as well as corporate social responsibility practice cases submitted by its subsidiaries.

Access to the Report

The electronic version of the Report can be viewed and downloaded at www.sse.com.cn, www.hkex.com.hk, and <https://www.bbm.com.cn/en>.

Chairman's Statement



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Dear friends:

Time flies and chapters renew. On behalf of the BBMG Board of Directors, I extend sincere greetings and heartfelt gratitude to friends from all sectors of society who have consistently shown concern and support for the Company's sustainable development!

2025 marked the concluding year of the 14th Five-Year Plan and a pivotal year for BBMG in seeking breakthroughs amid transformation and accumulating momentum through innovation. Throughout this year, we steadfastly adhered to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly implemented the new development philosophy, and deeply integrated the concept of sustainable development into every aspect of our corporate operations. We not only maintained operational resilience in a complex and evolving market environment but also made solid progress on the path of green transformation and technological innovation, creating sustainable, comprehensive value for shareholders, employees, society, and the environment.

I. Governance as the Cornerstone: Strengthening the Basis of Responsibility Management

We firmly believe that sound governance is the cornerstone of a company's sustainable development. In 2025, BBMG continued to implement reforms and made significant efforts to build a more scientific and efficient modern governance system. We further strengthened the Board's decision-making and oversight functions regarding ESG matters, ensuring that responsibility for ESG strategy, supervision and reporting is clearly assigned at the governance level, accurately identifying and managing key issues that impact long-term corporate value. We advanced the rule of law in corporate management, adopted a "zero tolerance" attitude to solidify compliance defenses, dynamically optimized our internal control system, and embedded risk management into every business process to ensure the Company's steady and sustained progress in a complex economic environment.

II. Innovation as the Wing: Activating the Momentum of High-Quality Development

We recognize that scientific and technological innovation is the core driver for high-quality development. In 2025, we strengthened the implementation of enterprises' primary responsibility for innovation, promoting the deep integration of innovation chains, industrial chains, and value chains. We established a high-standard Scientific and Technological Innovation Strategy Advisory Committee, appointing 16 top experts (including 11 academicians) to guide the Group's technological and industrial innovation. We undertook 12 national key research and development projects and led 7 major industry-level key research projects, simultaneously building and delivering outcomes from four original technology innovation hubs. Throughout the year, we obtained 476 patent authorizations, with 11 achievements reaching internationally advanced levels or higher. Breakthroughs were made in multiple core technologies, including UHPC, nuclear power coatings, sound-insulating mortar, and non-magnetic stainless steel, which have been applied in major national projects in new energy, aerospace, and military industries. We advanced the empowerment of traditional manufacturing through artificial intelligence, with five Beijing "AI+New Materials" projects implemented to drive transformation in research paradigms, fostering new quality productive forces through forward-looking strategic planning.

III. Green as the Foundation: Painting a Picture of Low-Carbon Development

We have always firmly established the core values of "ecological harmony and green development." In 2025, BBMG actively responded to the national "dual carbon" strategy by fully implementing regulations such as the *Environmental Protection Management System* and the *Enterprise Environmental Management Work Guidelines*, promoting a deep restructuring of the industrial structure toward green, circular, and low-carbon development. We are committed to advancing the development and utilization of renewable energy. We added 16 new grid-connected photovoltaic power generation projects with a total installed capacity of 72.8 MW. We continuously carried out environmental hazard identification and comprehensive management to promote coordination between production and business activities and ecological conservation. We accelerated the recycling and utilization of various hazardous wastes, industrial residues, urban waste, and other similar materials. We made positive contributions to the construction of "zero-waste cities" and regional environmental governance.

IV. People as the Orientation: Co-Creating a Harmonious and Beautiful Chapter

We deeply recognize that a company's development is inseparable from individual growth and societal support. In 2025, BBMG continued to build a harmonious and mutually beneficial labor relationship, continuously optimized the talent development system, and provided employees with a broad platform to showcase their talents through the "Three Golds" talent tracking and training program. We always regarded work safety as an inviolable red line, strictly implemented the mechanism of reverse investigation of responsibilities and accountability, and continuously consolidated the achievements of "Safe BBMG" construction. We actively engaged in public welfare, charity, rural revitalization, and community development, fully leveraging the advantages of our industrial chain to continuously advance rural revitalization and support poverty-stricken regions in consolidating and expanding their achievements in poverty alleviation. The total amount of donations made throughout the year reached 4.83 million yuan, demonstrating the profound sense of responsibility and social commitment of state-owned enterprises through concrete actions.

The road ahead is long, and only through hard work can we move forward. Looking to the future, BBMG will continue to uphold the great banner of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully, accurately, and comprehensively implement the new development philosophy, and advance ESG management and practices with greater determination, a more pragmatic approach, and heightened resolve. In the journey of serving national strategies, leading industry transformation, and creating social value, BBMG will forge ahead with vigor and courage, working hand in hand with partners across sectors to jointly create a brighter tomorrow for sustainable development!

ESG Statement from the Board of Directors

BBMG, adhering to the concept of sustainable development, has established and improved its ESG management system and operational mechanisms to ensure the orderly advancement and efficient implementation of sustainable development initiatives, creating long-term comprehensive value for all stakeholders.

The Group considers sustainability to be a crucial component of its corporate strategy, establishing a three-tier ESG governance structure comprising the "Governance Level - Management Level - Execution Level". The Board of Directors acts as the highest responsible and decision-making body for ESG issues, and retains ultimate accountability for ESG-related strategy, risk management and disclosure, assuming full responsibility for the Group's ESG strategy making and reporting. To effectively fulfill its management and supervision responsibilities regarding ESG issues, the Board has delegated authority to the Strategic Committee to implement the Board's various ESG resolutions, evaluate ESG impacts, risks, and opportunities, guide the achievement of ESG-related targets, and coordinate the advancement of key priorities, while regularly communicating and reporting progress to the Board of Directors¹.

The Group continues to strengthen the management of ESG material issues, with oversight and review of the results by the Board of Directors. Considering regulatory requirements, industry trends, and its own operation, the Group reviewed the outcomes of the double materiality assessment and finalized the issues of financial materiality and/or impact materiality for the year. Under the coordinated promotion of the ESG Working Group, the Group has incorporated key issue management into its annual strategic priorities for sustainable development, implementing strict control over impacts, risks, and opportunities associated with ESG issues.

This Report comprehensively presents BBMG's 2025 ESG initiatives and practical achievements. It was submitted for review to the Manager's Office Meeting and the ESG Leading Group on March 16, 2026; subsequently, it was presented to the Strategic Committee of the Company's 7th Board of Directors for deliberation at its 5th meeting on March 27, 2026; and it received approval from the 20th meeting of the Company's 7th Board of Directors on March 30, 2026. The Board of Directors supervised the preparation of this Report and reviewed the Report to ensure the authenticity and effectiveness of the disclosed information.



¹ Note: For the ESG governance structure, scope of responsibilities and working mechanism, please refer to the section "Sustainable Development Management"

Review of BBMG 2025 ESG Targets

ESG Issues ²	Target and Indicator Description	Target Progress
Environmental Compliance Management ▲	In 2025, no significant environmental violations incidents	✓
Pollutant Emissions	In 2025, no major environmental pollution liability incidents	✓
Responding to Climate Change ▲	By 2025, the Group's carbon emissions per ten thousand yuan of revenue decrease by 19.2% compared to 2020	✓
	In 2025, CO ₂ emissions per ton of clinker decrease by 5% compared to 2020	✓
	By 2028, the carbon emission intensity per ton of clinker will be less than 773 kilograms	—
	By 2030, the total carbon dioxide emissions from environmental protection enterprises in the Beijing region will decrease by more than 60% compared to 2020; the proportion of railway transportation in long-distance transportation of materials (raw materials, finished products) within Beijing will increase significantly	—
	By 2030, all key advantageous products will obtain green product certification; establish a specialized team for carbon-related businesses around the carbon emission trading market, and actively utilize carbon trading and carbon financial products to achieve low-cost compliance and the preservation and appreciation of carbon emission allowances	—
	By the end of 2030, the construction area of ultra-low energy consumption buildings will increase significantly, and the application ratio of green building materials will further expand; build capacity for carbon footprint accounting, evaluation, labeling and certification, as well as green building material product certification that adapts to market demand	—
	By 2030, new projects will fully comply with green building standards, and ongoing research will continue on low-cost ultra-low energy consumption and low-carbon, zero-carbon building technology systems	—
Energy Utilization ▲	By 2025, the Group's comprehensive energy consumption per ten thousand yuan of revenue decrease by 20.5% compared to 2020	✓
	In 2025, an additional 63.8 MW of renewable energy generation capacity are added, with annual renewable energy generation exceeding 102.2 million kWh	✓
	By 2030, the proportion of externally purchased renewable electricity for the entire Group will exceed 30%	—
Water Utilization	In 2025, the affiliates comply with local water conservation standards	✓
Waste Management	By 2025, 100% compliance treatment of hazardous and non-hazardous waste	✓
Circular Economy and Resource Conservation ▲	By 2025, the Group's cement industry achieves a proportion of alternative fuels used of 13% and a raw material substitution rate of 9%	✓
	By 2028, the cement industry will achieve a proportion of alternative fuels used of more than 18% and a raw material substitution rate of no less than 7% (dry basis)	—
	By 2030, the comprehensive energy consumption per ton of clinker for over 65% of clinker capacity shall reach 100 kgce/t, and no fewer than 2 clinker production lines will be built with fuel substitution rates reaching domestic leading levels	—
Occupational Health and Safety	In 2025, no work safety-related fatal liability incidents (including industrial acute poisoning)	⊙
	In 2025, no mass casualty incidents, fires, explosions, or public security cases with significant social impact	✓
	In 2025, no road traffic accidents resulting in fatalities for which owned vehicles bear equal or greater responsibility	✓
	In 2025, no new occupational disease cases related to on-duty exposure to occupational hazards	✓
	In 2025, no incidents of false reporting, concealment, or omission of accidents	✓
Research and Innovation ▲	During the "14th Five-Year Plan" period, 40 provincial or ministerial-level award obtained	✓
	By the end of the 14th Five-Year Plan period, the proportion of R&D personnel among the total number of enterprise employees no less than 7%	✓
Product and Service Safety and Quality ▲	In 2025, no major safety or quality liability incidents	✓
Employment	In 2025, no incidents of forced labor or child labor	✓
	In 2025, 100% collective agreement contract signing rate	✓

² Note: Issues marked with "▲" indicate issues of "critical financial materiality". ✓ Achieved — In progress ⊘ Not Achieved

2025 ESG Key Performance Indicators

 Undertake National Major Projects 12 item	 The proportion of research and development investment to main business revenue 3.76%	 Disposal Capacity of Wastes of All Types 344.37 ten thousand tons	 Grade A and Leading Enterprises in the Performance of Responding to Heavy Pollution Weather 84 enterprises
 National Patents Obtained 476 item	 Led the Completion of National and Industry Standards 5 item	 Total Number of Employees 43,074 persons	 Recruiting Recent College Graduates 490 persons
 Received Provincial and Ministerial-Level Science and Technology Awards (including industry association awards recognized by the National Office for Science and Technology Awards) 11 item	 Newly Recognized National High-Tech Enterprises 2 enterprises	 Organize Various Training Sessions 3,438 times	 Comprehensive Evaluation Score Ranking for Immediate Response to Complaints The First Echelon of Municipally Managed Enterprises
 Number of Specialized, Innovative and New Little Giant Enterprises 7 enterprises	 Cumulatively Recognized National-Level Green Factory 46 enterprises	 New Industrial Investment in Eight Provinces and Regions Supported by Beijing Municipality 5,723 ten thousand yuan	 Newly Added Local Jobs in Eight Provinces and Regions 185 persons
 Area of New Green Buildings 100.97 ten thousand square meters	 Proportion of Alternative Fuels Used 13.76%	 Public Welfare Donations to Eight Provinces and Regions 240 ten thousand yuan	 Donations to External Parties (including the Public Welfare Foundation) 483 ten thousand yuan
 Raw Material Substitution Rate 9.34%	 Collection Capacity of Wastes of All Types 359.85 ten thousand tons		

About Us

BBMG was founded in December 2005, with its H shares (Stock Code: 02009) and A shares (Stock Code: 601992) listed on the main board of the Hong Kong Stock Exchange on July 29, 2009 and the Shanghai Stock Exchange on March 1, 2011, respectively.

Since its establishment, BBMG has made full use of its unique resource advantages to focus on building materials manufacturing, while vertically extending to property development, property investment and management and other industries. The Company has gradually developed into a large-scale state-controlled industrial group and A + H-share listed company with the main business of “new green building materials manufacturing, trade and services, real estate development and operation, and property management”. Making full use of its unique resource advantages, the Company has formed a unique vertically integrated industrial chain among China’s large building material manufacturing enterprises.

BBMG adheres to the “4+1” strategic philosophy, following the work requirement of “focusing on One main task, outperforming in Two aspects and conducting coordination in Three dimensions”. With exceptional measures, it stabilizes its economic situation, relies on both domestic and international capital markets to strategically lead the optimization of industrial layout and strengthen resource integration. By establishing a management model in line with international standards, the Company strives to advance all business segments in unison. It comprehensively serves the development and construction of the “Four Centers” of the capital in the new era, promotes high-level coordination in the Beijing-Tianjin-Hebei region, actively participates in multiple national key projects and major infrastructure construction projects, insists on empowering high-quality development through innovation-driven initiatives, and promotes new quality productive forces through new industrialization, actively exploring the path for future transformation. At the same time, BBMG actively fulfills its social responsibilities, protecting and improving the natural and cultural environments, and promoting the harmonious development of society.

In 2025, BBMG achieved an annual operating revenue of 91.113 billion yuan, a total profit of 32 million yuan, and a total assets of 263.619 billion yuan.

In 2025, BBMG achieved

Annual operating revenue

91.113 billion yuan



Total profit

32 million yuan



Total assets

263.619 billion yuan



Industrial layout

BBMG, leveraging its unique resource advantages and vertically integrated industrial chain structure, has a wide range of business operations. By the end of the Reporting Period, the Company’s layout has extended to 23 provinces, municipalities, and autonomous regions across the country, as well as multiple cities overseas.

New Green Building Materials Segment

BBMG is a leading Chinese enterprise in the building materials industry, the third largest cement group in the country, and one of the largest manufacturers and suppliers of green, environmental protection and energy-saving building materials in the Beijing-Tianjin-Hebei region. With strong regional advantages and market control capabilities, we are now leading low-carbon and green environmental protection, energy saving and emission reduction, and circular economy in the domestic cement industry.

Manufacturing of new green and environmentally friendly building materials

We have built a complete industry chain of building materials with cement at the core that extends along upstream and downstream industries such as concrete, walls, thermal insulation materials, prefabricated building systems and components and wooden furniture. We have also established a linkage mechanism for products and services in the decoration, architectural design, prefabricated building EPC and other fields. A coordinated development pattern of the entire industrial chain has thus been realized. BBMG now has a production capacity of about 92 million tons of clinker³ and about 180 million tons of cement. Our current production capacity of ready-mixed concrete is approximately 76 million cubic meters, that of aggregate is 97.2 million tons, and that of grinding aid and admixture is approximately 280,000 tons. The Company’s disposal capacity of hazardous and solid waste (including building waste) now exceeds 5.58 million tons. Our building materials were widely used and installed in key and hot-spot projects such as Beijing Sub-Center, Xiong’an New Area, and Winter Olympics venues, and have extended to key regions including East China, Northwest China, Sichuan-Chongqing, and South China, allowing us to fully demonstrate our superiorities in brand reputation, quality and industrial chain in the new-type building materials industry. These chances of cooperation have greatly improved our capabilities of product system application and collaborative marketing.



We have the full industrial chain construction and service capability for the new dry process cement clinker production line with a daily output of 12,000 tons. Many of our products have reached the industry advanced level, including high-efficiency vertical cement mills, cement kilns for co-processing hazardous and solid waste, energy-saving electrical cabinets, automated control and intelligent operation & maintenance systems, and large castings weighing 10–150 tons, and precision castings ranging from 0.01 kg to 30 kg. Keeping risks under control, we have improved the supply chain network configuration and asset layout and continued to boost business expansion in international trade and business logistics of building materials.

Equipment manufacturing and trade services



³ Note: The annual production capacity for record-filing shall be calculated in accordance with the new replacement regulations.

Property Management and Operation Segment

BBMG has been engaged in property management and operation for over 30 years. We have the ability to develop real estate projects in multiple categories with comprehensive strength ranking in the forefront of the industry. We are also one of the largest investment property owners and management companies in Beijing that provides the most diversified forms of services. With widespread influence and high brand awareness in the industry, we have been granted the title of “Top 100 Real Estate Enterprises in China”, and “Top 100 Property Service Enterprises in China” for many consecutive years and have been rated as AAA in terms of quality reputation and credit rating.

Property development

BBMG has launched and implemented about 170 real estate projects with a total construction area of 30 million square meters. With business layout in 17 cities across the country, including Beijing, Shanghai, Tianjin, Chongqing, Hangzhou, Nanjing, Tangshan and Suzhou, we have fostered a nationwide development landscape that is based in Beijing and extends over the three major economic zones in China, i.e., the Beijing-Tianjin-Hebei region, the Yangtze River Delta and the Chengdu-Chongqing Economic Zone.



BBMG’s ownership of investment properties, including high-end office buildings, commercial buildings, and industrial parks, amounts to 2.725 million square meters, of which the area of high-end investment properties above Class B in the core area of Beijing is 725,000 square meters. Managing 22.75 million square meters of properties, we have maintained a leading position in Beijing and even the whole country in terms of professional ability, brand awareness, rental rate and revenue.

Property operation and management

Social Value Creation

According to the *Notice on Strengthening the Social Responsibility of Listed Companies and on Issuing the Guidelines for Environmental Information Disclosure of Listed Companies on the Shanghai Stock Exchange* by the Shanghai Stock Exchange, the Social Contribution Value per Share is calculated by the formula: (net profit of the Company + tax revenue created for the state in the year + salary paid to employees + interest paid to banks and other creditors on loans + value created for other stakeholders such as external donations - other social costs caused by environmental pollution, etc.) / total number of shares of the Company. The Social Contribution Value per Share reflects the value created by the Company for society and stakeholders.

In 2025

the value of social contribution per share was

0.98 yuan



Honors and Awards of BBMG in 2025



Some of the Honors and Awards of BBMG in 2025

Honors and Awards	Granting Institution
State-Owned Pioneer 100 Chinese ESG Listed Companies	China Central Radio and Television Financial Programming Center
Guoxin Cup · ESG Governance Golden Bull Award	China Securities News
Typical ESG Practice Cases in China’s Building Materials Industry	China Building Materials Federation
Outstanding Case of Beijing Pilot Municipal Enterprises	State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality (Beijing SASAC)
Top Ten Reports for Beijing State-owned Listed Companies	State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality (Beijing SASAC)
Ernst & Young Sustainable Development Annual Outstanding Case (Liu Li Cultural and Creative Park “Zero-Carbon Factory”)	Ernst & Young Greater China
The All-China Federation of Trade Unions’ first batch of 100 enterprises under the plan to deepen industrial reform promotion	All-China Federation of Trade Unions
Outstanding Organization Award in the National “Ankang Cup” Competition (Modern Building Materials Industrialization Group)	All-China Federation of Trade Unions
Outstanding Organization Award in the National “Ankang Cup” Competition (including two affiliated units, BBMG Jiaye, etc.)	All-China Federation of Trade Unions
2024 China Green Power (Green Certificate) Consumption Top 100 Enterprises List	China Electricity Council
The Green Intelligent Vertical Roller Mill Project won the first prize in the Industrial Design Special Competition of the China-Russia Industrial Innovation Contest	China-Russia Industrial Innovation Competition Organizing Committee
Study on the Strengthening and Toughening Mechanism and Wear Behavior of Wear-Resistant High-Manganese Steel Based on Lightweight Design Wins Second Prize in the New Materials Category of the China-Russia Industrial Innovation Competition	China-Russia Industrial Innovation Competition Organizing Committee
Gold Award, China Innovation Method Competition (Beijing Region)	China Association for Science and Technology
Special, First, Second, and Third Prizes for Teams in the Themed Competition on Promoting High-Quality Development among Employees in the National Building Materials Industry	China Machinery, Metallurgical and Building Materials Workers’ Union, China National Building Materials Group
Second Prize of Beijing Science and Technology Progress Award	People’s Government of Beijing Municipality
Second Prize of Hebei Province Science and Technology Progress Award	People’s Government of Hebei Province
Second Prize of Shanxi Province Science and Technology Progress Award	People’s Government of Shanxi Province
Third Prize of Shanxi Province Science and Technology Progress Award	People’s Government of Shaanxi Province
National May 4th Red Flag Youth League Committee (Datong Jidong Cement Co., Ltd.)	Central Committee of the Communist Youth League
Top 20 Iron Ore Blending Enterprises for Imported Iron Ore in China (Jidong Development Group International Trading Co., Ltd.)	Shanghai Ganglian E-Commerce Co., Ltd.
2025 Beijing Municipal Industrial Internet Platform (Jingu Zhiyun Industrial Internet Platform by Jingu Zhitong)	Beijing Municipal Economic and Information Technology Commission
Zhongguancun Characteristic Industrial Park (BBMG High-tech Industrial Park)	Zhongguancun Administrative Committee
National Safety Culture Construction Model Enterprise (Beijing BBMG Property Service Co., Ltd.)	China Association of Work Safety

01

Strategic Planning: Deepen Sustainable Development Governance

BBMG adheres to the main thread of high-quality development, focuses on the long-term goal of sustainable development, continuously improves its sustainable development management system, and integrates the ESG concept into its strategic planning and business operations. The Group places great importance on stakeholder engagement, establishes diverse and open communication channels, maintains regular interaction, actively listens to and incorporates reasonable opinions and suggestions, builds consensus for development, and promotes the formation of a sustainable development ecosystem featuring multi-party participation, construction and sharing.

Contributing to UN SDGs



Sustainable Development Management

To strengthen strategic leadership, BBMG integrates the ESG concept into its group development strategy, systematically designing and holistically planning to achieve an organic unity between group development strategy and ESG governance, and is committed to promoting comprehensive sustainable development of the economy, environment, and society.

Management System Construction

BBMG strictly complies with the relevant regulatory requirements of its listing location, establishing a three-tier ESG governance structure comprising the governance level, management level, and execution level. This structure fosters a collaborative working mechanism among the Board of Directors, management, relevant departments, and subordinate enterprises. The Group has formulated and implemented the “Measures for Environmental, Social and Governance Management of BBMG Corporation” to clearly define management standards and operational mechanisms in a systematic and procedural manner, continuously enhancing ESG governance capabilities and management efficiency.

BBMG ESG Governance Structure	
 Governance Level Composed of the Board of Directors and the Strategic Committee	- The Board of Directors is the highest responsible and decision-making body for ESG matters, bearing full responsibility for the Company's ESG strategy and reporting; Board members possess professional capabilities and experience related to ESG, including industrial green development, corporate management, law, finance, financial services, and communications. - Main responsibilities of the Strategic Committee: (1) Responsible for overseeing, reviewing, and making decisions on the Company's ESG strategy, goals, and related matters (2) Responsible for reviewing the Group's ESG work plan (3) Responsible for implementing all ESG resolutions of the Board of Directors and regularly reporting to the Board (4) Responsible for reviewing updates to the Group's ESG organizational structure and responsibilities (5) Oversee the Group's double materiality assessment, as well as the management of ESG issues, risks, and opportunities (6) Guide and review the ESG development direction and goals of the Group, regularly assess the progress toward goal achievement, and supervise the ESG work of the Management Level - Jointly supervise the preparation of the <i>Sustainability Report (Environmental, Social and Governance Report)</i> and conduct report review
 Management Level The ESG Leading Group with ESG management experience, composed of senior management personnel led by the general manager	- Implement the ESG work plan of the Strategic Committee. - Identify material ESG issues and risks, establish ESG objectives, develop and update ESG-related management systems, and report to the Strategic Committee. - Break down ESG objectives into annual work tasks for relevant departments, coordinate and advance the implementation of the annual ESG work plan, and track and review the achievement of ESG goals. - Develop the Group's ESG-related special work plan and authorize the lead department for the special work. - Coordinate the Group's double materiality assessment, and determine and manage the resources required to identify, mitigate, control, and monitor impacts, risks, and opportunities - Responsible for the overall management of the annual sustainable development report and environmental, social and governance (ESG) report, researching the latest ESG compliance requirements, and consolidating ESG capital market performance. - Hold regular meetings at least semi-annually and provide periodic reports to the Governance Level at least annually to guide and oversee the Execution Level's ESG activities.
 Execution Level The ESG Working Group, composed of personnel from relevant departments of the headquarters, various secondary entities, and directly managed units	- Implement the requirements of the ESG Leading Group and manage matters related to key ESG issues, review the implementation of the Group's ESG initiatives, identify potential risks, and develop corresponding risk management policies and measures. - Develop ESG work plans and objectives in accordance with the Group's overall strategy and goals, guide, promote, coordinate, and supervise ESG initiatives across departments and subsidiaries, and organize assessments to evaluate the results of ESG performance by relevant departments and entities. - Engage stakeholders and conduct communication activities and carry out the double materiality assessment with the assistance of a third-party organization. - Timely update and improve the ESG indicator system, coordinate the collection and organization of ESG-related data and information, and regularly organize ESG-related training sessions. - Coordinate the preparation of the annual Sustainability Report (Environmental, Social and Governance Report) - Regularly report to the Governance Level and Management Level

Supervision and Evaluation

BBMG establishes a top-down supervision mechanism whereby the Board of Directors fulfills overall oversight responsibilities and establishes a corresponding accountability mechanism to hold relevant management personnel accountable in accordance with regulations in cases of major safety accidents, environmental administrative penalties, or similar incidents, thereby effectively enforcing management responsibilities at all levels.

The Group fully integrates ESG requirements into performance evaluation and incentive systems by establishing ESG-related indicators in the performance assessment and incentive processes for the Board of Directors and senior executives. The Group signs the *Performance Management Target Responsibility Agreement* with responsible persons and guarantors (secretaries and managers) of each enterprise, and each enterprise signs the *Work Assignment Letter* with its senior management members, incorporating ESG-related performance such as energy conservation and work safety into the assessment scope. Meanwhile, enterprises also set corresponding ESG-related indicators in employee performance evaluations based on their core business responsibilities, promoting the effective implementation and cascading of ESG management requirements throughout all levels.

Communication and Empowerment

The Group closely monitors the development trends and regulatory requirements of ESG management both domestically and internationally, Through the annual ESG training sessions, it promptly communicates policy directions and industry developments, thereby continuously enhancing its sustainable development management capabilities. During the Reporting Period, the Company successfully completed the preparation and release of the *BBMG 2024 Sustainability Report (Environmental, Social and Governance Report)*, systematically completed multiple rounds of sustainable development questionnaires from securities regulators and state-owned asset regulators, and submitted corporate social responsibility practice cases to the Municipal SASAC, proactively fulfilled the obligations of information disclosure and communication.

During the Reporting Period

Rated **A+** by CCXI and China Building Materials Federation, and rated **A** by CSI, Wind, and Huazheng Index

Ranked among the Top **100** State-Owned Enterprises in China's ESG-listed companies

Won multiple honors including the **Guoxin Cup Golden Bull Award for ESG Governance, Model Case of ESG Social Theme in China's Building Materials Industry, Outstanding Case of Beijing Municipal Pilot SOEs, and Top Ten Reports of Beijing Municipal State-owned Controlled Listed Companies**



Stakeholder Communication

BBMG adheres to an open and transparent communication philosophy, maintaining regular and multi-dimensional dialogue with various stakeholders. Through diverse communication channels, the Company widely collects opinions and suggestions from government and regulatory bodies, shareholders and investors, customers, employees, suppliers and other partners, industry associations, communities, environmental protection organizations, and the general public, and has established an efficient response mechanism to ensure timely feedback and proper handling of relevant concerns.

List of Stakeholders and Communication Methods

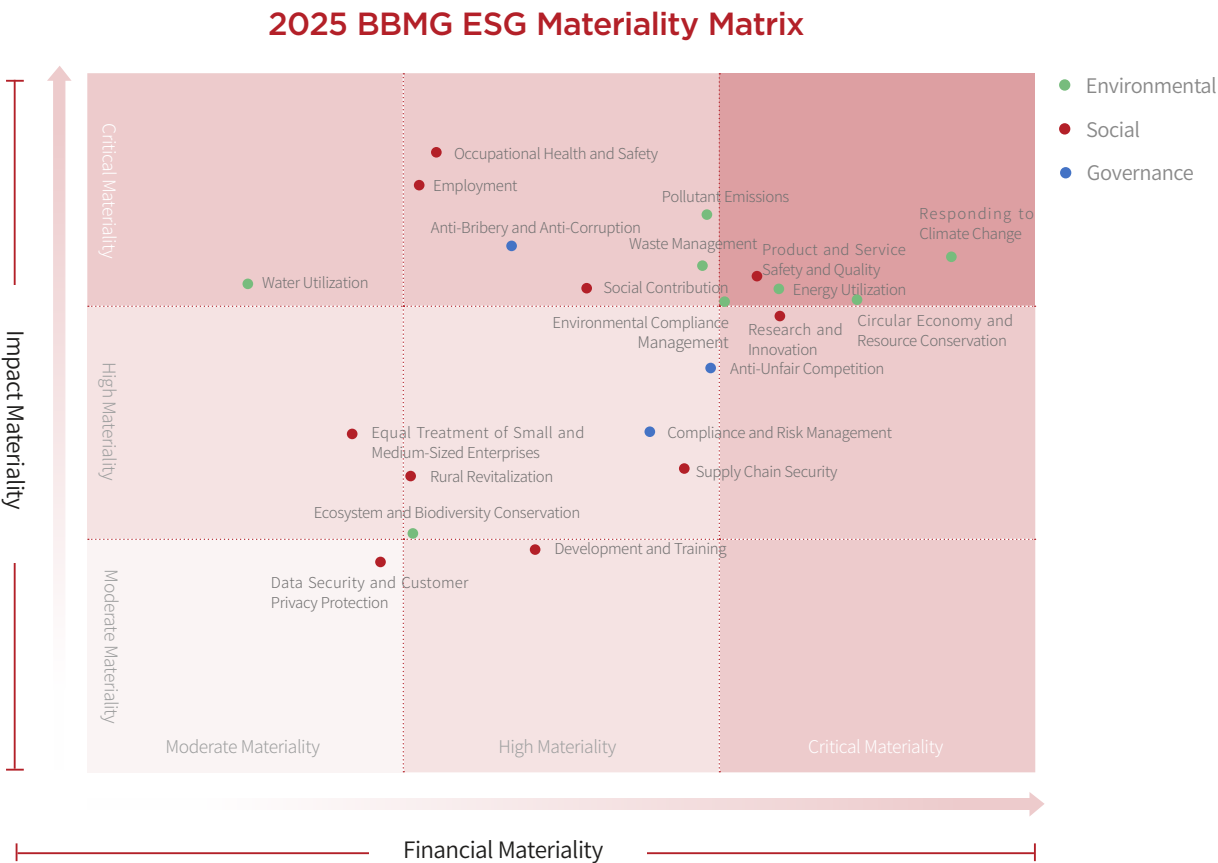
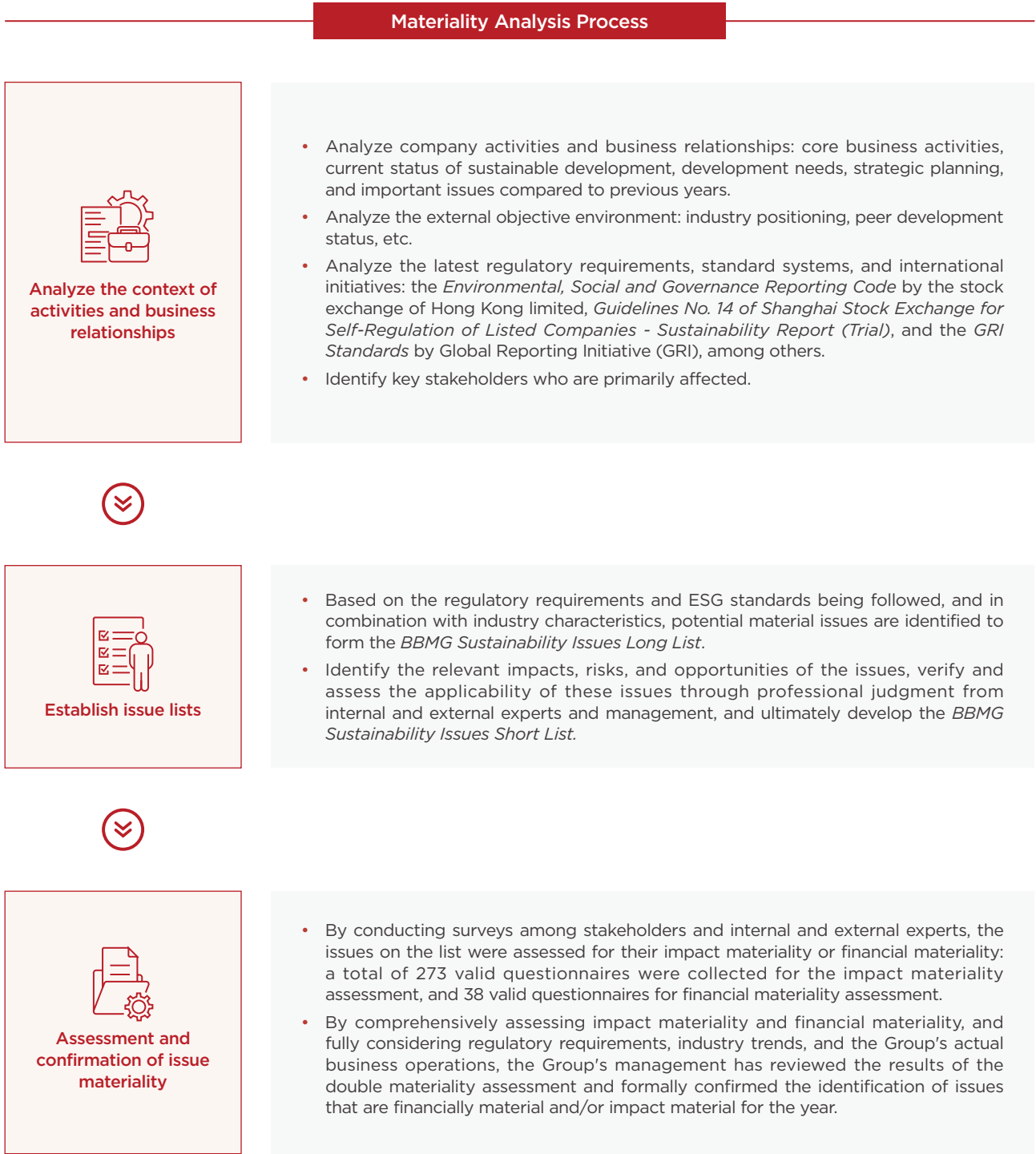
Stakeholders	Demands and Expectations	Communication Channels
 Government and Regulatory Authorities	- Compliance operation - Employment promotion - Risk control - Respond to national strategies - Safe production - Technological innovation - Energy conservation and emission reduction	- Information disclosure - Daily communication and reporting - On-site inspection - Supervisory inspection - Visitors reception
 Shareholders and Investors	- Compliance operation - Consistent and stable investment returns - Enhance the quality of products and services - Corporate governance and risk management - Treat small and medium shareholders equally - Address climate change	- General meeting of shareholders - Periodic reports and announcements - Investor communication meetings
 Customer	- Enhance the quality of products and services - Information disclosure - High-quality after-sales services	- Customer satisfaction survey - Visit and communication - Customer activities
 Employee	- Protection of employee rights and interests - Occupational health and safety - Vocational training - Personal development - Employee care	- Opinion collection - Career development communication mechanism - Employee representative meetings - Daily communication and interaction - Assistance mechanism for employees in difficulties
 Suppliers and Other Partners	- Fulfilment of contractual obligations - Mutual benefit, win-win, and long-term cooperation - Improvement in supply chain management	- Business negotiations - Project transaction - Business transactions and exchanges

Stakeholders	Demands and Expectations	Communication Channels
 Industry Association	- Leading industry development - Technological innovation - Enhance the quality of products and services	- Industry exchange - Industry cooperation
 Community	- Community communication - Community services - Community investment - Publicity of environmental protection concepts - Compliance operation	- Community household interviews - Volunteer communication “Open Day” events - Public inquiry response
 Environmental Protection Organization	- Provide environmentally friendly products and services - Ecological and environmental protection - Green operation - Environmental protection awareness campaign - Ecological restoration	- Public survey on project and environmental impacts - Environmental organization communication
 Society	- Provide safe and reliable products - Stable employment - Building a harmonious community together	“Open Day” events - Public welfare activities



Double Materiality Assessment

BBMG, in accordance with the relevant provisions of *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies - Sustainability Report (Trial)*, identifies and analyzes the significance of sustainable development-related issues from two dimensions: impact materiality and financial materiality.

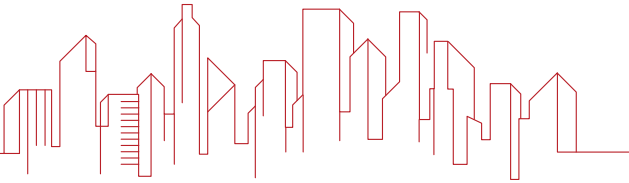


Results of the 2025 Double Materiality Assessment					
	Moderate Materiality		High Materiality		Critical Materiality
Field	Serial Number	Issue	Impact Materiality	Financial Materiality	
Environmental	1	🟢 Responding to Climate Change	Critical	Critical	
	2	🟢 Pollutant Emissions	Critical	High	
	3	🟢 Waste Management	Critical	High	
	4	🟢 Ecosystem and Biodiversity Conservation	High	High	
	5	🟢 Environmental Compliance Management	Critical	Critical	
	6	🟢 Energy Utilization	Critical	Critical	
	7	🟢 Water Utilization	Critical	Moderate	
	8	🟢 Circular Economy and Resource Conservation	Critical	Critical	
Social	9	🔴 Rural Revitalization	High	High	
	10	🔴 Social Contribution	Critical	High	
	11	🔴 Research and Innovation	High	Critical	
	12	🔴 Supply Chain Security	High	High	
	13	🔴 Equal Treatment of Small and Medium-Sized Enterprises	High	Moderate	
	14	🔴 Product and Service Safety and Quality	Critical	Critical	
	15	🔴 Data Security and Customer Privacy Protection	Moderate	Moderate	
	16	🔴 Employment	Critical	High	
Governance	17	🔴 Occupational Health and Safety	Critical	High	
	18	🔴 Development and Training	Moderate	High	
	19	🔵 Anti-Bribery and Anti-Corruption	Critical	High	
	20	🔵 Anti-Unfair Competition	High	High	
	21	🔵 Compliance and Risk Management	High	High	

Risks and Opportunities of Financially Material Issues

This materiality assessment has identified core issues with financial significance, including Responding to Climate Change, Environ-mental Compliance Management, Energy Utilization, Circular Economy and Resource Conservation, Research and Innovation, as well as Product and Service Safety and Quality. A detailed analysis of the risks and opportunities associated with these financially material issues is provided in the table below⁴ :

Issue	Definition	Impact Cycle	Risks	Opportunities
 Environmental Compliance Management	Measures implemented for environmental compliance management to prevent environmental incidents and mitigate environmental risks.	Short-term Mid-term Long-term	Legal Risk: Failure to strictly comply with environmental laws, regulations, and relevant standards may result in legal liabilities, including administrative penalties, production restrictions or shutdowns, revocation of permits and qualifications, and judicial proceedings. Operational Risk: The absence of environmental compliance management may lead to disruptions in production operations and delays in project advancement, thereby weakening the Company's overall operational efficiency and business performance. Reputational Risk: Negative incidents related to environmental compliance will adversely affect the Company's brand image and undermine long-term cooperative relationships with customers, investors, and partners.	Market Expansion: Downstream customers are increasingly inclined to procure environmentally friendly and low-carbon products; environmental compliance can help enhance market competitiveness. Enhance Financing Capability: Companies that meet environmental compliance requirements and demonstrate strong environmental performance are more likely to attract investors. Green Certification Premium: Obtaining environmental management system certifications such as ISO 14001 helps secure access to downstream green supply chains and enhances product pricing power.
 Energy Utilization	Measures taken to save and efficiently utilize energy, and to promote energy transition.	Mid-term Long-term	Cost Risk: Fluctuations in energy prices will directly affect corporate operating costs; if energy efficiency management is insufficient, it may lead to rising costs. Operational Risk: Increasingly stringent government energy-saving regulations may lead to production restrictions or other risks if energy consumption targets are exceeded.	Cost Savings: Improve energy efficiency and reduce operating costs through energy-saving technological upgrades, waste heat recovery, and other measures. Market Expansion: By promoting the application of new energy sources, optimizing the energy consumption structure, reducing the carbon footprint across the product lifecycle, and enhancing competitive advantage in the market.
 Circular Economy and Resource Conservation	Measures implemented to conserve raw materials, enhance resource utilization, prevent and reduce waste generation, and promote recycling. Additionally, measures aimed at facilitating the resource utilization, safe disposal, and recycling of waste at the societal level.	Mid-term Long-term	Technology Risk: The reuse of recycled materials may involve technical barriers, potentially leading to suboptimal economic returns or insufficient product quality stability.	Cost Savings: Promote the resource utilization of waste to reduce procurement costs for virgin materials and expenditures on waste disposal, thereby enhancing overall economic efficiency. Market Expansion: Gain market recognition, attract responsibility-driven customers and investors, and seize the early-mover advantage in green transformation and development. Policy Support: Implementing relevant measures helps to obtain policy incentives such as green subsidies and tax benefits.



Issue	Definition	Impact Cycle	Risks	Opportunities
 Research and Innovation	Through research and development and innovation, introduce innovative outcomes and lead industry development initiatives.	Mid-term Long-term	Technology Risk: The development of new materials and the breakthrough of core technologies are characterized by long cycles, high investment, and high uncertainty, which may lead to risks such as R&D failure and delayed technology iteration. Market Risk: Even if technological innovation succeeds, new products or services may fail to gain acceptance from the target customer base or achieve large-scale adoption due to misalignment with evolving market demands or rapid benchmarking by industry competitors. Cooperation Risk: During the industry-university-research collaboration process, risks such as poor technical alignment, unclear ownership of outcomes, and inadequate fulfillment of cooperation agreements may arise, affecting the effectiveness of the collaboration.	Policy Opportunity: National “dual carbon” strategy, new materials industry support policies, and Beijing's related deployments on scientific and technological innovation provide policy support for the Group's technological innovation and industrial upgrading; policies such as the Beijing SASAC's R&D investment reserve fund system help the Group increase its R&D Investment Intensity. Market Opportunity: Upgraded demands in areas such as “quality housing” construction, urban renewal, and aerospace engineering provide broad market potential for the Group's green innovative products and high-end new materials industrialization. Resource Opportunity: Leveraging Beijing's strengths in science, education, and talent resources, deepen industry-university-research collaboration, integrate external scientific research resources, accelerate technology transfer and commercialization, and enhance innovation efficiency.
 Product and Service Safety and Quality	Measures to ensure the safety and quality of products and services.	Short-term Mid-term Long-term	Quality Risk: Fluctuations in raw material batches, deviations in production processes, and lapses in quality inspection may lead to non-conforming products, resulting in customer complaints, legal disputes, or even damage to brand reputation. Supply Chain Quality Risk: unstable product quality from suppliers or insufficient quality control capabilities may be transmitted to the Group's final products, affecting delivery quality. Compliance Risk: Failure to promptly follow updates to regulations and standards, or non-compliance of products with mandatory standards, may result in administrative penalties, market entry bans, and other risks.	Market Opportunity: The upgrading demand in areas such as “quality housing” construction and urban renewal provide broad market space for the Group's green building materials and high-performance products, enhancing the premium pricing capability of high-quality products. Technological Opportunity: The development of new materials and digital, intelligent transformation provide technical support for precise quality control and product innovation, enhancing process quality stability.

⁴ Note: For analysis of risks and opportunities related to climate change, please refer to the “Response to Climate Change” section.

02

Governance Enhancement: Consolidate the Foundation for Development

BBMG has always regarded stability and compliance as the foundation for sustainable enterprise development. The Group continues to improve its governance structure centered on the Board of Directors, strengthen its internal control system and risk management, and comprehensively promote standardized operations in the process of advancing law-based corporate governance. By fostering a culture of integrity, BBMG is building a clean and healthy business ecosystem to ensure long-term, stable growth.

Contributing to UN SDGs



Strengthening Corporate Governance

BBMG strictly complies with laws and listing rules such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, and the *Stock Listing Rules of Shanghai Stock Exchange*, establishes and improves its corporate governance system, and continuously optimizes and enhances its internal governance structure, which is mainly reflected in the following aspects:

The construction of the institutional system begins at a high standard and is built on a solid foundation.

We accept external supervision from both state-owned assets and securities dimensions, comply with the regulatory requirements of our dual-listing locations in Shanghai and Hong Kong, establish an institutional system centered on the *Company's Articles of Association*, and implement a dynamic operating mechanism for the system that features scientific formulation, effective execution, and strict supervision, laying a solid foundation for our corporate governance.

The roles and responsibilities of diverse governance entities are clearly defined and operate in coordination.

Each governance entity has a clear position and authorization, achieving the effects of fulfilling their respective duties, coordinating operations, and maintaining effective checks and balances, thus collaboratively enhancing governance efficiency.

The composition of the Board of Directors is diverse, rich, and highly efficient.

The members of the Company's Board of Directors include executive directors with extensive management experience and industry knowledge, independent directors specializing in law, finance, and other fields, as well as internal and external directors representing the Company's shareholders and employees. This diverse and professional composition of the Board ensures mutual supervision and checks and balances within the Board, as well as scientific and efficient decision-making. Additionally, mechanisms such as monthly reports from the Board and advanced communication and research by external directors provide robust support for the effective functioning of external directors.

In 2025, BBMG was honored with the "Outstanding Publicly Offered REITs of the Year" at the 11th China Securitization Forum Annual Conference and the "Frontier Award" for the Most Valuable Infrastructure Publicly Offered REITs of the Year at the 10th Real Estate Securitization Cooperation and Development Conference.

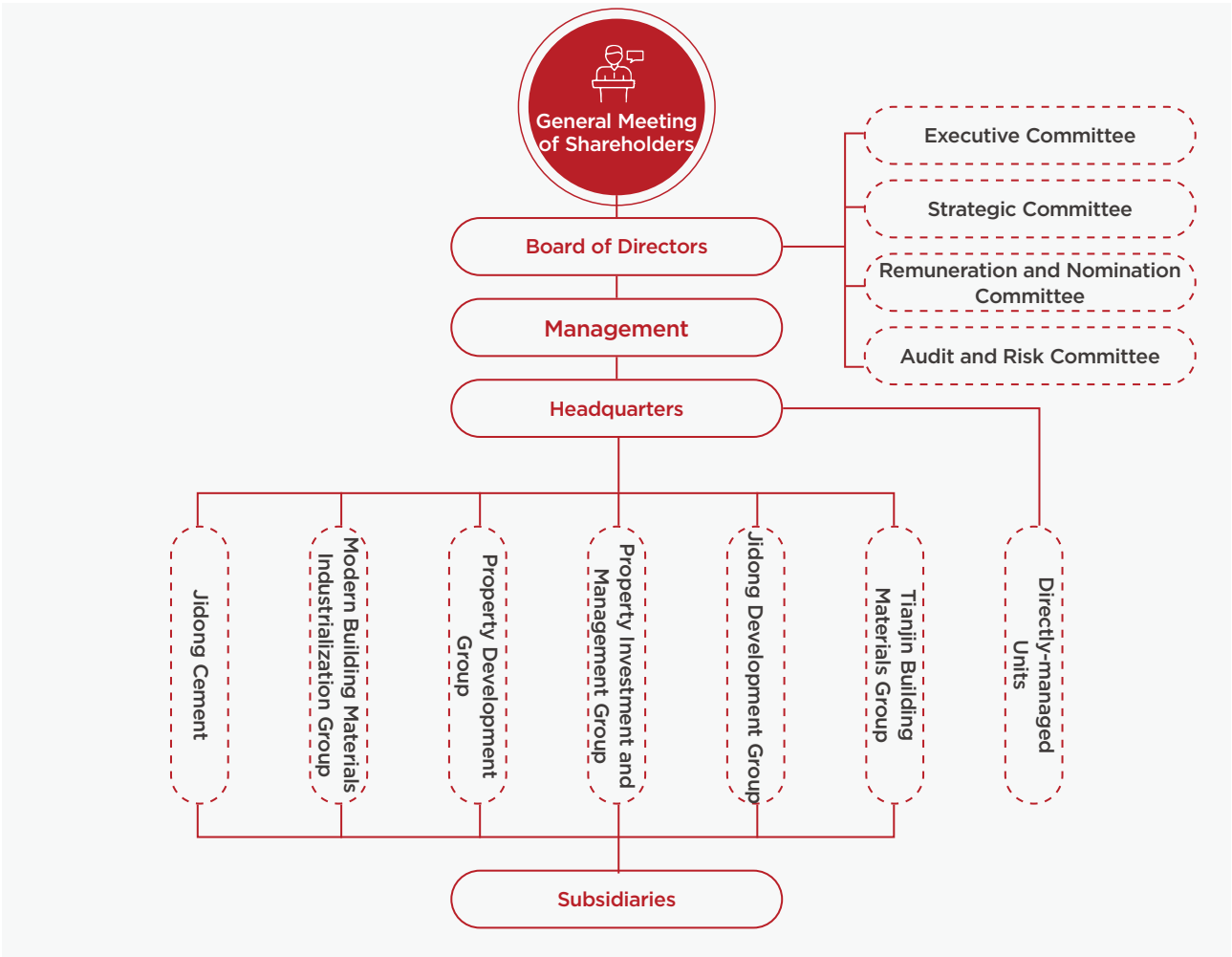
Governance Structure

The Board of Directors of BBMG has established four specialized committees: the Executive Committee, the Strategic Committee, the Remuneration and Nomination Committee, and the Audit and Risk Committee. Each committee operates according to relevant institutional rules, with clear positioning and defined responsibilities. Among them:

- The chair of the Executive Committee is the Chairman, and its members consist of all executive directors.
- The chair of the Strategic Committee is the Chairman, and its members include 2 executive directors and 4 independent directors.
- The chair of the Remuneration and Nomination Committee is an independent director, and its members include 1 executive director and other independent directors (in accordance with listing rules and the Articles of Association, the Remuneration and Nomination Committee must consist of a majority of independent non-executive directors and be chaired by one of them)
- The chair of the Audit and Risk Committee is an independent director, and its members include external non-executive directors and other independent directors (in accordance with relevant regulations, all members of the Audit and Risk Committee must be non-executive directors and chaired by an independent non-executive director, and must be accounting professionals)

In addition, BBMG continues to implement the management philosophy of "flattening, specialization, regionalization, and informatization," operating under the "1+6+X" organizational structure to achieve layered management from "headquarters to secondary management units to tertiary management units." Meanwhile, the revision of the *Articles of Association of BBMG Corporation* and its annexes, including the *Rules of Procedure for Shareholders' Meetings* and the *Rules of Procedure for Board Meetings*, has been completed with high quality. A total of 19 systems related to information disclosure and corporate governance of listed companies have been revised or newly established, while abolishing the Board of supervisors and continuously improving the Board of Directors' decision-making process, laying a solid foundation for the standardized, scientific, and efficient operation of the Board.

BBMG Organizational Structure Diagram



Board Diversity and Independence

During the Reporting Period, BBMG successfully completed the rotation of its Board of Directors, board of supervisors, and senior management team. The seventh session of the Board of Directors consists of 10 members, including three executive directors with extensive management experience and industry expertise, four independent non-executive directors specializing in law, finance, and financial services, two other non-executive directors, and one employee director (non-executive director) representing shareholders and employees. Among them, there are nine male directors and one female director. Independent directors account for 40% of the Board, while external directors account for 60%, ensuring the independence, professionalism, and diversity of the Board. In 2025, BBMG held a total of 3 shareholders' meetings, convened the Board of Directors 11 times through on-site meetings or correspondence voting, convened the Supervisory Board 3 times (the Board of supervisors was dissolved on June 30, 2025), and convened the Audit and Risk Committee 6 times, the Strategic Committee and the Remuneration and Nomination Committee 4 times, and the executive committee once. All resolutions were effectively implemented.

Deepening Compliance Management

BBMG has always regarded compliance management as the cornerstone of stable operations, adhering to the principle of governing enterprises by law, continuously deepening the construction of the compliance management system, extending compliance requirements to the front end of business operations and penetrating across all levels of enterprises, comprehensively enhancing risk prevention and control capabilities, and building a solid barrier for high-quality development.

Establish a Compliance and Internal Control Management System

BBMG adheres to the integration of compliance work with enterprise operation and development, corporate governance, risk prevention and control, and cultural development. By establishing a systematic and multi-level governance system and control mechanisms, BBMG continuously promotes the in-depth development of its compliance and internal control management system, providing solid support for the Group's stable operations.



The organizational structure for compliance management has been further improved.

Based on the corporate governance structure and in conjunction with supervisory board reforms, the Group further clarified the responsibilities of governance bodies such as the Party Committee, the Board of Directors, the management team, the Compliance Committee, and the Audit and Risk Management Committee. Throughout the year, the Standing Committee of the Party Committee held 46 meetings for preliminary studies on compliance management, while the Board of Directors and the executive office meetings convened 11 and 39 times respectively to review and deliberate compliance-related matters.

Internal control management systems were further improved.

The Group conducted identification of compliance obligation risks arising from changes in external regulations, formulated an annual "abolish, revise, and establish" plan for systems, and updated a total of 60 systems throughout the year. Among these, 54 revisions internalized external regulations in areas such as procurement, corporate governance, and carbon emissions, while 6 systems were abolished. An innovative approach was adopted by integrating the revision of systems with internal control processes and compliance obligations, enabling dynamic updates to the *Internal Control (Compliance) Management Manual* and internal control processes. This included adding 4 new risks, updating 4 existing risks, and removing 4 risks, as well as adding 4 new processes, modifying 10 processes, and deleting 2 processes, thereby embedding compliance requirements into key business processes.

Further enhancement of compliance in business operations.

The property investment and management group conducted legal and compliance reviews on major decisions, rules and regulations, and contracts. For projects involving complex legal risks, such as significant investments, relocation and withdrawal, and asset disposal, a dedicated legal assessment mechanism was established. The Group improved the mechanism for monitoring the performance of major contracts and for early warning of potential risks and organized its affiliates to conduct two assessments identifying potential legal and compliance disputes. During the Reporting Period, all business activities of the Group were carried out in accordance with laws and regulations, and no significant compliance risk incidents occurred.

Cultivating a Compliance Culture

BBMG continued to promote a compliance culture of "honesty and integrity, fulfilling responsibilities, and harmonious development," conducting compliance training and cultural initiatives through multiple channels and at different levels, based on various scenarios in production and business operations, to enhance compliance awareness among all employees.

Focus on key milestones and strengthen compliance leadership.

The Group issued the *List of Party Regulations and Laws that Leading Officials Should Know and Abide By* to clarify the political boundaries and legal compliance baseline for leading officials in exercising their authority. Enterprises organized over 100 special events, including Civil Code Promotion Month, Intellectual Property Awareness Week, and Fair Competition Policy Promotion Week, adhering to an integrated "online + offline" approach and emphasizing both publicity and service, to continuously advance the depth and effectiveness of legal education and outreach.

Integrating into business operations and deepening compliance practices.

The Group launched the 2025 "Regulations Lecture Series" to systematically promote and implement institutional rules, reaching over 1,100 participants. It promoted systematic study of laws and regulations such as the *Anti-Monopoly Law of the People's Republic of China*, the *Company Law of the People's Republic of China*, and those related to state-owned asset supervision across all levels of subsidiaries through Party Committee theory study sessions, pre-meeting legal education, and specialized lectures on rule of law and compliance. It organized the 2025 Special Training Program on Capability for Group Legal, Compliance, and Internal Control Personnel, inviting renowned professors, experienced judges, and professional lawyers to deliver in-depth interpretations of state-owned asset supervision policies and key aspects of internal control, compliance, and risk management, utilizing methods such as class division and group discussions.

Meeting employee needs and fostering a culture of compliance.

The Group conducted tiered and categorized compliance training for key functional areas such as assets, finance, and human resources, integrating legal knowledge into employees' daily work scenarios. It analyzed internal case studies to help employees and management develop a strong rule-of-law mindset and promote a positive environment where legal means are used to resolve issues.



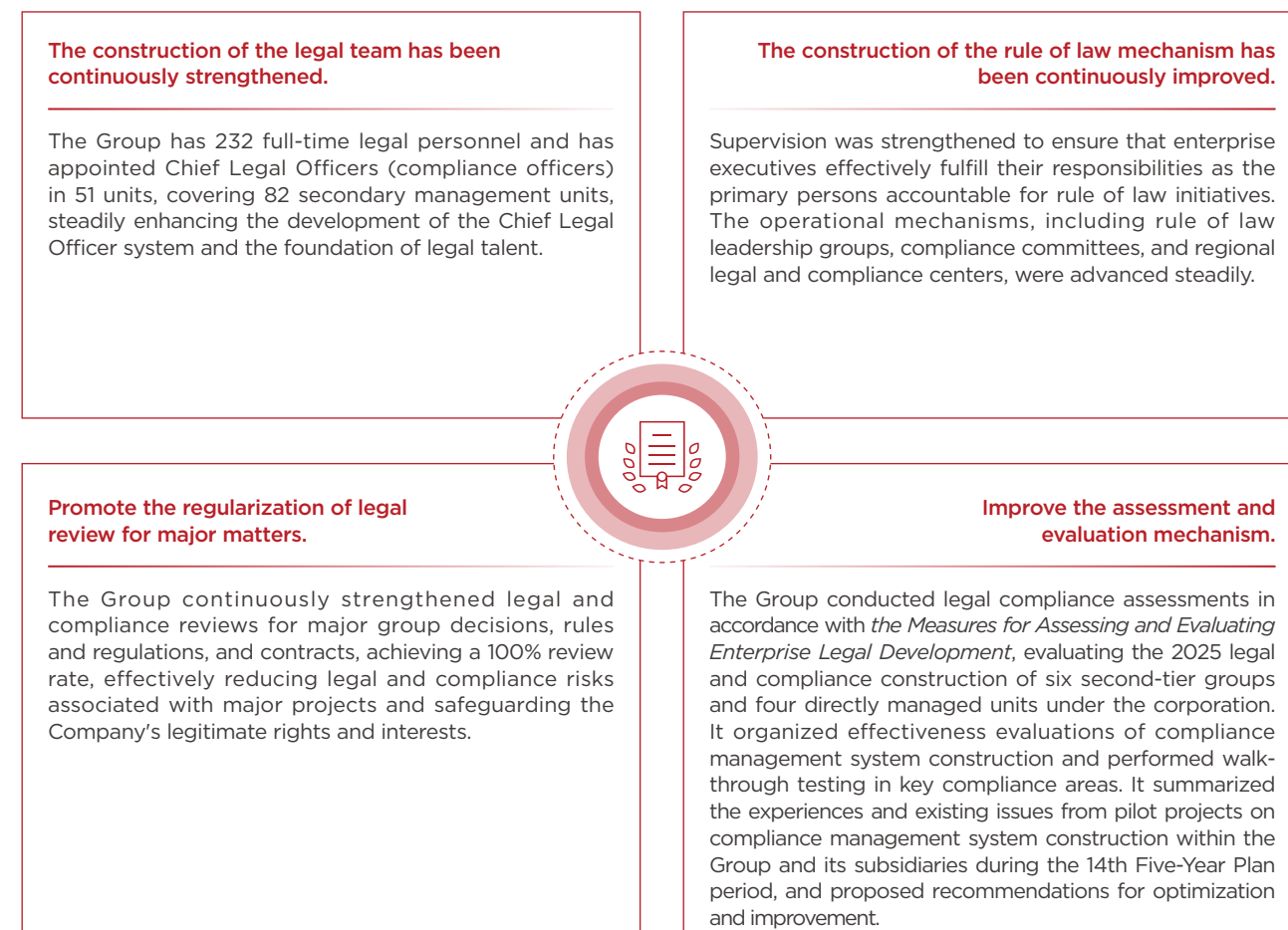
© Civil Code Promotion Month



© 2025 "Regulations Lecture Hall"

Promoting Law-Based Corporate Governance

The construction of BBMG's legal team and mechanisms continued to advance, with strengthened leadership and organization, a growing number of full-time legal personnel, continuously optimized and reinforced legal counsel, expanded coverage across managed entities, and an increasingly solid foundation in legal advisory systems and legal talent development.



Strengthening Comprehensive Risk Management

The Company places great importance on the development of its risk management system and will continue to improve the comprehensive risk management system in 2025. Centered on strategic development and operational objectives, the Company refines and allocates responsibilities for implementation in daily production and operations, achieving full coverage and participation in risk control across all staff. By implementing the fundamental risk management processes throughout all aspects of enterprise management and operational activities, the Company ensures efficient operations.

Strategic Risk Management

Focusing on core responsibilities and main operations, taking the special initiative of "Year of Breakthrough for High-Quality Development" as a starting point, closely following macro policies, optimizing the industrial layout of cement and real estate, deepening presence in key regions, and extending, supplementing, and strengthening the industrial chain; leveraging the advantages of the entire industrial chain to build Jinyu's distinctive real estate development system of "good materials—good homes—good services," promoting coordinated development between new green building materials and the real estate industry, and participating in urban renewal and affordable housing construction; optimizing annual investment planning management, strengthening strategic planning guidance, supervising the implementation of the *Measures for the Management of Development Strategy and Planning*, advancing project business plans, ensuring the implementation of major projects; enhancing business synergy, breaking down and executing strategic tasks, and effectively preventing strategic risks.

Financial Risk Prevention and Control

Strengthen capital management and improve the system for large-scale capital operations by enhancing utilization through annual and monthly capital planning, while optimizing the capital structure to reduce debt repayment pressure. Enhance financial accounting standards and produce high-quality financial reports, leveraging comprehensive budgeting as a strategic guide, and integrating "One Profit and Five Rates" analysis into performance target management. Strengthen team development by improving professional competencies through CFO meetings and training sessions. Adopt multiple measures to reduce the "two funds" (accounts receivable and inventory), combining efforts to reduce existing balances with strict control over new increases, introducing assessments on cash collection ratio from operations, and supervising the clearance of government arrears to revitalize existing receivables. Advance financial digitalization and intelligence by establishing a financial shared service center and treasury management system, enhancing information integration, and building data models to support decision-making.

Operational Risk Management and Control

Implemented regulatory requirements from the municipal SASAC by revising the *Trade Business Management Measures* clarifying prohibitive provisions and strengthening compliance controls; optimized functional divisions and enforced separation of incompatible positions; established a monthly data monitoring system and produced analytical reports; conducted a "look-back" special rectification campaign in the procurement area, completing on-site inspections of 23 enterprises; convened a centralized procurement working meeting, compiled category lists, and exchanged best practices with Jingneng Group through benchmarking; revised the *Bidding and Procurement Management Measures* and the *Supplier Management Regulations* to strengthen end-to-end risk prevention and control, ensuring efficient operations.



Adhering to Business Ethics

BBMG is committed to upholding the highest standards of business ethics and maintains a firm "zero tolerance" stance against any form of misconduct such as corruption, bribery, or embezzlement arising during operations. The Group continuously improves its business ethics management system and optimizes its governance mechanisms. It clarifies the Board of Directors' responsibilities for compliance management in decision-making, execution, and supervision; ensures accessible reporting channels; promotes a culture of integrity; and strengthens oversight and control over non-compliant behaviors to effectively uphold market fairness and establish a positive corporate image.

Improving Management Mechanism

BBMG strictly adheres to laws and regulations aimed at preventing bribery, extortion, fraud, and money laundering, including the *Criminal Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Supervision Law of the People's Republic of China*, the *Regulation on the Implementation of the Supervision Law of the People's Republic of China*, and the *Law of the People's Republic of China on Administrative Discipline for Public Officials*. In accordance with the *Constitution of the Communist Party of China*, the *Standards of Integrity for Members of the Communist Party of China*, the *Several Guidelines on Intra-Party Political Life in the New Situation*, the *Disciplinary Regulations of the Communist Party of China*, and the *Several Provisions on Clean Business Conduct for Leading Cadres of State Owned Enterprises*, BBMG has developed a series of internal normative documents, including the *Implementation Plan of the BBMG Corporation Committee on Strengthening the Construction of Integrity Culture in the New Era*, the *Implementation Opinions on the Application of Four Forms of Discipline Supervision*, the *Notice on Further Promoting the Work of Dual Responsibility for One Post in Party Conduct and the Clean Government Construction*, the *Implementation Opinions on Applying the 'Four Forms' of Supervision and Disciplinary Enforcement* and

the *Measures of the Party Committee of Beijing Jinyu Group Co., Ltd. for Implementing the <Regulations of the Communist Party of China on Accountability>*. These initiatives continuously enhance the anti-corruption and anti-embezzle management mechanisms, while clearly designating the Operations and Information Management Department and the Discipline Inspection and Supervision Agency as the executive bodies for regulating internal business ethics management and supervising the handling of corruption issues, thereby ensuring the legality, compliance, fairness, and justice of the Company's operations from both institutional and execution perspectives.

In 2025, BBMG completed the revision of three systems: the *Management Measures for Bidding Procurement*, the *Management Measures for Procurement (Non-Bidding)*, *Supplier Management Regulation* and the *Supplier Management Regulations*. with a focus on defining prohibited interventions in bidding and procurement activities, clarifying required procedures, and establishing accountability for violations; strengthened rectification requirements regarding disciplinary assessments in the bidding and procurement area by refining specific circumstances for assessment and penalties, thereby providing solid institutional support for the compliant conduct of bidding and procurement activities.

Keeping the Whistleblowing Channels Open

Regarding the establishment of reporting channels, BBMG has developed the *Administrative Measures for Handling Reports and Accusations and Problem Leads*, actively building an integrated reporting system encompassing letters, visits, internet, and telephone. A dedicated person is responsible for management, ensuring timely acceptance of all types of reports and effective transmission and handling of reporting information and leads.

Regarding the handling of reporting information, BBMG strictly implements institutional requirements such as the *Measures for Handling Letters and Visits, Reports, and Disposal of Problem Leads*, the *Measures for Talk and Inquiry Work*, *Procedures for Preliminary Verification and Case Filing Review and Investigation of Problem Leads*, *Procedures for Accountability Work*, *Implementation Measures of the Party Committee of BBMG Corporation for the <CPC Regulation on Accountability>*, *Measures for Coordinated Supervision among Discipline Inspection, Patrol, and Audit* and *Measures for Strengthening the Leadership over Corruption Case Investigations by Affiliates' Discipline Inspection Committees*, promoting standardized and institutionalized disciplinary enforcement and accountability work. During the Reporting Period, the Group received 208 cases of letters and visits reporting violations in

accordance with regulations, intensified supervision and follow-up on problem leads, issued one notification on case handling progress, and conducted a total of 61 weekly on-site guidance sessions led by the Deputy Secretary of the Discipline Inspection Commission to support case investigations at secondary entities. The Secretary of the Discipline Inspection Commission convened 55 special meetings to review and approve case investigations conducted by discipline inspection commissions at all levels, ensuring case quality. The Group strengthened coordination among "office-group-local" entities and cooperated with two district supervisory commissions in investigating suspected job-related criminal leads. Throughout 2025, disciplinary inspection and supervision bodies at all levels of the Group concluded a cumulative total of 163 problem leads.

Regarding the whistleblower protection, the Disciplinary Inspection and Supervision Agency of BBMG strictly adheres to the confidentiality requirements set forth in the *Working Rules for Discipline Inspection and Supervision Organs in Handling Reports and Complaints*, fully safeguards the rights and interests of whistleblowers, and provides whistleblowers with protection from retaliation.

- The names (unit names), workplaces, addresses, and other relevant information of whistleblowers, as well as the content of the complaints, must be kept strictly confidential.
- It is strictly prohibited to transfer or disclose whistleblower materials or information to the organizations or individuals being reported.
- The acceptance of whistleblower complaints or the initiation of verification work should be conducted without revealing the identity of the whistleblower.
- When publicizing and reporting on individuals who have made significant contributions in whistleblowing, any disclosure of their names, units, or other personal information must be done with their consent.

In 2025

The letters and visits reporting violations received in accordance with regulations

208 cases

Problem clues closed by disciplinary inspection institutions at all levels of the Group

163 cases



Integrity Culture Development

BBMG places significant emphasis on the promotion and training of its internal integrity culture. The Company has developed the *Implementation Measures for Deepening the Warning Education of "Taking Cases as Guidance for Reform"*, which requires Party organizations at all levels to incorporate the principles of teaching through case studies and strict management with care throughout the warning education process. In 2025, the Group conducted tiered and categorized anti-corruption education and publicity for directors, management personnel, and employees. Training content mainly includes education on the spirit of the Central Government's Eight-point Regulation, the branch's "Three Meetings and One Class," branch-level integrity study sessions, Party Committee theoretical study group sessions, the Group's comprehensive meeting on strict Party self-governance, and warning education meetings. One to two thematic training sessions or study activities are organized each quarter, achieving comprehensive coverage of integrity education. Utilize internal websites, bulletin boards, and WeChat official accounts to promote the concept of integrity and highlight exemplary models, fostering a positive environment that values and upholds integrity. During the Reporting Period, the Boards of Directors attended anti-corruption and integrity training for approximately 85 person-times, the Management for approximately 95 person-times, and the Company's employees for approximately 80,000 person-times.

In 2025

The Boards of Directors attended anti-corruption and integrity training for approximately

85 person-times

The Management for approximately

95 person-times

The Company's employees for approximately

80,000 person-times



Percentage of directors who have received anti-bribery and anti-corruption training

100%

Percentage of management personnel who have received anti-commercial bribery and anti-corruption training

100%

Percentage of employees who have received anti-bribery and anti-corruption training

100%



Strengthening Supervision Management

BBMG has emphasized supervision and management of key positions and critical areas. On the basis of continuously deepening project-based and checklist-style oversight, the Group has set "addressing one issue to govern one domain" as a new objective. By conducting self-inspections within responsible departments and spot checks by grassroots disciplinary committees, functional departments' supervisory responsibilities have been reinforced. The Group's disciplinary committee has dynamically guided the supervision process through forums and exchanges, guiding grassroots disciplinary committees to identify 570 high-quality issues. A panel of judges was formed to evaluate these issues in categories of "excellent, good, average, and poor." The combined rate of excellent and good ratings increased from 8.47% in 2023 to 88% in 2025. After assessment, 16 issues were classified as investigative leads, representing a 300% year-on-year increase. The challenges of grassroots disciplinary committees being unable or unwilling to supervise have been effectively addressed, marking a shift in supervisory effectiveness from quantitative growth to qualitative improvement. In 2025, BBMG had no cases involving corruption or bribery.

03

Aligning with National Priorities: Lead Industrial Advancement

Facing the global era of low-carbon and green transformation, BBMG has always adhered to the concept of sustainable development, fully implemented major national strategic initiatives, and insisted on scientific and technological innovation as the core driving force. The Company is committed to cultivating new material industries and overcoming key technological challenges, promoting green transformation in the industry, meeting customer needs through high-quality products and services, and collaborating with all stakeholders to build a sustainable ecosystem, thereby injecting green momentum into high-quality development.

Contributing to UN SDGs

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

11

SUSTAINABLE CITIES AND COMMUNITIES

12

RESPONSIBLE CONSUMPTION AND PRODUCTION

17

PARTNERSHIPS FOR THE GOALS



Supporting National Strategies

Actively Develop New Quality Productive Forces

The Group adopted industrial innovation as its strategic pathway, and the laboratory ecosystem has begun to empower industrial innovation within the Group. This year, the Advanced Computing Laboratory was approved by the competent authority as a non-profit civilian institution, establishing an ecosystem for collaborative artificial intelligence innovation to empower the Group's industries through scenario-based applications. Centered on the transformation of Beishui, the Group has coordinated planning for the development and utilization of spatial resources at Fengshan Mine and Nankou Shuiji, along with key industrial projects, supporting the construction of the Tsinghua National Research Base and promoting in-depth strategic cooperation between government and enterprises. The Group has advanced research on industrial development plans for the resourceful recycling of metallic hazardous waste and waste lithium batteries, facilitating the layout of green and low-carbon industries.

Meanwhile, we are providing high-level coordination for the implementation of Beijing's "AI+New Materials" initiative, supporting enterprises in advancing the transformation of scientific research paradigms from experiment-driven to data-driven approaches. We have established in-depth collaborations with the Beijing Academy of Artificial Intelligence and the Zhongguancun Institute of Artificial Intelligence, finalized implementation plans and project management models for five projects including "High-Performance Concrete Research," completed the signing ceremony with the Beijing SASAC, and ranked among the top cooperative projects within municipal state-owned enterprises.

Advance the Layout of Digital and Intelligent Transformation

The Group has steadily advanced its digitalization initiatives, earning an "A-level" rating in digital management and control assessment for enterprises supervised by the municipal SASAC. It has comprehensively leveraged the synergistic advantages of software, hardware, and algorithms. In terms of industrial digitalization, Jidong Cement was selected as a "typical case of digital transformation in manufacturing" by the Ministry of Industry and Information Technology, with several of its subsidiaries recognized as national demonstration smart manufacturing factories, achieving digital transformation in manufacturing. In terms of digital and intelligent industrialization, the Group has coordinated the development of data asset projects and computing power infrastructure, explored application scenarios such as digital collaboration in logistics and energy systems, and AI-based security services for manufacturing enterprises, promoting deeper integration of artificial intelligence with industrial operations.

Deepen Urban Renewal

The Group actively responded to Beijing's urban renewal initiative, focusing on advancing projects that improve people's livelihoods. The reconstruction of the dilapidated buildings at No. 13, Annex Street, Anningzhuang, and the BBMG Industrial Research Life Science Innovation Center have both completed structural topping-out. The *Action Plan for Deepening the Enhancement and Development of Huilongguan and Tiantongyuan Areas (2021-2025)* concluded successfully, significantly improving the living environment in the region and receiving high recognition from the Beijing Municipal Development and Reform Commission and the SASAC of Beijing Municipality, becoming a vivid example of municipal state-owned enterprises fulfilling their social responsibilities. In addition, urban village renovation projects in the Shandian area of Dongba Township, Chaoyang District, and the Nanyuan Wetland in Fengtai District are progressing steadily, with key tasks such as resident and non-residential relocation and signing of land acquisition compensation agreements completed, injecting momentum into urban spatial optimization and quality enhancement, demonstrating the state-owned enterprise's commitment to serving the capital's development strategy.

Implementing the Belt and Road Initiative

The Group actively implements the national "Belt and Road" initiative, promoting the overseas expansion of high-end equipment and green technologies. The five complete cement production line equipment sets from Jidong Cement have been successfully delivered to countries along the Belt and Road, and the new cement production line project in Kyrgyzstan has officially entered the contract fulfillment phase. This extends the Group's green manufacturing expertise and technical standards overseas, supporting green upgrading of infrastructure construction in participating countries and advancing the international dissemination and practical implementation of sustainable development concepts.

Adhering to Innovation-Driven Development

BBMG adheres to a science and technology innovation-driven development strategy, establishes and improves the top-level design of scientific and technological innovation, strengthens the transformation and implementation of research achievements, and relies on the Group's extensive experience in the field of technological innovation to carry out extensive exchanges and cooperation within the industry, promoting the optimization and upgrading of the entire industrial chain and building an innovation-empowered sustainable development ecosystem.

Research and Innovation Management



Continuously improve the governance system for scientific and technological innovation.

Established the Scientific and Technological Innovation Strategy Advisory Committee, which has engaged 16 experts (including 11 academicians) to provide strategic consultation for Jidong Development Group. The committee has conducted in-depth discussions on major scientific and technological innovation projects with foresight and strategic significance and has primarily reviewed the Group's 15th Five-Year Plan for scientific and technological innovation and new materials industry, as well as the development plan for Dachang Industrial Park. Since its establishment, the Scientific and Technological Innovation Strategy Advisory Committee has conducted a total of 39 special research and thematic consultation activities, providing precise strategic guidance for the Group's scientific and technological innovation and the 15th Five-Year Plan for the new materials industry.



Improve the institutional safeguards for technological innovation.

BBMG strictly complies with laws and regulations such as the PRC Law on the Conservation of State Secrets, the Beijing Municipal Regulations on the Conservation of State Secrets, the Beijing Municipal Provisional Rules on the Management of Work-related Secrets, the PRC Patent Law, the PRC Law on the Promotion of Transformation of Scientific and Technological Achievements, and the Beijing Municipal Regulations on Promoting the Transformation of Scientific and Technological Achievements. Based on these, the Group has formulated and implemented eight internal systems related to technological innovation.



Strengthening the development of technology platforms.

The "National Key Laboratory of Low-Carbon Recycling and Regeneration of Materials" has been successfully established and is now operational. The first National Key Laboratory Professor Committee was formed, ten research directions were defined, thirteen open research funds were established, and the three collaborating institutions jointly undertook the national science and technology major project on "Construction of Data Resource Nodes for Material Life Cycle" under the Key New Materials Research and Application program. During the Reporting Period, the Group added four provincial-level scientific and technological innovation platforms, including the Beijing Key Laboratory of Artificial Intelligence Metrology Technology for Future Cities and a Postdoctoral Research Station.

List of BBMG's Scientific and Technological Innovation Policies

1	Management System for Scientific and Technological Innovation	5	Measures for the Reserve Fund of Enterprise Research and Development Investment
2	Measures for the Management of Transformation of Scientific and Technological Achievements (Trial)	6	Measures for the Scientific and Technological Innovation Committee
3	Measures for Rewarding Excellent Scientific and Technological Achievements	7	Provisions on Technical Protection Management
4	Measures for Rewarding Excellent Scientific and Technological Talents	8	Provisions on the Management of "Challenge and Lead" for Scientific and Technological Projects (Trial)

Research and Innovation Strategy

BBMG has established a "1+N+X Technological Innovation Complex" with distinctive BBMG characteristics, building a "government-industry-academia-research-application-finance-services" technological innovation ecosystem tailored to the Group's development needs. It has created an innovative ecosystem that promotes internal industrial collaboration and external resource sharing, with its enterprises playing a key role as innovation drivers, carrying out technological innovation under the guidance of the Group.

Strengthen Strategic Guidance.

In 2025, the Group issued "Opinions on Further Accelerating the Development of the Group's New Materials Industry," focusing on three major development directions, advanced basic materials, key strategic materials, and frontier new materials. Tasks have been detailed according to the requirement of "upgrading one generation, developing one generation, and reserving one generation," with strengthened process tracking and closed-loop management.

Advancing the Formulation of the 15th Five-Year Plan.

During the Reporting Period, the Group conducted research and formulated the *15th Five-Year Plan for Scientific and Technological Innovation and the 15th Five-Year Plan for the New Materials Industry*. Among them, the *15th Five-Year Plan for Scientific and Technological Innovation* adheres to four guiding principles—strategic leadership, market orientation, systematic planning, and talent as the foundation—and focuses on three key areas: new materials, dual carbon goals, and digital intelligence. It will implement a "1-2-3-4-5" innovation and development initiative, aiming to become a leader in scientific and technological innovation within the industry and a key cultivator of new quality productive forces by 2030. The "15th Five-Year Plan for the New Materials Industry" will strive to build a "264" new materials industrial system comprising two leading pillars, six distinctive strengths, and four emerging frontiers, with the goal of increasing the share of new materials revenue in manufacturing to over 50% by 2030.

Scientific Research Project Deployment.

The Group implemented a new mechanism for categorizing and approving group-level scientific research projects in batches. In 2025, three batches of key group research projects were organized and reviewed, resulting in the establishment of 37 group-level research projects (including 22 key research projects, 2 "open challenge" projects, 6 pilot-scale and transformation platform projects, and 7 "Youth Research Special Projects"), along with the completion of mid-term reviews for 48 projects. To promote the effective implementation of these initiatives, the Group further increased its R&D Investment Intensity in major technological breakthroughs, supporting the enhancement of innovation effectiveness.

R&D and Innovation Indicators and Objectives

Technological innovation is becoming the core driving force for the high-quality development of BBMG. In 2025, BBMG strengthened financial support through a research and development reserve fund system, achieving a full-year R&D investment of 3.438 billion yuan, with an R&D Investment Intensity of 3.76%, exceeding the industry's advanced level. Thanks to sustained high-intensity R&D efforts, the new materials industry achieved leapfrog growth, generating annual revenue of 8.43 billion yuan, reaching 109% of the target. According to strategic planning, the Group has set clear phased objectives for 2025. New materials accounting for 20% of manufacturing revenue, reaching 30% by 2027 and 50% by 2030, the new materials industry is accelerating its growth into the "third growth engine" supporting the Group's sustainable development.

BBMG's Scientific and Technological Innovation Achievements in 2025 List

Indicator		Unit	2025
Research and development investment		ten thousand yuan	343,876
R&D investment intensity		%	3.76
Number of research and development personnel		person	4,536
The proportion of research and development personnel in the total number of employees		%	10.6
Newly recognized national high-tech enterprises		enterprise	2
Provincial and ministerial-level science and technology awards (including industry association awards recognized by the national office for scientific and technological awards)		item	11
Granted patent authorization		item	476
Software copyright		item	45
Standard development and revision	National standard	item	3
	Industry Standard	item	2
	Local standard	item	2
	Group standard	item	10



Implementation of Scientific and Technological Innovation Achievements

In 2025, affiliates under the Group won 11 provincial or ministerial-level science and technology awards and 2 national high-tech enterprises. During the 14th Five-Year Plan period, the Group has cumulatively received 69 provincial or ministerial-level awards, including 10 provincial or ministerial government awards and 59 national association awards recognized by the National Award Office.

During the 14th Five-Year Plan period

Total provincial or ministerial-level awards cumulatively received by the Group

69

Including provincial or ministerial government awards

10

National association awards recognized by the National Award Office

59



Achievements in the Construction of Original Technology Sources

- Development of high-performance ablation-resistant materials for super-heavy rocket launch applications in the Wenchang lunar landing project, completing the production of prefabricated components for a rapidly constructible and repairable ablation protection system required for high-frequency launches, delivered to Chongqing University for further in-depth research.
- The *Foldable Modular Building* has achieved iterative upgrades, with integrated photovoltaic green power and smart home systems successfully validated in field tests, ensuring system stability and compatibility. Further advancement has been made in the development of low-carbon envelope systems, enhancing material durability and environmental performance based on real-world application scenarios.
- The carbon capture project has achieved improved capture efficiency and reduced energy consumption, further releasing production capacity. The development and application of a new generation of adsorbents are advancing in parallel. Breakthroughs have been made in the agricultural resource utilization of captured carbon dioxide. The collaborative project with Shennong Group has been approved by the Municipal Science and Technology Commission, with pipeline laying and equipment installation progressing steadily.
- In the field of solid waste resource utilization, the research and application of *Engineering Technology for Efficient Chloride Removal from Fly Ash via Combined Plate-and-Frame Filter Press and Horizontal Screw Centrifuge Washing* has achieved breakthroughs in the stable control and continuous conveying of filter cakes. The system enables continuous and stable operation under various operating conditions and has been successfully applied to the resource recovery treatment of bypass kiln ash. Equipment installation has been completed, and the system is currently entering the commissioning phase.

Key Achievements in Industrial Transformation

- The prefabricated erosion-resistant protection system for rapid construction and repair of diversion channels will complete trial applications in the lunar landing project, Galactic Energy project, and Deep Blue Aerospace prefabricated components by December 2025.
- A series of amorphous ablation-resistant refractory materials for rocket flame deflector applications, including mullite-based ablation-resistant refractories and low-ablation-rate ablation-resistant refractories, achieving sales revenue of RMB 52 million in 2025; bauxite-based low-alumina mullite series refractory raw materials, as well as synthetically modified refractory materials, achieving sales revenue of RMB 10.85 million in 2025.
- The tile adhesive products and crack-resistant mortar series developed under the Low-Carbon Envelope Structure General Technology R&D Project achieved sales revenue of over 30 million RMB.
- Participated in the Housing Expo hosted by the Ministry of Housing and Urban-Rural Development, comprehensively showcasing the Group's outstanding achievements across the entire industrial chain of "Quality Materials – Quality Houses – Quality Services." Concurrently, constructed a model aging-friendly living space for the "Quality Houses" Technology Exhibition held alongside the Expo, and successfully completed on-site reception duties for the visiting leaders from the five Central Asian countries.
- The Geam system (a fully assembled shear wall structural system with concealed reinforcement and tight joint connections) has been applied in projects such as the Tongzhou Huoxian affordable housing, accumulating nearly 100,000 square meters of application area, successfully achieving industrialization of this technical system in the field of high-rise, high-end buildings.
- The major scientific and technological achievement of the fourth-generation high-efficiency grate cooler, recognized as a "first-of-its-kind" equipment, has been successfully implemented, demonstrating significantly improved cooling performance and energy efficiency. The new cement production line project in Kyrgyzstan has officially entered the execution phase, marking deep involvement in the construction of the Belt and Road Initiative.

Industry Exchange and Cooperation

BBMG has strengthened external collaboration and exchanges. In 2025, it organized its affiliates to release 34 technological demands to universities and research institutes and held 24 industry-university-research matchmaking events. The Group and its affiliates signed technical service, project cooperation, and strategic cooperation agreements with 45 external scientific research institutions. In terms of industry-university-research collaboration, BBMG promoted the joint establishment of a consortium with the State Key Laboratory of Advanced Metals at University of Science and Technology Beijing and launched a strategic partnership with Beijing Institute of Graphene. It has taken a leading role in coordinating the implementation of Beijing's "AI+New Materials" projects, conducted in-depth discussions with Beijing Academy of Artificial Intelligence and Zhongguancun Institute of Artificial Intelligence, established implementation plans for five projects, and ranked among the top state-owned enterprises in Beijing in terms of the number of cooperative projects.

In terms of industry exchange, the Group participated in the 22nd China International Housing Industry Exhibition and the Technology Exhibition on Quality Homes, showcasing its full industrial chain products encompassing "quality materials – quality homes – quality services." It was awarded the Outstanding Organization Award for Quality Management Activities in the building materials industry and delivered a keynote presentation sharing best practices at the 40th Quality Management Group Congress and Annual Quality Conference of the building materials industry. Regarding research projects and standardization, the Group is currently undertaking 12 national-level key projects and 16 projects under the "Challenge and Leadership" program of the China Building Materials Federation, with 11 new projects added. As a leading drafting organization, the Group completed the development and revision of three national standards, two industry standards, and two local standards.

Intellectual Property Protection

BBMG strictly complies with the requirements of the *Patent Law of the People's Republic of China*, strengthening management over patent application, authorization, licensing, assignment, and termination. It has formulated and implemented the *Technical Protection Management Regulations* to comprehensively standardize matters related to patent intellectual property protection, fully ensuring that intellectual property rights are not infringed.

Patent application

The acceptance and authorization information of patents is reported to the secondary entities and the Group's Scientific and Technological Management Department in a timely manner for record-keeping; matters regarding the use and termination of the enterprise's proprietary patents are handled after approval from the second entities and reported to the second entities and the Group's Scientific and Technological Management Department for record-keeping upon completion.

Internal transfer of proprietary patents

After review by the secondary entities and approval by the Group's technology protection team, the matter is processed and promptly reported to the secondary entities and the Group's Scientific and Technological Management Department for record-keeping.

External transfer of proprietary patents

After review by the secondary entities and approval by the Group's technology protection team, the transfer will be processed; those with an evaluated value of 0.5 million yuan or above will be publicly listed for transfer on the Beijing Stock Exchange, and the completed matters will be reported in a timely manner to the second entities and the Group's Scientific and Technological Management Department for record-keeping.

Patents for key research projects

The technical achievements formed by the Group's key scientific research projects are owned by the Group. If the entity undertaking the key scientific research project needs to apply for a patent, a written application should be submitted to the Group's Scientific and Technological Management Department and processed after approval, with the Group being one of the rights holders.

Patent licensing and termination

After review by the secondary entities and approval by the Group's technology protection team, the matter shall be processed and reported in a timely manner to the second entities and the Group's Scientific and Technological Management Department for record.

Overview of BBMG's Patent Status in 2025

Indicator		Unit	2025
Number of Patent Applications	Of which, utility model patent	item	547
	Of which, invention patents	item	222
	Other types of patents	item	16
Number of Patent Grants	Of which, utility model patent	item	363
	Of which, invention patents	item	107
	Other types of patents	item	6
Number of Valid Patents During the Reporting Period	Of which, utility model patent	item	3,998
	Of which, invention patents	item	770
	Other types of patents	item	105



Developing Green Industries

BBMG is deeply committed to implementing the national "dual carbon" strategy, promoting comprehensive green and low-carbon transformation through technological innovation. The Group focuses on the entire product lifecycle, integrating green, low-carbon, and energy-saving concepts throughout the processes of design and research, raw material selection, production, manufacturing, and application promotion. It is accelerating the development of a comprehensive green product system, demonstrating its industry leadership and social responsibility in advancing industrial green transformation and achieving sustainable development.

BBMG actively promotes the certification of green building materials products. The subsidiaries under Jidong Cement has obtained a total of 30 green building materials product certifications across its subsidiaries, including 28 for concrete products and 2 for admixture products. The Modern Building Materials Industrialization Group, also under BBMG, has obtained a cumulative total of 143 green building materials product certifications across its subsidiaries, including 79 green building materials certifications and 64 green product certifications.

Cement and Concrete

BBMG closely follows national policies and actively promotes the development of green mines and green factories, advances the research and application of green products, increases R&D Investment Intensity, applies circular measures in production, enhances the environmental performance of products throughout their entire lifecycle, and continuously strengthens its competitive advantage in the green product market.

Jidong Cement

- Each region is strictly implementing remediation measures in accordance with the requirements set by documents such as the *Plan for Mine Geological Environment Protection and Land Reclamation*, and is continuously working to build compliant, standardized, and eco-friendly
- Establish green factories characterized by land-use efficiency, clean production, waste-to-resource conversion, and low-carbon energy

New Building Materials and Equipment Manufacturing

BBMG takes technological innovation as its core driver, focusing on the fields of new materials and equipment manufacturing, and continuously advancing the research and development of green products. Leveraging synergistic collaboration across the entire industrial chain, it has established a diversified and integrated product system, consistently upgrading green innovative products. These achievements have been widely applied in national and regional key projects, empowering high-quality urban development and sustainable development with green products.

Modern Building Materials Industrialization Group

- All manufacturing enterprises have passed the 2025 annual re-audit of the energy management system.
- In 2025, **32** new three-star certifications for green building materials products, including water-based flat coatings and water-based textured coatings, were added.

Jidong Development Group

- Yangquan Conch Tongda Refractories Co., Ltd. has obtained the carbon footprint certificate for its homogenized products.
- Jinyu Rizhang Fan Energy-saving Technology (Hebei) Co., Ltd. has obtained energy efficiency label certifications for two products (fans).
- BBMG Keshi (Caofeidian) Precision Manufacturing Co., Ltd. has obtained the carbon footprint certificate for precision casting products.

Real Estate Development and Investment Management

BBMG has always closely followed national and local policy guidance, actively shouldering the responsibilities of a state-owned enterprise. In line with the industry's green development trend and responding to the market's and users' urgent demands for livable environments and low-carbon lifestyles, the Group fully leverages its core advantages in the field of green building materials, taking zero-carbon buildings as a key breakthrough and distinctive hallmark to continuously deliver high-quality green building products. Furthermore, the Group is vigorously advancing the construction of zero-carbon factories and zero-carbon parks, providing strong support for implementing the national "dual carbon" strategy and achieving high-quality low-carbon development through pioneering practices and demonstrative outcomes.



Property Development Group

- Participated in the development of Beijing Municipal Local Standard *Design Standard for Ultra-low Energy Consumption Public Buildings*.
- The "Zero-Carbon Factory" project at the Liuli Cultural and Creative Industrial Park fully utilizes photovoltaic power generation systems, clean renewable energy, and advanced CCUS technology to achieve full-chain carbon reduction and carbon capture from source to end.
- The Jinyu Industry Research Life Science Innovation Center has designed all buildings A2 and A3 as ultra-low energy consumption buildings, while building A4 further adopts the zero-carbon building design concept.
- Jinyu Life Science Innovation Center has achieved groundbreaking results, with Buildings A2 and A3 obtaining the "Near-Zero Energy Building Design Label," and Building A4 winning the "zero-carbon building certification."

Property Investment and Management Group

- New residential projects achieve 100% compliance with national green building standards; higher-level certifications are encouraged based on project-specific conditions.
- Strictly comply with national and local technical standards and regulations for prefabricated buildings to improve the design quality of prefabricated buildings. Ensure that 100% of new projects meet the local government's requirements for prefabricated building ratios and reasonably consider incremental investment in products based on market demand and conversion efficiency.
- Promote the application of ultra-low energy consumption building technologies and encourage the implementation of ultra-low energy consumption buildings in new construction projects according to local conditions.
- Actively promote and apply green building materials that are safe, durable, energy-efficient, low-carbon, and high-performing. Priority should be given to the use of green building materials based on compliance with relevant standards and project cost control requirements, gradually increasing the proportion of green building materials used.
- The renewable energy substitution rate for new buildings shall comply with industry standards and local government requirements. Renewable energy should be prioritized for powering common areas such as underground garages and clubhouses to reduce property operating costs.
- Improve energy efficiency in large public buildings, scientifically promote electrification of building energy use, and encourage the adoption of high-efficiency equipment and technologies to advance building energy conservation and carbon emission reduction.

Upholding the Lifeline of Quality

BBMG has always adhered to the development philosophy of "quality first," strictly implementing all quality management requirements and maintaining rigorous control over product quality throughout the entire process with high standards and strict requirements. Meanwhile, we deeply focus on customer needs, continuously optimizing product performance and service processes, and are committed to providing customers with higher-quality products and services.

Product Quality Governance

BBMG strictly complies with laws and regulations such as the *Product Quality Law of the People's Republic of China*, *Metrology Law of the People's Republic of China*, and the *Standardization Law of the People's Republic of China*. By benchmarking against the ISO 9001 quality management system standard, BBMG ensures the safety, stability, and compliance of products throughout their entire lifecycle through systematic governance, standardized processes, and continuous improvement mechanisms, providing solid support for the efficient and stable operation of customers' production lines.

Innovate the Quality Management Model

The Group has innovatively established a "One Center, Dual Circulation, Three Pillars" quality management framework. The "One Center" refers to the headquarters' quality management department, serving as the central hub for formulating and executing the Group's quality strategy, functioning as the "brain" and "nerve center" for system construction and implementation. The "Dual Circulation" acts as the dynamic engine driving the operation of the quality management system, consisting of an internal cycle (control loop) and an external cycle (evolution loop), with the two loops working in tandem to achieve a balance between stability and adaptability. The "Three Pillars" standards and specifications, operations and execution, and inspection and evaluation — serve as strategic supports ensuring the effectiveness of the system.

Improve the Quality Management System

During this year, each of the Group's secondary entities and their affiliates formulated or revised quality-related systems, frameworks, and regulatory documents in accordance with their actual management needs. The Group issued quarterly quality operation reports, provided targeted management requirements based on the actual management conditions and quality risks of each secondary entity and directly managed units, and conducted follow-up supervision and closed-loop rectification for identified quality issues.



 Jidong Cement	- Strengthening quality supervision and inspections by formulating an annual inspection plan, entrusting third-party testing, strictly addressing non-conforming items, and maintaining a 100% product conformity rate upon factory release. - Enhance inspection and testing capabilities, fully align with national and industry standards, and standardize laboratory management. - Improve process control mechanisms, optimize quality control standards, standardize packaging coding and monthly evaluations to ensure full product traceability and consistent performance.
 Modern Building Materials Industrialization Group	- Revise the <i>Quality Control Manual of the Modern Building Materials Industrialization Group</i> and formulate and implement the <i>Special Work Plan for Quality Improvement 2025</i>. - Added the <i>Quality Risk Control List</i>, covering the entire chain from raw material intake, production process to finished product inspection, achieving standardized control from source to delivery. - Develop the <i>Quality Control Management Implementation Guide for the Modern Building Materials Industrialization Group (Manufacturing and Construction Services)</i> covering the entire chain from raw material entry, production process to finished product inspection, and realizing a standardized control guide from source to delivery.
 Tianjin Building Materials Group	- Formulate the <i>Quality Management System of Tianjin Building Materials Group (Holding) Co., Ltd.</i>, and the "Quality Management System" of affiliates under Tianjin building materials group. - All six affiliates have obtained ISO 9001 quality management system certification.
 Property Investment and Management Group	In 2025, ensure the effective operation of the integrated management system across 11 sites within the scope of the Company's unified certification, and pass the surveillance audit for the integrated management system of quality, environment, occupational health and safety management system, and energy (the "integration of four standards").
 Property Development Group	- Developed the <i>Jinyu 'Good House' Standard</i>, establishing four core systems—"4S Safety System, 5C Comfort System, 4G Green System, and 4I Intelligence System"—along with a "Six-Dwelling" framework comprising the Centennial House, Healthy House, Precision-Crafted House, Quiet House, Cultural House, and Smart House, as well as seventeen technical subsystems, comprehensively defining the quality essence of Jinyu's good houses. - Developed the <i>Jinyu "Quality Housing" Construction System</i>, establishing four key policy guidelines: "safety, comfort, sustainability, and smart technology," and implementing three quality execution pathways: "exceeding standards, source control, and comprehensive dimensional control." The system incorporates high-durability building materials such as Jinyu specialty cement and ultra-high-performance concrete from the initial stages and enforces comprehensive quality management across eight aspects: planning, landscape, interior living, façade, underground parking, intelligent systems, signage, and service. - Strictly enforce a series of systems including the <i>Engineering Management System</i>, <i>Engineering Quality Management Measures</i>, and <i>Third-party Assessment and Inspection Management Measures for Engineering Quality and Safety</i>, to ensure that quality management work is conducted in accordance with established rules and standardized procedures. - Based on key engineering milestones within the project development cycle, conduct comprehensive evaluations—such as specialized underground works assessment, delivery assessment, and safety-specific assessment—during the corresponding construction phases, while simultaneously advancing issue rectification and supplier performance incentives or penalties to ensure project delivery quality.
 Jidong Development Group	- Revise policies such as the <i>Quality Management System</i>, refine process quality control requirements and the list of quality management responsibilities at all levels, strictly comply with laws and regulations such as the <i>Product Quality Law of the People's Republic of China</i>, and implement the "three guarantees" policy and liability for damages. - Implement routine quality supervision, regularly organize cross-reviews and joint inspections as well as special audits, guide QC improvement activities, collect the <i>Quality Summary Report</i> quarterly, supervise quality accountability, establish a quality issue ledger, and ensure closed-loop tracking. - All affiliates have passed the ISO 9001 quality management system certification, conduct internal audits and surveillance reviews annually, strictly prepare inspection procedures, and implement full-process acceptance for raw materials, in-process products, and finished goods.



Strengthen Internal Collaborative Oversight.

Relying on channels such as assessments and inspections for comprehensive Party self-governance, Party committee inspections, disciplinary supervision, economic responsibility audits, immediate response to complaints, public opinion monitoring, and legal compliance complaints, comprehensively collect information regarding quality-related issues. Timely conduct investigations, follow-up, and guidance on rectification efforts to enhance internal quality supervision. In 2025, quality spot checks were conducted at 42 enterprises (projects) within the Group's manufacturing and real estate sectors. A total of 169 internal and external raw materials and finished products were sampled on site, and on-site rebound tests were carried out to assess the concrete strength of the main structures at property development projects. Additionally, training on testing methods and standard specifications was provided to quality control technicians at laboratories of certain enterprises. During the Reporting Period, BBMG did not experience any major quality liability incidents, nor were there any product recalls due to health or quality safety concerns.

Product Quality Strategy

BBMG has deeply integrated its product quality strategy into its core mission of "creating quality materials, building quality homes, and shaping a better life." Guided by the principle of "technology renewal and full-chain empowerment," the Company is driving technological innovation to simultaneously advance three strategic initiatives: empowering the new materials industry, promoting green and low-carbon development, and accelerating digital and intelligent transformation. By vigorously developing new quality productive forces, BBMG is propelling traditional industries toward intelligent, green, and integrated development.

Quality layout across the entire industrial chain

The Group focuses on building systematic capabilities to deliver better lives, covering the research and production of new green building materials, intelligent technology integration, quality housing construction, development of age-friendly products, urban renewal practices, and high-quality services. With particular emphasis on the trend toward age-inclusive and smart elderly-friendly living environments, the Group demonstrates state-owned enterprises' innovative responsibility in advancing quality housing and urban high-quality development through its full-chain offerings of "good materials - good houses - good services."

Implementation of the "Quality Month" campaign

In 2025, the "Quality Month" campaign was launched under the theme of "Strengthening comprehensive quality management to support new breakthroughs in high-quality development," focusing on five key tasks: quality education and training, special inspections, themed competitions, essay contests, and quality improvement in key areas. Self-inspection and supervisory checklists were developed based on the industry characteristics of each sector to enhance quality awareness across all staff and standardize quality practices.

Product Quality Metrics and Targets

The affiliates of BBMG Group actively pursue and have obtained ISO 9001 quality management system certification. Through this certification, companies place greater emphasis on continuous improvement of product quality and management processes, strictly controlling every stage including product design, raw material procurement, production processing, and inspection and testing. By conducting regular internal and external audits, potential issues are identified and promptly addressed, thereby achieving sustainable development for the enterprise.



Maintain Customer Relationships

BBMG adheres to the principle of "customer first," establishing diversified communication channels and a refined complaint management mechanism to promptly respond to customer needs and continuously improve service quality.

Improve complaint handling mechanisms

Property Investment and Management Group has established the *Performance Evaluation Guidelines for Customer Complaint Handling*, clarifying that the head of each unit is the primary responsible person, and the head of each project is the on-site primary responsible person. The evaluation assesses the "three rates" of complaint handling—response rate, resolution rate, and satisfaction rate—on an annual basis, along with the effectiveness of early warning mechanisms. The Property Development Group has revised the *Customer Service Management System and the Guidelines for Customer Complaint Management*, and issued the *Front-End Customer Service Management Measures*, establishing a two-tier management system comprising headquarters supervision and operational handling by subordinate units. This system standardizes the entire process of complaint reception, handling, and follow-up, adhering to the principles of legality and compliance, timeliness and effectiveness, and customer satisfaction. During the Reporting Period, a total of 1,628 customer complaints were received across all secondary entities, all of which were properly addressed.

Ensure smooth communication channels

Jidong Development Group has established a 400 complaint hotline, with a customer satisfaction survey module built into the CRM system. Tianjin Building Materials Group collects feedback through 24-hour hotline and satisfaction surveys. Property Investment and Management Group organize third-party satisfaction surveys annually, holds customer symposiums at each project site, and has set up dedicated feedback channels to enable 24-hour response. Property Development Group relies on the 12345 hotline, 400 hotline, and customer service stations to achieve seamless communication.

Protect Customer Privacy

BBMG strictly complies with national laws and regulations such as the *Personal Information Protection Law of the People's Republic of China* and has established a customer privacy protection system from two aspects—technical protection and information system management—under the premise of ensuring the data minimization principle. During the Reporting Period, the Company did not experience any customer privacy breaches.

At the technical protection level, BBMG ensures customer information security through measures such as encrypted storage, SMS verification code authentication, access control, and privilege separation. It simultaneously conducts security risk monitoring and auditing, establishes emergency response plans, and regularly carries out security risk assessments to effectively prevent customer information privacy leaks. At the information system control level, BBMG has built a protection system centered on privilege management and security technology application. In terms of privilege control, a unified identity authentication platform has been established to enable fine-grained configuration of data access and operational permissions, preventing unauthorized personnel from accessing customer information. Regarding security technology applications, the Group deploys database firewalls to monitor and block abnormal access, uses an API gateway to centrally manage internal and external interfaces, and implements authentication, rate limiting, and monitoring to strictly prevent data leakage through interfaces.

Building Resilient Supply Chains

BBMG is committed to building a standardized, transparent, and efficient supply chain management system. Upholding the principle of fairness and impartiality, BBMG continuously improves its bidding and procurement management measures and supplier management regulations, deeply integrating ESG requirements into the full lifecycle management of suppliers, and working with partners to build a clean, green, and sustainable supply chain ecosystem.

Improve the Supplier Management System

BBMG strictly adheres to national regulations such as the *People's Republic of China Bidding and Tendering Law*, *Implementing Regulations of the People's Republic of China Bidding and Tendering Law*, *Measures for Bidding and Tendering of Construction Projects*, and *Guiding Opinions on Standardizing Procurement Management of Central Enterprises*. During the Reporting Period, the Company completed revisions to three systems: the *Bidding and Procurement Management Measures*, *Procurement (Non-Tender) Management Measures*, and *Supplier Management Regulations*. These revisions focus on defining improper interference by leading officials in bidding and tendering activities, clarifying required procedures, and establishing accountability for violations. Furthermore, BBMG has strengthened rectification requirements by intensifying assessment of violations in procurement and bidding, providing solid institutional support for the compliant conduct of procurement activities.

Regarding the optimization of the supplier management process, in 2025 the Group separated the network access procedure from the admission procedure when revising the *Supplier Management Regulations*. Prospective suppliers meeting the criteria may first complete network registration and then undergo admission review when intending to participate in specific procurement activities, significantly enhancing the efficiency and flexibility of supplier management.



Implement Transparent Procurement

BBMG adheres to the principles of fairness, impartiality, and transparency in procurement, and strictly prohibits any improper interference by internal or external parties, and relies on a digital bidding and procurement platform to implement full-process closed-loop management over supplier registration, qualification, bidding, contract signing, performance evaluation, and post-assessment.

The *Bidding and Procurement Management Measures* explicitly prohibit various types of non-compliant behaviors:

- Prohibiting purchasers from accepting bribes or obtaining other improper benefits.
- Prohibiting bidding agency institutions and their staff from seeking improper benefits or charging fees in violation of laws and regulations.
- It is prohibited for members of the bidding evaluation committee to accept property or other benefits from bidders.
- It is prohibited for bidders to bribe tendering agency personnel or evaluation experts.



Meanwhile, the Group has specifically established measures in Chapter 6 of the *Bidding and Procurement Management Measures* and Chapter 8 of the *Procurement (Non-Tender) Management Measures* to prevent leading officials from interfering in bidding and procurement activities, thus building a solid integrity defense at the institutional level. All suppliers are required to sign an integrity commitment letter upon registration, making a formal commitment regarding their business conduct.

Standardize Supplier Qualification and Evaluation

BBMG has established a strict supplier admission mechanism, requiring suppliers to meet the following basic conditions: legally registered and validly existing; possessing good commercial reputation and financial standing; holding qualified production and operation qualifications and fixed business premises; having professional production equipment or service capabilities; not having received any penalties for violations or illegal activities within the past two years; having no unresolved disputes involving malicious litigation with enterprises within the BBMG system; and accepting the relevant management regulations of the BBMG bidding and procurement digital platform.

Regarding supplier evaluation, the Group follows the principle of "whoever uses, evaluates." Each enterprise conducts quantitative and qualitative, as well as real-time and periodic assessments of suppliers with contractual relationships through the Group's supplier management system. In accordance with the *Supplier Management Regulations*, enterprises develop evaluation indicators and criteria for engineering, goods, and service suppliers based on actual needs, covering dimensions such as company qualifications, financial status, product quality, and performance records. Evaluation results are categorized into five levels: excellent, good, average, qualified, and unqualified, serving as a key basis for procurement sourcing. Meanwhile, when selecting suppliers, the Group also considers factors such as energy conservation and environmental protection, giving priority to green and energy-efficient products under equal conditions, thus actively practicing the principle of sustainable procurement. The Group strengthens the application of evaluation outcomes, deepens long-term and stable cooperation with high-quality suppliers, and actively seeks alternative resources for single-source suppliers to reduce supply risks.

The Group has established a tiered handling mechanism for supplier misconduct. Depending on the degree of adverse impact and economic loss caused by suppliers to engineer construction, production operations, service quality, and corporate image, misconduct is classified into three categories: general misconduct, relatively serious misconduct, and serious misconduct. Corresponding measures include warnings, freezing of bidding eligibility, and blacklisting. Once a supplier is blacklisted, enterprises within the Group system shall, in accordance with regulations, refrain from conducting business with them. Blacklist management covers the entire process, including rule formulation, publication, appeals, and delisting, and is uniformly managed by the Group's bidding and procurement management department.

Preventing Environmental and Social Risks in the Supply Chain

BBMG has fully integrated ESG requirements into its supply chain risk management system. In 2025, BBMG successively issued the *Notice on Strengthening the Verification of Suppliers' Tax Payment Records and Social Security Records* and the *Notice on Enhancing Insurance Management for Personnel from Relevant External Units*, requiring strengthened verification of suppliers' tax and social insurance records, and mandating commercial insurance coverage for all outsourced personnel prior to site entry, thereby managing social risks at the source.

Regarding supplier risk identification

The Group has established criteria for identifying supplier misconduct and conducts rating assessments based on the extent of adverse impact and economic losses caused by suppliers to the purchaser's engineering construction, production operations, service quality, and corporate reputation. For transactions involving newly onboarded suppliers, purchasers promptly conduct focused monitoring, evaluation, and assessment to ensure compliance with the Group's management requirements. Information across all stages of supplier performance is regularly collected and organized to provide factual basis for supplier evaluations. Annual review procedures verify supplier basic information, capability to maintain production and operation qualifications, and available products; supplier directories are updated periodically based on annual review results.

Regarding risk management

If a supplier fails to pay wages to migrant workers or other payables during contract performance, corresponding measures were taken depending on the circumstances. In the event of major safety or environmental incidents for which the supplier is responsible, the supplier's bidding qualification may be suspended, or the supplier may be placed on a supplier blacklist, depending on the severity. Cases involving violations of laws or regulations were referred to the public security authorities for handling. Focusing on the two core businesses of green building materials and real estate, the Group conducted specialized training by business type, using a "clause interpretation + case studies + on-site Q&A" approach to provide targeted explanations for procurement scenarios specific to its core businesses, thus promoting the development of a green supply chain.

In 2025, the second-tier groups under the Group collaborated with a total of 42,383 suppliers, including 42,377 suppliers in mainland China and 6 suppliers in Hong Kong, Macao, Taiwan, and overseas regions. The Group treated suppliers of all sizes equally and did not engage in any unequal treatment, such as overdue payments to small and medium-sized enterprises.

04

Green Transition: Strive for Low-Carbon Development

BBMG actively responds to the national strategic deployment, focusing on the main theme of “carbon reduction, pollution abatement, green expansion and growth”, and takes “Greening the Plant, Upgrading Energy, Mastering Carbon Management, and Empowering through Digitalization” as its implementation approach. Through systematic planning, refined management, and continuous advancement, BBMG fully implements its primary responsibility for environmental protection and green, low-carbon development, setting a benchmark for the industry’s green and low-carbon transformation.

Contributing to UN SDGs



Responding to Climate Change

Climate Change Governance

Governance Structure

BBMG attaches great importance to the construction of climate change governance systems, fully integrating climate change issues into the ESG governance structure, clarifying the responsibilities and reporting mechanisms of each entity, and establishing a normalized management mechanism featuring clear accountability, efficient operation and robust oversight.

Level	Composition	Scope of Responsibilities
 Governance	Board of Directors and the Strategic Committee	- The highest authority and decision-making body responsible for climate change issues. - Integrate climate change factors into the Group's strategic decision-making and management. - Regularly receive reports from subordinates on climate change issues, and review and oversee the implementation of climate-related strategies, assessments of impacts, risks and opportunities, as well as progress toward targets and metrics.
 Management	Carbon Peaking and Carbon Neutrality Leading Group	- Coordinate and promote the implementation of national and Beijing municipal policies and work arrangements on carbon peaking and carbon neutrality. - Research and formulate major strategies, plans, policies, and measures related to the Group's carbon peaking and carbon neutrality. - Research and address key issues.
	ESG Leading Group	- Incorporate climate change as a key component of ESG daily management, and supervise and guide related issues. - Assess and summarize the Group's impacts, risks, and opportunities related to climate change, develop response measures, guide the implementation of various measures, and regularly monitor their execution status. - Regularly report work plans and outcomes to the Board of Directors.
 Execution	Relevant Departments and Industrial Sectors	- All relevant departments strengthen coordination, enhance professional support, and ensure consistency in policy direction and alignment in the pace and intensity of implementation. - Each industrial sector clearly defines its responsibilities and advance implementation by establishing practical and feasible work schedules, roadmaps, and action plans, strengthening collaboration across the Group's internal industrial chain, and efficiently and steadily promoting the execution of tasks. - Regularly report work plans and outcomes to the Governance Level and the Management Level.

Climate Governance Capacity Building

The Group continues to enhance the professional level of climate governance. The Board's Strategic Committee has extensive experience in executing and overseeing strategies and systems related to climate impacts, risks, and opportunities. The Carbon Peaking and Carbon Neutrality Leading Group is consistently responsible for climate-related issues, including carbon emission reduction planning, energy conservation, and green supply chain development, and reports regularly to the Governance Level through established mechanisms. In addition, the Group continuously strengthens its capacity to address climate change by integrating climate change issues into its annual ESG training sessions, effectively enhancing the comprehensive capabilities of all governance bodies in climate management, risk and opportunity assessment, and strategic decision-making.

Strengthening Supervision and Evaluation

The Group has established a process control mechanism for climate governance. Through work tracking and dynamic evaluation, it regularly schedules and supervises the progress of target achievement, strengthens process inspections and performance evaluation, continuously optimizes implementation strategies, and coordinates solutions to key and difficult issues encountered during implementation. It has further improved the system of target decomposition, process supervision and performance assessment, strengthened the application of assessment results, commended and incentivized entities and individuals with outstanding performance, and assessed units that fail to complete assigned targets in accordance with relevant regulations.

During the Reporting Period, the Group incorporated the tasks outlined in the *Implementation Scheme for Green and Low-Carbon Transformation in 2025* into the annual assessment criteria, and professional departments comprehensively formulated annual assessment recommendations based on the implementation progress and the completion of the annual performance targets specified in the enterprise's performance task document, ensuring the efficient advancement and effective implementation of all climate governance initiatives.

Climate Change Strategic Deployment

BBMG thoroughly implemented the national overall deployment regarding carbon peaking and carbon neutrality, and formulated the *14th Five-Year Plan for Carbon Peaking and Carbon Neutrality* and *BBMG's Action Plan for Carbon Peaking* as macro deployment documents, clarifying the overall targets and detailing key tasks for each business sector, thereby providing clear guidance and action guidelines for the Group's comprehensive promotion of green and low-carbon transformation.

To promote the implementation of top-level planning, the Group has formulated and issued the *Implementation Scheme for Green and Low-Carbon Transformation in 2025*, with quarterly task tracking conducted to ensure the effective execution of key tasks during the concluding phase of the 14th Five-Year Plan. At the same time, the Group is scientifically planning and formulating the *Carbon Peaking and Carbon Neutrality 15th Five-Year Plan*, setting major goals and key tasks.

In terms of institutional system development, the Group strictly implements internal regulations such as the *Management Measures for Greenhouse Gas Emission Control*, *Energy Conservation Management Measures*, and *Carbon Emission Allowance Management Measures*. During the Reporting Period, the Group officially released the *Carbon Emission Trading Management Measures*. Meanwhile, the Group has clarified the accounting rules for energy-related carbon emissions, established a statistical and accounting system for energy consumption and carbon dioxide emissions covering all business segments, built a carbon emission data management system encompassing all business segments, and gradually established its energy and carbon emission database, as well as an internal carbon emission factor database, to provide solid data support and institutional backing for carbon emission reduction decision-making.



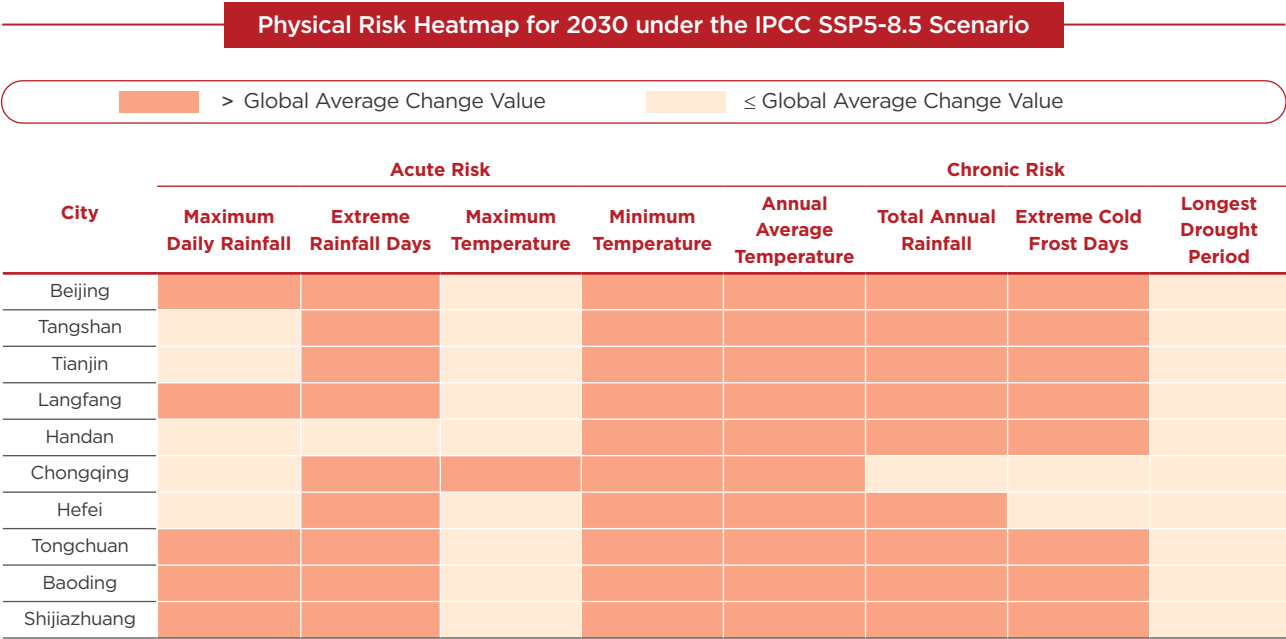
Climate Scenario Analysis

In implementing climate actions, BBMG assesses the actual and potential impacts of climate change on its business operations through climate scenario analysis, enhances its risk and opportunity management system, and reduces the impacts of climate change on the Group's production and operations through prevention, monitoring, and response measures. At the same time, BBMG actively seizes opportunities arising from climate change, strengthens the resilience of enterprise development, and supports the Group's comprehensive green and low-carbon transformation. To comprehensively analyze climate-related risks and opportunities that may arise during the Group's business development, the Group should consider factors such as global temperature increase trajectories and changes in climate policy. Therefore, BBMG adopts the internationally recognized Shared Socioeconomic Pathways (SSP) from the IPCC Sixth Assessment Report (AR6) as the core scenario framework, covering climate scenarios ranging from the 1.5°C temperature control target to high-emission pathways, to gain a deeper understanding of the impacts of climate change on the Group. The selected scenarios reflect both the objectives of the *Paris Agreement* on global climate change and align with the Group's industry characteristics and strategic goals. This scenario analysis was completed within the 2025 fiscal year (i.e., the Reporting Period), and the analysis results were used to assess the climate-related risks and opportunities facing BBMG during the Reporting Period and in the medium-to-long term.

Risk and Opportunity Categories	Scenario Selected	Projected Temperature Increase	Scenario Description /Hypothesis
Physical Risk	SSP 5-8.5	4.4 °C	Current carbon dioxide emissions continue to rise, doubling by 2050, driven by rapid global economic growth—which is fueled by fossil fuel extraction and energy-intensive production and lifestyles—leading to an increase in the global average temperature of 4.4 °C by 2100.
Transition Risk	Net Zero Emissions by 2050	1.5 °C	Net zero CO ₂ emissions are assumed to be achieved by 2050, limiting global warming to 1.5 °C.
Climate Opportunity			

Physical Risk Level

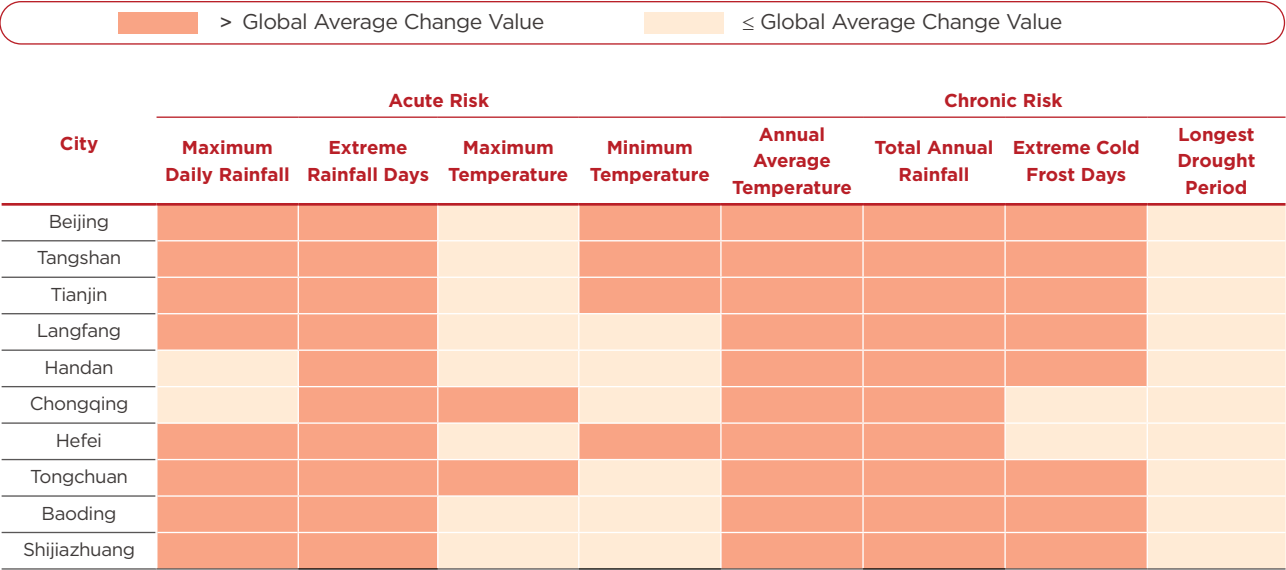
The figure below illustrates the climate risk levels ⁵ faced by the locations of major assets of BBMG⁶:



⁵ Note: The level of climate risk is calculated based on the change in climate factors at the locations of BBMG's assets under corresponding climate scenarios, relative to the level of change observed in other parts of the world. A higher change than the global average indicates a higher risk level, and vice versa.

⁶ Note: BBMG has a wide distribution of business operations, and physical risk analysis was focused on the top ten cities by asset area.

Physical Risk Heatmap for 2050 under the IPCC SSP5-8.5 Scenario



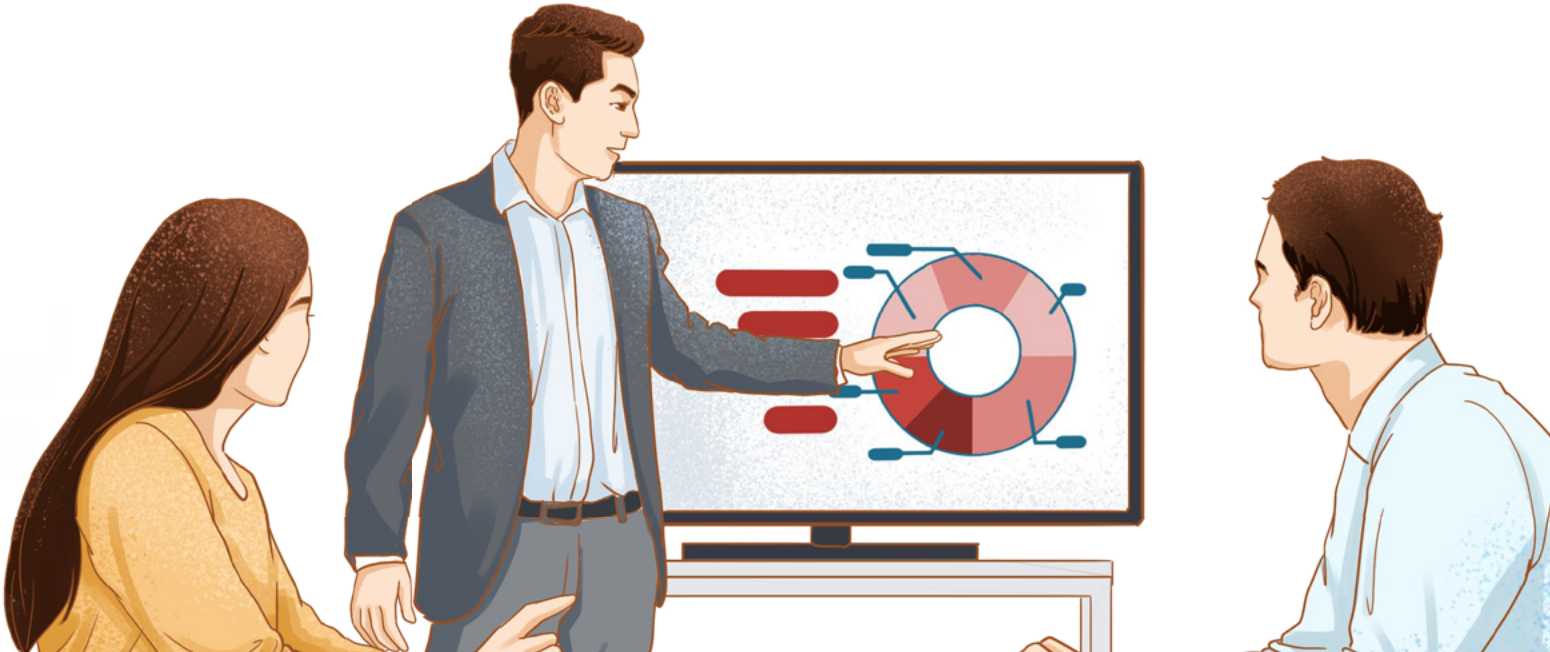
The physical risk analysis is shown in the table below:

Risk Category	Risk Description and Impact on Business Model	Value Chain Impact	Time Dimension of Impact ⁷	Financial Impact Method	Response Measures
Acute Risk	Extreme weather events such as heavy rainstorms, floods, and low temperatures may cause damage to company facilities or disrupt business operations. Preventive measures taken in response to extreme weather may increase operational costs for businesses.	Own operation Downstream	Short-term	Operating costs Operating revenue	- Strengthen the inspection of safety hazards in key areas, and develop emergency response plans for extreme weather, clearly defining procedures and measures for handling disaster incidents. - By conducting emergency response drills, safety training, and other measures, enhance employees' awareness of prevention and their ability to respond to emergencies. - Adopt commercial insurance to reduce personal injury and property damage caused by various disasters and accidents.
Chronic Risk	Rising average temperatures could lead to increased demand for equipment cooling water and office space air conditioning, while an increase in extremely cold and frosty days could result in higher heating demand, thereby increasing the Company's operating costs. Variations in annual rainfall may lead to project delays and equipment damage, resulting in increased construction costs.	Own operation	Long-term	Operating costs Operating revenue	- Widely implement energy efficiency improvement measures to promote energy structure transformation and reduce dependence on fossil fuels. - Strengthen employee education and awareness campaigns to enhance their consciousness of energy conservation and environmental protection.

⁷ Note: Time horizon: short-term refers to within one year (inclusive) after the end of the Company's sustainability Reporting Period; medium-term refers to one to five years (inclusive) after the end of the Reporting Period; long-term refers to more than five years after the end of the Reporting Period.

Transformation Risk Assessment

Risk Category	Affecting Factors	Future Trend Forecasting ⁸
Policies, Laws and Regulations	Climate Policy	• Policies are becoming increasingly stringent, and initiatives led by industries and governments, along with low-carbon targets in manufacturing, will be achieved globally.
Market	Market Demand Preferences	• The outlook for global material demand is stable, with a modest increase expected. However, demand for certain materials will grow rapidly to support the necessary development of energy-related infrastructure, particularly renewable energy power generation and transportation infrastructure.
Technology	Low-Carbon Technology	• For the cement industry, it is projected that all new industrial capacity added from 2030 onward will adopt near-zero emission technologies. • By rapidly shifting toward zero-carbon-ready technologies, the share of fossil fuels in the energy demand of the building sector will decrease 30% by 2030 and 2% by 2050.



The analysis of transition risks is shown in the table below:

Risk Category	Risk Factors	Business Segments Involved	Risk Description and Impact on Business Model	Value Chain Impact	Time Dimension of Impact	Financial Impact Method	Uncertainty Factors and Resilience	Risk Response Measures
Policy and Regulatory Risks	“Dual Carbon” and Environmental Protection Related Policies	New green building materials	The implementation of policies such as coal power reduction in the cement industry, “dual control of carbon emissions”, inclusion of the cement industry into the national carbon market, “green power consumption”, and transportation structure adjustment means the industry will face stricter restrictions and emission reduction targets. These policies pose challenges to enterprises in terms of production layout, energy and logistics systems, carbon emission management, and data accuracy. To meet these challenges, companies need to increase expenditures on technological upgrades or investments.	Own operation	Short, medium, and long term	Operating costs	Uncertainty factor: Tightening policy trends Adaptability: Moderate resilience	• Closely monitor changes in industrial policies, drive industrial advancement toward low-carbon and high-end development through technological innovation, and explore new measures for energy conservation, emissions reduction, and carbon mitigation. • Accelerate the pace of green and low-carbon transformation by reducing carbon emission intensity through measures such as capacity replacement, improved energy efficiency, and increased proportion of alternative fuels used and raw material substitution rate. • Promote the application of advanced energy conservation and environmental protection technologies, and drive the green and low-carbon development of enterprises through digital and intelligent transformation. • Utilize a dual-carbon platform to replace manual carbon accounting effectively controls and prevents data quality risks.
Technology Risk	Energy-Saving and Carbon Reduction Technology Needs and Applications	New green building materials	Traditional production technologies are energy-intensive, making it difficult to reduce unit production costs through technical optimization. Under policy guidance and industry demand, the Group is committed to building a new industrial combustion technology system centered on zero-carbon fuels, while simultaneously advancing projects such as CCUS and co-processing with alternative fuels. The development and application of these technologies may lead to increased R&D costs.	Own operation	Medium- and long-term	Operating costs	Uncertainty factor: Efficiency of technological R&D and application of research results. Adaptability: Moderate resilience	• Provide continuous investment in key low-carbon technologies. • Conduct systematic research and development across multiple dimensions, including combustion technology and equipment development. • Oversee the transformation of cutting-edge technologies into practical applications and evaluate their effectiveness.

⁸ Note: Source: International Energy Agency (IEA) *World Energy Outlook 2024 (WEO-2024)*, *Net Zero by 2050: A Roadmap for the Global Energy Sector*.

Risk Category	Risk Factors	Business Segments Involved	Risk Description and Impact on Business Model	Value Chain Impact	Time Dimension of Impact	Financial Impact Method	Uncertainty Factors and Resilience	Risk Response Measures
Market Risk	Market Demand Preferences	New green building materials Real estate and property management	Customers and consumers are increasingly inclined to use low-carbon and green products. Failure to promptly introduce such products may result in a competitive disadvantage and loss of market share. Under conditions of intense market competition and weak demand, enterprises have limited ability to pass on related costs—such as those associated with low-carbon R&D—to downstream customers, which could lead to compressed profit margins.	Downstream	Short- to medium-term	Operating revenue	Uncertainty factor: Cost changes and price transmission capability Adaptability: Moderate resilience	- Closely track market trends and establish effective customer communication channels and feedback mechanisms. - Enhance the supply and market competitiveness of green products, continuously meet customers' diversified needs, and build technological barriers and brand premium.
Reputation Risk	Reputational Damage due to Poor Climate Performance	New green building materials Real estate and property management	Environmental violations may increase the Company's reputational risk and affect its operating revenue.	Own operation	Short-term	Operating revenue	Uncertainty factor: Environmental compliance violations Adaptability: Strong resilience	Attach great importance to the implementation of environmental protection policies. Continuously strengthen environmental management by requiring pollution control facilities to meet environmental protection standards, conducting environmental management of construction projects in accordance with the law, establishing emergency response plans for sudden environmental incidents, and formulating self-monitoring programs for environmental conditions.

| Climate Opportunity Assessment

Opportunity Category	Affecting Factors	Business Segments Involved	Opportunity Description and Impact on Business Model	Value Chain Impact	Time Dimension of Impact	Financial Impact Method	Uncertainty Factors and Resilience	Opportunity Response Measures
Resource Efficiency	Green Logistics	New green building materials	Logistics and transportation emissions are a significant source of emissions in the building materials industry. By shifting transportation modes (e.g., from road to rail), adopting new-energy vehicles, and improving logistics efficiency through digitalization, emissions from the logistics sector can be reduced alongside logistics costs.	Downstream	Short, medium, and long term	Operating revenue Operating costs	Uncertainty factor: Green logistics cost Adaptability: Strong resilience	- Actively promote the shift from road to rail transportation, restore and utilize idle railway lines, adopt a “railway trunk transportation + new-energy vehicle distribution” model, and establish a closed-loop green logistics system. - Integrate transportation capacity through digital platforms, optimize vehicle dispatching and route planning, and improve vehicle turnover rates.
	Circular Economy	New green building materials	Producing with waste materials as a substitute for raw materials and fuels not only aligns with the development model of the circular economy, which aims at efficient and recycled resource utilization, but also, under suitable conditions, helps enterprises reduce the costs of raw materials and fuels. Meanwhile, the state encourages the use of alternative raw materials and fuels and offers tax rebates as incentives.	Own operation	Short, medium, and long term	Operating costs	Uncertainty factor: Availability of alternative raw materials and alternative fuels Adaptability: Moderate resilience	- Continuously carry out co-processing of waste in cement kilns to achieve the transformation of industrial solid waste into alternative raw materials or auxiliary materials for cement and concrete. - Collaborate with enterprises in industries related to steel and others to establish a cross-industry model for resource recycling.
Energy Sources and Carbon Reduction	Carbon Asset Management	New green building materials Real estate and property management	With the cement industry being included in the national carbon market and receiving allowances, along with the continuous development of regional carbon markets, proactive and effective carbon asset management can optimize trading strategies, maximize corporate benefits, reduce compliance costs, and increase allowance sales revenue.	Own operation	Short- to medium-term	Operating costs	Uncertainty factor: Carbon allowance-related policies Adaptability: Strong resilience	- Continuously engage in trading across multiple markets, including regional carbon markets, the national carbon market, and the voluntary greenhouse gas emission reduction trading market, aiming to achieve carbon market compliance at relatively low costs. - Continuously strengthen the development and capacity building of internal carbon asset management talent, and firmly establish the business philosophy that “emitting carbon incurs costs, while reducing carbon generates benefits”.

Opportunity Category	Affecting Factors	Business Segments Involved	Opportunity Description and Impact on Business Model	Value Chain Impact	Time Dimension of Impact	Financial Impact Method	Uncertainty Factors and Resilience	Opportunity Response Measures
Energy Sources and Carbon Reduction	Renewable Energy Applications	New green building materials	By vigorously developing renewable energy power generation projects, enterprises can avoid the uncertainty caused by electricity price fluctuations, reduce their electricity costs, and achieve long-term control over power expenses; meanwhile, they can increase the proportion of self-generated power supply and reduce green electricity consumption targets.	Own operation	Medium- and long-term	Operating costs	Uncertainty factor: Green power trading price, purchased electricity price, initial investment cost of renewable energy generation projects Adaptability: Strong resilience	Continuously promote the development and utilization of renewable energy to increase the proportion of renewable energy.
Products and Services	Low-Carbon Product R&D and production	New green building materials Real estate and property management	As downstream customers and end consumers increasingly focus on green and low-carbon products, low-carbon and energy-efficient features are becoming new market entry barriers. By continuously investing resources to launch low-carbon, environmentally friendly building materials, as well as products related to green buildings and ultra-low energy consumption buildings, companies can better meet market demand and increase revenue.	Downstream	Long-term	Operating revenue	Uncertainty factor: Market demand for low carbon products Adaptability: Moderate resilience	The secondary entities have increased resource investment in green products and projects across various fields, achieving results in areas such as green building materials products and ultra-low energy consumption buildings.
Market Opportunity	Policy Incentives	New green building materials	Current policies encourage and support enterprises in pursuing green and low-carbon development. By actively seeking policy support, companies can benefit from incentives related to energy conservation, pollution reduction, and carbon emission reduction, obtain government funding, and alleviate financial investment pressures.	Own operation	Short-term	Non-operating income	Uncertainty factor: Policy direction and extent of incentives Adaptability: Strong resilience	Promote the environmental performance improvement of subordinate enterprises and seek support through environmental protection subsidies.
	Industry Influence	New green building materials	Provided professional advice on greenhouse gas emissions accounting for the cement industry and the development of carbon and environmental labels for the building materials industry, enhancing influence and reputation within the industry and contributing to improved market competitiveness.	Own operation	Long-term	Operating revenue	Uncertainty factor: Ecosystem interaction level Adaptability: Strong resilience	Share cutting-edge insights with partners across the industry ecosystem, co-create leading technologies, and promote the enhancement of industry leadership.



Cases on Transition Opportunities

Green Logistics

Beijing Jingu Zhitong Lülían Technology Co., Ltd. (hereinafter referred to as “Jingu Zhitong”), a subsidiary of the Group and a leading service provider in the green logistics transportation industry, is actively promoting its “road-to-rail” business, which is expected to effectively reduce carbon emissions by 21 thousand tons in 2025. The “Jingu Zhiyun” industrial internet platform and digital freight platform operated by Jingu Zhitong integrate supply chain data and optimize logistics routes, incorporating emission reduction goals into every stage from procurement to delivery through data-driven insights and intelligent collaboration. In 2025, the platform deployed 16 thousand new-energy vehicles for transportation tasks, reducing carbon emissions by approximately 85 thousand tons over the year.

Green Power

BBMG actively promoted the development and utilization of renewable energy among its affiliates, adding 16 new grid-connected photovoltaic power generation projects during the year with a total installed capacity of 72.8 MW. The Group also vigorously promoted green power consumption across its affiliates and was included in the 2024 China Green Power (Green Certificate) Consumption Top 100 Enterprises List. According to confirmation by the power exchange center, the Group consumed 502.275 million kWh of green electricity in 2024, ranking 67th on the List.

Current Financial Impact

Financial Impact of Physical Risks	Financial Impact of Transition Risks
BBMG’s subordinate enterprises and assets are mainly distributed in the Beijing-Tianjin-Hebei region, an area prone to extreme weather events such as heavy rains and strong winds. In 2025, extreme weather caused approximately 1.64 million yuan in repair costs, production stoppages, and cargo losses for subordinate enterprises of BBMG.	Low-carbon R&D Capital Investment: BBMG attaches great importance to the research and application of low-carbon technologies across various stages, including production processes and product development. During the Reporting Period, the Group organized R&D projects including the study of a cross-coupling validation model for online CO ₂ monitoring data from cement kilns, research on high-performance phase change energy storage materials and their application technologies in high-efficiency buildings, and key technologies for all-solid-waste gypsum mortar. The total investment in these projects was approximately 15 million yuan.
Financial Impact of Transition Opportunities	
During the Reporting Period, BBMG actively promoted the upgrading of environmental performance and supported its subordinate enterprises in securing central and local government funding. In 2025, 20 enterprises within the cement segment received a total of 120 million yuan in special environmental protection subsidies.	

Anticipated Financial Impact

The increasing climate risks, including extreme weather, policy and regulatory risks, technology risks, and market risks, may lead to adverse impacts such as rising operating costs and reduced revenue. However, climate transition opportunities, including resource efficiency, energy sources and decarbonization, and products and markets—can bring favorable effects to the Group, such as lower operating costs and expanded revenue. BBMG will continue to assess the likelihood and magnitude of these risks and opportunities, consistently enhancing resilience through climate risk management to reduce financial losses and optimize financial performance⁹.

⁹ Note: Given the difficulty in separately identifying the financial impacts of climate-related risks and opportunities, and the high degree of uncertainty in the measurement methods used to assess such impacts, in accordance with the capability exemption clause of the *Environmental, Social and Governance Reporting Code* by the Stock Exchange of Hong Kong, relevant quantitative data has not been provided for this reporting period. The Group has disclosed qualitative information explaining the potential impacts of climate-related risks and opportunities on revenue and operating costs in the financial statements and is actively advancing the development of quantitative assessment capabilities, aiming to achieve comprehensive disclosure as soon as possible.

Climate Change Risk Management

BBMG incorporates climate change risks into its overall risk management system and actively carries out the identification, assessment, and analysis of climate-related risks and opportunities in accordance with the guidance provided in Section D of the *Environmental, Social and Governance Reporting Code* by SEHK as well as the appendix *No. 2 Climate Change Response of Guidelines No. 4 of Shanghai Stock Exchange for Self-Regulation of Listed Companies – Sustainability Report Preparation (Revised January 2026)*.



Climate Change Targets and Metrics

BBMG, based on its overall development strategy, continuously improves top-level planning and implementation pathways, reasonably sets carbon emission reduction targets and task arrangements, and establishes a regular tracking and supervision mechanism for the execution of these targets.

Target	Progress
The Group aims to achieve carbon peaking by 2029, with total carbon emissions in the Beijing region consistently decreasing.	Achieved in Beijing region
In 2025, the Group’s carbon emission intensity per ten thousand yuan of operating revenue decreases by 19.2% compared to 2020.	Achieved Decrease of 22.3%
In 2025, CO ₂ emissions per ton of clinker is less than 0.7812 tCO ₂ /t.	Achieved CO ₂ emissions per ton of clinker: 0.7806 tCO ₂ /t

During the Reporting Period, BBMG, while continuing to account for greenhouse gas emissions from its own operations, conducted for the first time a Scope 3 value chain greenhouse gas inventory for its cement and concrete, and property development business segments in accordance with the *Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard* (GHG Protocol). This covered key categories including purchased goods and services, fuel and energy-related activities, upstream and downstream transportation and distribution, employee commuting, business travel, and use of sold products. Going forward, the Group will continue to advance Scope 3 emissions accounting, improve data quality, optimize calculation methodologies, and steadily expand Scope 3 accounting to all secondary entities¹⁰.

BBMG Scope 1 and Scope 2 Greenhouse Gas Emissions from 2024 to 2025

Indicator	Unit	2024	2025
Direct greenhouse gas emissions (Scope 1) ¹¹	10,000 tons of CO ₂ e	4,713.93	4,747.99
Indirect greenhouse gas emissions (Scope 2) ¹²	10,000 tons of CO ₂ e	310.84	281.52
Total greenhouse gas emissions	10,000 tons of CO ₂ e	5,024.77	5,029.51
Greenhouse gas emissions intensity	tons of CO ₂ e /10,000 yuan	4.54	5.52

BBMG Scope 3 Emissions in 2025 (Unit: 10,000 tons of CO₂e)

Category	Cement and Concrete Business	Property Development Business
Purchased Goods and Services ¹³	828.93	37.90
Fuel and Energy-Related Activities	362.05	0.03
Transportation and Distribution (Downstream) ¹⁴	21.23	-
Transportation and Distribution (Upstream)	186.78	-
Employee Commuting	1.34	0.03
Business Travel	0.07	0.02
Use of Sold Products ¹⁵	-	42.21
Summary	1,480.59	

10

Note: Modern Building Materials Industrialization Group, Property Investment and Management Group, Jidong Development Group, and Tianjin Building Materials Group have not yet been included in the current Scope 3 calculation and will be supplemented and improved in the subsequent phase.

11

Note: Direct greenhouse gas emissions (Scope 1) arise from the consumption of natural gas, diesel, and coal in stationary sources, gasoline consumption in transportation vehicles, and process emissions (involving Jidong Cement, Modern Building Materials Industrialization Group, and Jidong Development Group). Emission factors are based on the IPCC 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

12

Note: Indirect greenhouse gas emissions (Scope 2) arise from the consumption of purchased heat and purchased electricity. Emission factors primarily refer to the *Announcement on the Release of the 2023 Carbon Dioxide Emission Factors for Electricity* issued by the Ministry of Ecology and Environment and the National Bureau of Statistics.

13

Note: Emissions from the Purchased Goods and Services mainly include raw materials for cement and concrete business, as well as service procurement for property development business activities. Depending on the availability of activity data, calculations are performed using either a mass- or value-based method.

14

Note: Transportation and Distribution (Downstream) mainly include emissions from downstream distribution of cement and concrete businesses, as well as customer self-pickup transportation.

15

Note: The Use of Sold Products primarily includes emissions from electricity, gas, and heating generated during the lifecycle of residential units sold in the property development business in the reporting year.

| Carbon Asset Management

BBMG attaches great importance to carbon asset management and continues to improve related management systems. In 2025, the Group revised and enhanced the *Carbon Emission Trading Implementation Rules (Trial)*, formally establishing the Group-level *Carbon Emission Allowance Management Measures*, further clarifying the management processes, responsibility allocation, and control requirements for carbon emission allowance trading. In terms of enhancing management capabilities, the Group focused on key business areas, guiding its cement enterprises to achieve full coverage of the informatized management platform for “dual carbon” initiatives, and initiated expansion and upgrading of the platform. In addition, the Group organized the Property Investment and Management Group to actively innovate carbon asset management models, explore new carbon allowance trusteeship approaches, unlock the value of carbon assets, and promote diversified development of carbon asset management. Regarding compliance control and supervision implementation, the Group strictly fulfilled its carbon market compliance obligations, organized annual energy-saving and carbon reduction special inspections for its cement enterprises, completed inspections for 63 enterprises (projects), and continuously improved the compliance of enterprise-level carbon emission accounting.

| Carbon Market Compliance

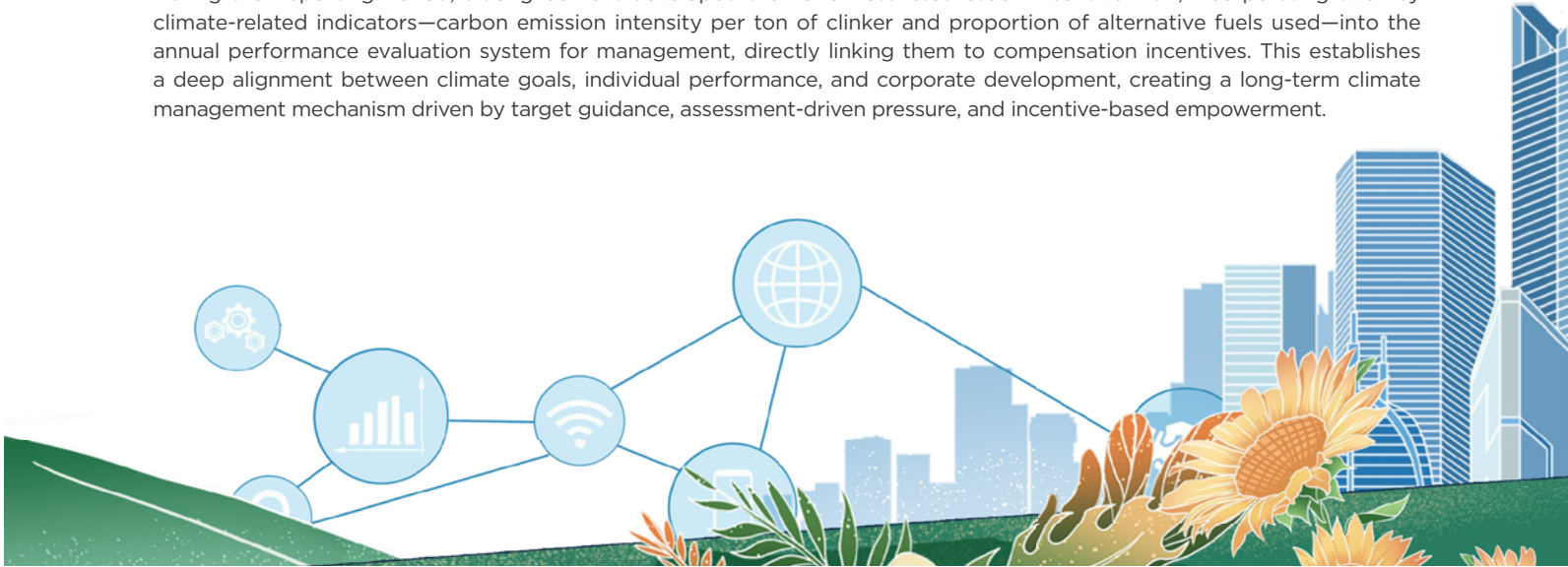
In 2025, 57 enterprises under Jidong Cement were included in the national carbon market for the first time, successfully completing their market entry and fulfilling their carbon allowance obligations on schedule. The cement segment, Property Investment and Management Group, and certain subordinate enterprises of the Modern Building Materials Industrialization Group served as compliance entities in the Beijing and Hubei provincial carbon markets. During the Reporting Period, they actively fulfilled their compliance obligations and reduced compliance costs by purchasing allowances and Chinese Certified Emission Reduction (CCER), with compliance costs amounting to approximately 420 thousand yuan that year. In 2025, BBMG did not face any rectification requirements, investigations, or penalties from relevant authorities related to carbon emission allowance settlements.

| Internal Carbon Pricing

During the Reporting Period, BBMG did not apply internal carbon pricing in decision-making. The Group will continue to assess the necessity of implementing internal carbon pricing and promote the scientific and rational implementation of related initiatives at an appropriate time.

| Compensation Policy

BBMG has deeply integrated low-carbon transformation requirements into its corporate management and operations. During the Reporting Period, Jidong Cement developed the *2025 Restricted Stock Incentive Plan*, incorporating two key climate-related indicators—carbon emission intensity per ton of clinker and proportion of alternative fuels used—into the annual performance evaluation system for management, directly linking them to compensation incentives. This establishes a deep alignment between climate goals, individual performance, and corporate development, creating a long-term climate management mechanism driven by target guidance, assessment-driven pressure, and incentive-based empowerment.



Strengthening Environmental Management

BBMG continues to improve the top-level design of environmental management, strictly complies with laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, *Law of the People's Republic of China on Air Pollution Control*, *Law of the People's Republic of China on the Prevention of Water Pollution*, and *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste in Production and Operation Activities*; formulates management systems including the *Environmental Protection Management System*, *Environmental Protection Responsibility System*, *Ecological Environment Standardization Construction Specifications*, and *Enterprise Environmental Management Work Guidelines*. During the Reporting Period, we developed the *Emergency Response Plan for Sudden Environmental Incidents* to comprehensively enhance overall environmental governance and risk management capabilities.

Improving the Environmental Management System

Environmental protection management adopts a three-level control mechanism of "the Group headquarters as supervisor, secondary entities taking charge, subordinate enterprises assuming main responsibility and full participation of all employees", establishing a clear division of responsibilities and an efficient, coordinated environmental management system.

BBMG attaches great importance to building environmental protection capabilities and has actively organized the 2025 environmental management personnel training. The training invited industry experts to deliver specialized lectures on topics including the current situation of national ecological and environmental protection development, policy interpretation of ultra-low emissions in the cement industry, and key aspects of soil and groundwater pollution prevention and control. The training also strengthened practical teaching through analysis of typical cases and hands-on exercises. A total of more than 350 environmental management personnel participated in the training, effectively enhancing the professional competence and practical skills of BBMG's environmental management team.

BBMG Environmental Management System



- Implement and enforce national environmental protection policies, laws, regulations, standards, as well as the work requirements set forth by higher authorities.
- Establish and improve the Group's environmental protection management system, formulate environmental protection objectives, plans, and relevant management systems for the Group, and arrange and deploy environmental protection work for the Group.
- Lead the development of environmental protection culture, study and address major issues arising in environmental protection work, organize and promote the standardization of ecological and environmental practices across the Group, and guide and assess the implementation of environmental protection laws, regulations, systems, and measures by all units.
- Organize and conduct environmental protection publicity, education, and training within the Group.
- Organize and conduct research and development on environmental protection projects within the Group.
- Supervise and inspect the implementation of environmental protection laws, regulations, policies, and standards by all units, as well as the fulfillment of environmental protection responsibilities.
- Supervise and inspect the implementation of enterprises' environmental protection investments.
- Organize and conduct investigations into environmental protection incidents.
- Supervise and guide enterprises in disclosing environmental protection information.
- Other environmental protection responsibilities to be fulfilled.



Secondary Entities Taking Charge

- Urge enterprises to implement environmental protection-related laws, regulations, policies, standards, and relevant group systems.
- Formulate environmental protection-related rules and regulations, internal control standards, and guide enterprises in high-quality completion of annual environmental protection work objectives and tasks.
- Guide enterprises in establishing and effectively operating environmental protection management responsibility systems and risk identification and prevention systems.
- Develop and implement annual work plans, funding plans, training plans, and supervision and inspection plans for environmental protection activities.
- Organize and conduct research and development of environmental protection technologies and facilitate the transformation of research outcomes.
- Develop an evaluation index system for standardized environmental protection construction to guide enterprises in carrying out environmental standardization initiatives.
- Guide enterprises to prepare and implement the *Emergency Response Plan for Sudden Environmental Incidents*, *Emergency Response Plan for Severe Air Pollution*, and the *Implementation Plan for "One Factory, One Policy" during Severe Pollution Days* in accordance with relevant regulations.
- Guide enterprises in improving the legal documentation for construction project environmental impact assessment approvals, acceptance procedures, and pollutant discharge permit applications.
- Conduct supervision and inspection of enterprises' environmental protection work, establish a list of issues, and urge rectification; provide assessment recommendations on enterprises' environmental protection work.
- Organize and participate in investigations of environmental pollution incidents.
- Other environmental protection responsibilities to be fulfilled.



Subordinate Enterprises Assuming Main Responsibility

- Improve the environmental management organizational structure, implement the principle of "Equal Responsibility of Party and Administrative Leaders, One Post with Two Responsibilities" in environmental protection, and assign dedicated environmental protection management personnel.
- Establish and implement environmental protection responsibilities—including those of the enterprise's principal responsible person, the person in charge of environmental protection, persons in charge of other functions, environmental protection functional departments, other management departments, workshops (projects), teams, and positions—along with their respective responsibility scopes and assessment methods; establish and improve an environmental risk identification and prevention system, and ensure its effective operation.
- Timely understand and strictly implement relevant laws, regulations, and policy standards, improve environmental protection-related systems and contingency plans, and standardize environmental protection practices.
- Complete the annual environmental protection work objectives and the government's emission reduction tasks.
- Improve the legal and regulatory compliance documents for construction projects, including environmental impact assessment approvals, acceptance procedures, and applications for pollutant discharge permits.
- Establish a checklist for environmental protection issues, implement environmental risk assessment and hazard identification, and carry out timely rectifications.
- Prepare and implement the environmental protection investment budget.
- Obtain certification and effectively operate the GB/T 24001 Environmental Management System, actively promote work safety standardization in environmental protection, carry out on-site management compliance activities, and implement clean production.
- Ensure that pollution control equipment and facilities are in good condition and operate effectively, carry out monitoring work as required, and implement the information disclosure system.
- Actively promote scientific research, development, and application of new technologies, Establish environmental protection management records as required, prepare emission permit implementation reports, and conduct information disclosure.
- Establish environmental protection management records as required, prepare emission permit implementation reports, and conduct information disclosure.
- Strengthen stakeholder management by signing environmental protection agreements with service providers upon their entry, clearly defining the environmental responsibilities of both parties.
- Accept inspections and supervision from government authorities at all levels, and submit the inspection results to the Group's environmental protection information system as required.
- Report relevant matters to the secondary entities and the Group headquarters in accordance with the Group's *Environmental Protection Management System*.
- Implement environmental protection education and training, as well as publicity on environmental culture.
- Other environmental protection responsibilities that need to be fulfilled.

Continuously Strengthening Supervision and Management

The Group carries out environmental management in accordance with internal regulations such as the *Environmental Protection Management System*, effectively fulfilling environmental management responsibilities. At the same time, in accordance with the *Environmental Protection Responsibility System*, it clarifies accountability tracing for environmental incidents and performance evaluation of management personnel, thereby establishing a closed-loop management system for environmental responsibility.

In terms of control procedures, the Group implements list-based management for environmental issues identified through supervision, oversight, and investigation. For each identified issue, the responsible party, objectives, completion timeline, and measures are clearly defined. The Group adheres to a work process involving precise supervision, interviews with warnings, performance evaluation and accountability, and acceptance verification for issue closure, thereby achieving full-process closed-loop control of environmental issue rectification.

To effectively enforce environmental management responsibilities, the Group strictly controls environmental compliance across all operational sites and regularly conducts comprehensive internal and external environmental compliance reviews. Non-conformities identified through these audits are addressed with corrective actions, followed by internal tracking and reviews to ensure effective implementation and continuous improvement in management quality and efficiency.

As of the end of the Reporting Period

The Group has **183** enterprises certified for environmental management systems.



During the Reporting Period

No sudden major environmental incidents or litigation cases arising from environmental issues have occurred.



Internal	
Environmental Protection Special Inspection	Environmental Management Internal Audit
Conduct “Four Don’ts and Two Directs” environmental special inspections, regional cross-checks, and targeted assistance for each subsidiary to promptly identify environmental hazards and track the progress of corrective actions.	Conduct annual evaluation, acceptance, and audit inspections for ecological and environmental standardization construction, carry out comprehensive internal environmental audits through self-inspections, group spot checks, and other methods, and strictly review multiple environmental compliance requirements.
External	
Environmental Compliance Monitoring	Environmental Management of Construction Projects
Each subsidiary prepares its annual self-monitoring plan and entrusts a qualified third-party monitoring agency to conduct environmental monitoring on a quarterly basis.	Environmental impact assessments for new, renovated, and expanded projects are conducted on schedule and approved accordingly. Environmental protection measures are strictly implemented during construction, and self-inspection and acceptance are completed promptly. All manufacturing enterprises have obtained discharge permits in compliance with regulatory requirements and strictly controlled emissions.

Implementing Energy Conservation and Consumption Reduction

BBMG strictly complies with laws and regulations such as the *Energy Conservation Law of the People’s Republic of China*, the *Water Law of the People’s Republic of China*, the *Measures for Industrial Energy Conservation Management*, the *Measures for Energy Conservation Management of Key Energy-Using Entities*, the *Regulations on Energy Conservation in Civil Buildings*, and the *Measures for Energy Conservation Assessment of Fixed Asset Investment Projects*, the energy conservation management system is formulated to clarify core contents including the organizational structure and responsibilities for energy and water resource management, fundamental management, energy and water use management, supervision and inspection, rewards and penalties assessment, and cultural development. The Group conducts energy-saving special supervision and inspection annually, with the Group’s energy-saving management department formulating the inspection plan and carrying out spot checks on certain key energy-consuming units; meanwhile, relevant assessments are implemented through signing the *Performance Management Target Responsibility Agreement*, to promote the effective implementation of energy-saving goals through institutionalized and regularized management, and to substantially improve energy efficiency.



Energy Management

Formulated by the Group, the *Implementation Scheme for Green and Low-Carbon Transformation in 2025*, which comprehensively deploys 5 energy-saving and carbon reduction tasks and over 40 key initiatives, providing systematic guidance for improving energy management capabilities.

In promoting the transformation of the energy structure, the Group has identified energy structure optimization as a key focus in the *Carbon Peaking and Carbon Neutrality 15th Five-Year Plan*, and has integrated requirements related to renewable energy utilization into the *Energy Conservation Management System*, encouraging affiliates to actively develop renewable energy utilization projects by leveraging their own resource endowments and operational conditions, applying green electricity and renewable energy to optimize their energy consumption structures. The Group placed great importance on the application of renewable energy power generation and energy storage technologies, and during the Reporting Period, vigorously promoted the development and utilization of renewable energy. A total of 16 new grid-connected photovoltaic power generation projects were added during the year, with a total installation capacity of 72.8 MW. As of the end of the Reporting Period, the Group had cumulatively completed 45 grid-connected renewable energy power generation projects, with a total installed capacity of 156.54 MW and an annual power generation output exceeding 120 million kwh. Simultaneously, the Group advanced the deployment of energy storage technology applications, completing two electrochemical energy storage facilities, thus establishing itself as a pioneer and demonstration leader in the operation and demonstration of commercial energy storage projects for industrial enterprises.

During the Reporting Period

The Group has invested a total of **182.31** million yuan in special funds for energy-saving technological upgrades.



2025 New Energy Project Development Targets	
Targets	Progress
Added 63.8 MW of new renewable energy generation capacity	Added 72.8 MW of new renewable energy generation capacity
Annual renewable energy generation exceeds 102.2 million kWh	Annual renewable energy generation exceeds 120.62 million kWh

Key Energy-Saving and Consumption-Reduction Measures for Secondary Entities	
 Jidong Cement	- Conduct an energy audit on the entire production process of cement plants to accurately identify energy consumption bottlenecks and produce a third-party audit report to guide energy-saving optimization. - Dynamically collect and monitor electricity consumption of key energy-consuming units, achieving visible, analyzable, and controllable energy usage through digital and intelligent upgrades, resulting in significant power savings and efficiency improvements.
 Jidong Development Group	- Multiple affiliated enterprises have completed energy management system assessments, obtained product carbon footprint certificates and energy performance contracting service certifications, promoted standardized development of energy management, and enhanced the green level of products. - Significantly enhanced energy efficiency through retrofitting and optimization, added distributed energy systems and solar water heaters, achieving remarkable energy-saving results.
 Modern Building Materials Industrialization Group	- Conduct systematic assessments of key energy-consuming enterprises and establish a closed-loop management mechanism. - Added multiple three-star certifications for green building materials products, continuously improving the green product system construction. - Introduce advanced energy-saving equipment and automated control systems to optimize production processes and improve energy efficiency.
 Property Development Group	Multiple projects received LEED Silver certification and High-Efficiency Building—Low-Carbon and Zero-Carbon Building Quality Identification, with an additional 101 thousand square meters of ultra-low energy consumption building area constructed.
 Property Investment and Management Group	- Beijing BBMG Property Services Co., Ltd was awarded the title of “Dongcheng District 2024 Outstanding Enterprise in Energy Conservation Management”. - Minzhu Liuli Products Co., Ltd.’s “Net-Zero Carbon Factory” case has been awarded the “Ernst & Young Sustainable Development Annual Award 2025 Outstanding Case”.
 Tianjin Building Materials Group	Promote the application of energy-saving and environmental protection technologies, precisely advance the 1.8 MW photovoltaic power generation project, facilitate project registration and green certificate applications, and have obtained a total of 1,488 green certificates, thereby expanding the value-added potential of energy-saving technologies through market-oriented operations.

To strengthen energy-saving awareness, the Group adheres to a combination of coordinated guidance and independent implementation, actively cooperating with local work arrangements, and encouraging all affiliates to independently conduct diverse energy-saving and carbon reduction promotional activities. During the National Energy Conservation Publicity Week, the Group organized its affiliates to carry out solid promotional activities on the 2025 energy conservation and low-carbon theme, effectively enhancing the energy-saving awareness and initiative for low-carbon actions across the entire organization.

Water Resources Management

In terms of water resource management, BBMG follows laws and regulations such as the *People’s Republic of China Water Law* and incorporates water resource management into the energy conservation management system, guiding each enterprise to establish energy-saving and water-saving management systems in line with their respective industrial characteristics. The Group regularly reviews, consolidates, and analyzes water consumption data. During the Reporting Period, the Group actively promoted various water-saving measures, incorporating water intake, usage, and conservation into the annual special inspection and supervision of energy conservation and carbon reduction, thereby enhancing the efficiency of water resource utilization across the enterprises. During the Reporting Period, the Group did not encounter any difficulties in accessing required water sources or facing water stress.

2025 Water Usage Targets	
Targets	Progress
The affiliates meet the local water-saving standards requirements.	All have met the local water-saving standards requirements.

BBMG Energy and Resource Consumption Performance from 2024 to 2025 ¹⁶			
Indicator	Unit	2024	2025
Coal consumption	10,000 tons	711.35	676.59
Diesel consumption	ton	20,895.66	17,147.51
Gasoline consumption	ton	764.58	758.14
Natural gas consumption	10,000 standard cubic meters	6,294.27	6,206.15
Total direct energy consumption	tons of standard coal	5,196,454.12	4,941,525.38
Total electricity consumption ¹⁷	10,000 kWh	543,447.27	676,748.68
Purchased heat consumption	1,000,000 kJ	506,669.90	441,159.59
Total indirect energy consumption	tons of standard coal	685,184.27	846,776.50
Comprehensive energy consumption converted to standard coal ¹⁸	tons of standard coal	5,881,638.39	5,788,301.88
Comprehensive energy consumption converted to standard coal intensity	tons of standard coal/10,000 yuan	0.53	0.64
Percentage of renewable energy consumption	%	3.30	2.12
Total water consumption	10,000 tons	2,437.13	2,230.83
Total water consumption intensity	tons/10,000 yuan	2.20	2.45
Packaging material consumption	ton	27,861.06	26,027.65
Packaging material consumption intensity	tons/10,000 yuan	0.0025	0.0029

¹⁶ Note: The statistical data comes from six secondary entities under BBMG. All indicators are compiled and disclosed using the Group’s customary statistical units.

¹⁷ Note: This indicator covers purchased electricity consumption and renewable energy consumption.

¹⁸ Note: Comprehensive energy consumption converted to standard coal is calculated according to the *General Principles for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020)*.

Practicing Ultra-Low Emissions

BBMG strictly complies with national laws, regulations, and local policy requirements, the *Environmental Protection Management System* clearly specifies key measures for pollution prevention and control, discharge permit management, and operation management of environmental protection facilities, effectively ensuring compliance with emission standards for air and water pollutants, and promoting the legal disposal and resource utilization of solid waste.

2025

Major environmental pollution incidents

Not occurred

Major administrative penalties or criminal liabilities imposed due to pollutant emissions

Not occurred

Pollutant emissions during production and operations have not caused any negative impacts on employees, local community residents, or other groups

Not occurred

Air Pollutant Management

BBMG strictly complies with laws and regulations such as the *Law of the People's Republic of China on Air Pollution Control*, the emission management system for atmospheric pollutants has been continuously improved, work objectives and key tasks have been clarified, and remote monitoring and risk early warning of pollutant emissions have been strengthened to effectively fulfill responsibilities for ecological and environmental protection.

The Group continues to deepen its efforts in atmospheric pollution prevention and control, supporting regional ecological development through high-standard environmental management. In response to Beijing's ecological and environmental construction requirements, the Group has steadily advanced the phase-out and renewal of outdated vehicles and equipment, contributing to the city's "0.1 Microgram" initiative. The proportion of clean transportation at Liushui and Beishui has exceeded 80%, successfully fulfilling the targets set by the government.

The Group focuses on cultivating industry benchmarks for pollution control, guiding Jidong Cement Tangshan Branch of BBMG to complete the acceptance of the first nationwide ultra-low emissions retrofit covering all production processes, thus creating a pioneering model for ultra-low emissions transformation in the industry. Meanwhile, it continues to deepen the development of green initiatives, with a total of 46 units recognized as National Green Factories and 84 enterprises rated as Grade A (leading) Enterprises in the Performance of Responding to Heavy Pollution Weather, effectively leading the industry's green development through substantial achievements.

Wastewater Management

BBMG continues to strengthen wastewater management by systematically advancing the classified treatment, process upgrading, and resource recovery of production wastewater and domestic sewage. Through diversified treatment technologies and standardized management, the potential environmental impact of wastewater pollutants is effectively controlled.

Key Measures for Wastewater Management at the Secondary Entity Level

Production Wastewater

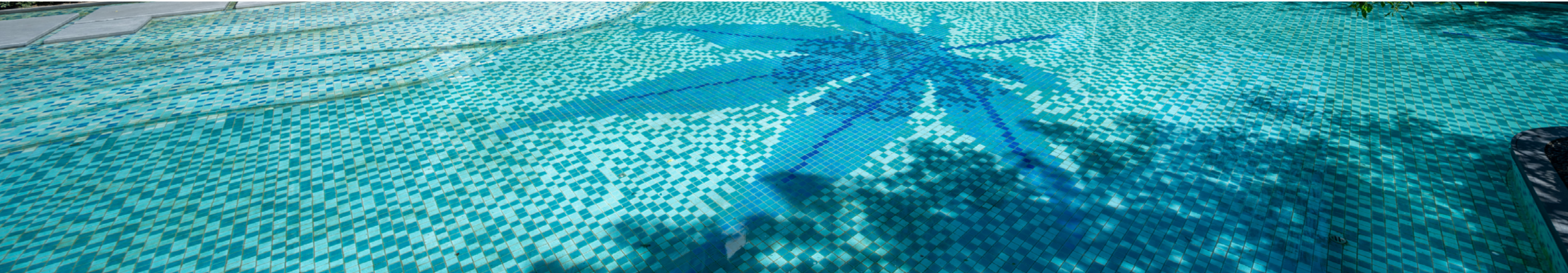
By leveraging advanced wastewater treatment processes combined with deep treatment technologies, efficient treatment and compliant discharge of production wastewater are achieved. Specifically:

- Jidong Development Group has established a wastewater treatment station at its subsidiary factory, where wastewater is first reused for equipment, landscaping, and spraying purposes; any remaining wastewater is properly discharged into the municipal wastewater treatment station.
- Jidong Cement achieves full recycling of production wastewater and waste materials through a sand and gravel separation and slurry water recovery system, ensuring zero discharge of production wastewater.
- Modern Building Materials Industrialization Group strengthens refined water management through real-time monitoring and anomaly alerts for drainage, leveraging the MES system.
- Property Investment and Management Group upgraded and renovated the sewage treatment station to ensure that the discharged water quality meets the Class B discharge limits for surface water bodies specified in the *Discharge Standard of Water Pollutants* (DB11307-2013).

Domestic Sewage

Actively promote centralized treatment and resource recovery of domestic sewage to improve water use efficiency. Specifically:

- Affiliates under Jidong Development Group reuse treated domestic sewage in construction projects, and the treated reclaimed water is used for landscaping irrigation and road dust suppression within the plant area.
- Jidong Cement uses an integrated domestic sewage treatment system to purify wastewater, and the treated reclaimed water is used for vehicle washing, landscaping, and production mixing, achieving complete recycling of biological sewage.



Waste Management

BBMG strictly complies with laws and regulations related to waste management and has established internal management measures such as the *Pollution Control Standards for General Industrial Solid Waste Storage and Disposal Sites*, *Pollution Control Standards for Hazardous Waste Storage* and *Regulations on the Safety Management of Hazardous Chemicals*. Adhering to the principle of “source reduction, process control, end-of-pipe utilization, and harmless management throughout the entire chain”, BBMG ensures 100% compliant waste disposal and promotes the resourceful utilization of waste.

Waste Management Targets for 2025	
Targets	Progress
100% compliance treatment of hazardous and non-hazardous waste	Achieved

Hazardous Waste

The Group implements full-process management of hazardous waste, covering generation, collection, storage, transportation, utilization, and disposal, and establishes a traceable and query able control mechanism, relying on standardized management through harmless prevention and control measures. Each subsidiary has set up hazardous waste storage facilities in accordance with regulations, prepares hazardous waste management plans as required, and submits them to the local environmental authorities for record-filing. Hazardous waste is entrusted to qualified professional organizations for scientific treatment, with strengthened oversight throughout storage, inventory handling, and transportation, ensuring 100% compliant disposal of hazardous waste.

Industrial Solid Waste

The Group has established and improved a comprehensive pollution prevention and control management system for industrial solid waste. By standardizing the establishment of solid waste management records, including information on waste types, quantities, flow, storage, utilization, and disposal, the Group ensures traceability and accessibility of solid waste management data, effectively implementing pollution prevention and control requirements.

General Waste

Non-hazardous waste, such as municipal solid waste and construction debris, is uniformly handed over to qualified waste collection, recycling, and disposal companies to ensure full-process compliance and control. Meanwhile, the Group continues to strengthen waste sorting management among its Beijing-based entities by formulating the *Work Plan for Domestic Waste Classification* and the *Implementation Plan for Advancing the Waste Classification*, promoting standardized and routine implementation of waste sorting practices.

Leveraging its technological and industrial advantages, the Group has vigorously promoted the resource utilization of waste. Utilizing cement kiln co-processing technology, the Group supports regional initiatives for building zero-waste cities and environmental emergency response efforts. During the Reporting Period, 42 co-processing facilities handled a total of 3.93 million tons of hazardous and solid wastes, including municipal sludge, municipal solid waste, hazardous waste, fly ash, and contaminated soil, of which 370 thousand tons were hazardous waste.

Environmental Pollutant Emission Performance of BBMG from 2024 to 2025¹⁹

	Indicator	Unit	2024	2025
Air pollutants	Total emissions of exhaust gas	10,000 cubic meters	33,425,164.40	30,763,222.09
	Total SO ₂ emissions	ton	1,251.58	1,245.55
	Total NO _x emissions	ton	9,373.54	8,638.07
	Total particulate matter emissions	ton	1,743.65	1,410.16
	Volatile organic compounds (VOC) emissions ²⁰	ton	89.26	55.91
Water pollutants	Total wastewater emissions	cubic meter	280,823.93	318,607.61
	Chemical Oxygen Demand (COD) emissions ²¹	ton	6.95	12.29
	Heavy metal ion emissions	ton	0.08	0.02
Soil pollutants ²²	Soil pollutant emissions	ton	/	0.00
Non-hazardous waste	Total non-hazardous waste emissions (mainly mine waste rock)	ton	8,346,431.50	8,596,868.59
	Non-hazardous waste emission intensity	tons/10,000 yuan	0.75	0.94
Hazardous waste	Waste engine oil emissions ²³	ton	210.65	129.37
	Waste paint emissions	ton	8.96	7.65
	Other hazardous waste emissions	ton	18,781.01	23,062.97
	Total hazardous waste emissions	ton	18,988.19	23,199.99
	Hazardous waste emission intensity	tons/10,000 yuan	0.0017	0.0025
Waste recycling and utilization	Waste recycling volume	ton	/	47,739.94

Pollutant Emissions Reduction Performance of BBMG from 2024 to 2025²⁴

Indicator	Unit	2024	2025
SO ₂ emissions reduction	ton	34.02	6.03
NO _x emissions reduction	ton	2,249.49	735.47
Particulate matter emissions reduction	ton	125.40	333.48
Wastewater emissions reduction	ton	39,544.78	-37,783.68
COD emissions reduction	ton	1.51	-5.34

¹⁹ Note: The statistical data comes from six secondary entity companies under BBMG. In 2025, new indicators include soil pollutant emissions and waste recycling volume.

²⁰ Note: In 2025, the density board production line was shut down due to business operations, resulting in a significant change in values.

²¹ Note: In 2025, the value increased due to an adjustment in the monitoring method.

²² Note: The main types of soil pollutants include: arsenic and its compounds, cadmium and its compounds, chromium and its compounds, phenolic compounds, chlorides, sulfides, etc.

²³ Note: In 2025, due to reduced maintenance and repair operations, the amount of waste engine oil discharged decreased.

²⁴ Note: A reduction value greater than zero indicates a decrease compared to the previous year, whereas a value less than zero indicates an increase compared to the previous year.

Strictly Controlling Environmental Impacts

BBMG has always adhered to the development concept of ecological priority and green development, Strictly complying with the requirements of laws and regulations such as the *Environmental Impact Assessment Law*, the *Soil and Water Conservation Law*, and the *Soil Pollution Prevention and Control Law*, actively building a resource-recycling industrial system, upholding the ecological red line, and realizing the coordinated development of ecological and economic benefits.



Promoting the Development of the Circular Economy

BBMG thoroughly implements the relevant requirements of the national *14th Five-Year Plan for Circular Economy*, adheres to the principles of “reduction, reuse, and recycling”, and aims to enhance comprehensive resource utilization capabilities by continuously improving the efficiency of resource allocation and utilization, thus contributing to the establishment of an efficient and coordinated circular resource-based industrial system. The Group has integrated circular economy requirements into the *Implementation Scheme for Green and Low-Carbon Transformation in 2025*, comprehensively promoting the resource utilization of various types of waste, including hazardous waste, industrial slag, and municipal solid waste. Specifically, quantitative targets have been set for alternative raw materials and fuels in the cement industry. By 2025, the Group's target proportion of alternative fuels used in cement production was 13%, and the actual achievement reached 13.76%, exceeding the annual target by 0.76 percentage points; the target raw material substitution rate was 9%, with an actual performance of 9.34%, surpassing the annual target by 0.34 percentage points. These practical measures have effectively enhanced the quality and efficiency of the circular economy.

Fulfilling Ecological Conservation Responsibilities

Throughout the entire construction process, BBMG strictly implements pollution prevention and control requirements across the full life cycle and effectively reduces the potential environmental impacts of production and operations on the ecological system.

Prior to project commissioning

A discharge permit must be applied for and obtained, or a discharge registration form submitted, in strict accordance with the *Regulations on the Administration of Discharge Permit*, the *Catalogue for Categorized Management of Discharge Permits for Fixed Pollutant Sources*, and relevant industry technical specifications before the project can officially commence operation. Continuous efforts must be made to strengthen discharge permit management to ensure compliance with permit conditions. All pollution control facilities must strictly meet the requirements specified in the approved environmental impact assessment documents and must be designed, constructed, and put into operation and used simultaneously with the main project.

During the project construction phase

Implement targeted control measures to effectively manage emissions of dust, noise, vibration, exhaust gases, wastewater, and solid waste. Upon completion of construction projects that require an Environmental Impact Assessment Report (form), conduct acceptance inspections of the associated environmental protection facilities in accordance with regulations, and file the results with the relevant government authorities.

The Group has continued to deepen ecological protection and restoration efforts. During the Reporting Period, a total of 48 enterprises were rated as Green Mines, contributing to the improvement of the ecological environment. Among them, the ecological restoration project of the BBMG Xingfa Science and Technology Park mine, guided by the Group, was selected as a typical case of Beijing's first ecological restoration initiative under the new era, providing a replicable and scalable practical model for mine ecological governance in the industry, and effectively promoting the coordinated advancement of high-quality development and high-level ecological protection.

Case | Jidong Cement Vigorously Promotes the Construction of Green Mines

Jidong Cement continues to promote green mine construction and ecological protection initiatives. Prior to mining operations, it strictly adheres to ecological protection requirements and selects rational development and utilization plans. Throughout the mine's development lifecycle, a series of ecological protection measures are implemented. After mining activities, restoration and rehabilitation projects are carried out annually, providing a replicable model for green mine restoration nationwide.

During the Reporting Period, Jidong Cement advanced the construction of green mine initiatives for three newly added mines in accordance with the *Green Mine Evaluation Standards*. All 51 of its large-scale operating mines have been developed into green mines, including 25 national-level and 26 provincial-level green mines, achieving a 100% green mine coverage rate.

Case | Energy-Saving and Thermal Insulation Company and Property Investment and Management Group Assisted in Ecological Restoration and Management of Abandoned Mines

Energy-Saving and Thermal Insulation Company, in collaboration with the Property Investment and Management Group, actively advanced the ecological restoration and management of historically abandoned mines. During the Reporting Period, the “Yumian Mine Ecological Restoration Technology” was applied to complete the restoration of mines such as Zhaikou Mine and Fengshan Mine with high-quality results, passing acceptance inspections. The technology was applied across nearly 500 thousand square meters, effectively supporting the sustainable development of local ecosystems.

05

Safe Operations: Safeguard Steady Performance

BBMG has thoroughly implemented General Secretary Xi Jinping's important directives on work safety and emergency management, closely aligning with the special mission of "the year of breakthrough for high-quality development." Firmly establishing the core safety value of "people-oriented, life above all," BBMG adheres to the principle of "safety first, prevention-oriented, and comprehensive management," earnestly fulfilling the "three responsibilities for three areas" requirements. The Group has continuously optimized its safety and emergency management system, solidifying a strong safety foundation for its 70th anniversary. Throughout the year, the overall work safety situation remained stable and improved. BBMG's work safety performance was rated as excellent in the comprehensive assessment for municipal industrial and trading enterprises in Beijing and was recognized as an outstanding unit.

Contributing to UN SDGs



Adhering to Source-Based Governance

Continuously strengthen the top-level design of safety systems

BBMG strictly complies with laws and regulations that have a significant impact on the Group relating to providing a safe working environment and protecting employees from occupational hazards, such as the *Safety Production Law of the People's Republic of China*, the *Fire Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Safety in Mines*, the *Contingency Response Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, the *Law of the People's Republic of China on Work Safety*, and the *Special Equipment Safety Law of the People's Republic of China*. Based on these, the Group formulates and rigorously implements 18 safety management systems, and ensures that the system covers all employees, contract workers, suppliers, and contractors, continuously strengthening the Group's work safety management system safeguards.

BBMG Safety Management System List	
1	Safety Production Management Measures of Party and Government Sharing Responsibilities and One Post and Two Responsibilities
2	Safety Production Responsibility System
3	Safety Production Management Measures
4	Fire Safety Management Regulations
5	Traffic Safety Management Regulations
6	Occupational Health and Safety Management Regulations
7	Internal Security Management Regulations
8	Measures for the Extraction and Use of Enterprise Work Safety Expenses
9	Regulations on Management and Control of Safety Risk Rating and Hidden Trouble Shooting
10	Safety Audit Management Regulations
11	Safety Management for High-Risk Operations
12	Safety Director Management Regulations
13	Safety Incident Reporting, Investigation and Handling Regulations
14	Interview Management Regulations for Safety Production and Environmental Protection
15	Safety Risks Identification and Classification Guidelines
16	Safety Audit Evaluation Indicators
17	Rules for the Performance of Company Safety Directors
18	Guidelines for Team Safety Construction

In 2025, to solidly implement the safety work principle of "strengthening the grassroots, consolidating the foundation, and empowering frontline operations," the Group focused on enhancing the safety capabilities of grassroots teams and newly formulated and implemented the *Guidelines for Team Safety Construction* to guide safety practices within the smallest operational units at the frontline level across all affiliated enterprises. During the Reporting Period, the Group established and implemented the *Key Points of Work Safety in 2025*, advancing 20 key initiatives to support the goals and tasks of the "high-quality development breakthrough year." The Group promptly issued 21 special work documents to strengthen management in areas such as hazardous chemicals, mining, fire safety, material shed facilities, and collaboration with related parties, reinforcing unified leadership across the Group and promoting a shift from "case-by-case governance" to "systematic prevention."

Continuously improving the safety management governance system

BBMG has established a full-element closed-loop safety governance system under the brand of "Safe BBMG", innovatively forming a distinctive management model characterized by "one system, two mechanisms, three standardizations, four methods, and five non-occurrences".

"One System"

Refers to a work safety responsibility system covering all levels.

"Two Mechanisms"

Refer to the dual prevention and control mechanism for risk classification and control and hidden danger investigation and management, and the work safety classification control mechanism featuring group-level comprehensive supervision, secondary entity professional oversight, enterprise-wide accountability, and full staff participation.

"Three Transformations"

Refer to replacing manual labor with mechanization, reducing manpower through automation, and achieving unmanned operations via intelligent systems, thereby enhancing the intrinsic safety level of all units.

"The Four Methods"

Include the safe BBMG safety audit, special work safety initiatives, the safety and environmental protection management information platform, and the construction of a safety culture system.

"Five Non-occurrences"

Refers to not having any work safety accidents resulting in fatalities for which responsibility is incurred, not having any fire, explosion, or public security incidents causing significant social impact with multiple injuries, not having any road traffic accidents resulting in fatalities for which the organization's vehicles bear equal or greater responsibility, not having any newly reported cases of occupational diseases among employees in positions exposed to occupational hazards while on duty, and not having any incidents of false reporting, concealment, or omission of accidents.

In 2025, the Group improved and optimized the safety management governance system under an integrated strategy, comprehensively advancing the transformation of work safety at all levels toward pre-emptive prevention. Emphasizing the fulfillment of responsibilities by leading officials, the Group incorporated work safety and emergency management into the training system for middle-level executives for the first time, setting up specialized courses on work safety within the theoretical study program for middle-level managers, and organizing collective learning sessions for more than 660 middle-level executives across the Group.

Comprehensively implement coordinated leadership and professional management

The BBMG Work Safety Committee is jointly headed by the Party Secretary and Chairman, and the Deputy Party Secretary, Director, and General Manager, with other members of the leadership team serving as deputy directors. The heads of all headquarters departments, secondary entities, and directly managed units serve as committee members, establishing a work safety management framework characterized by "unified leadership by the Party committee, shared responsibilities between Party and administration, dual responsibilities for each post, and collaborative management." In 2025, the committee convened four times, reviewing and deliberating 15 important work safety matters and special initiatives. Emphasizing targeted advancement of key tasks, five specialized risk prevention and control meetings were held during the year, focusing on mining, fire safety, transportation, and major event security, ensuring practical measures and effective implementation.

The Group has established the Department of Safety and Emergency Management as a dedicated safety management body, positioned to "lead, guide, serve, supervise, inspect, and evaluate", providing professional management and coordinated advancement of work safety, emergency management, traffic safety, fire safety, security, and occupational health across the Group's system. All secondary entities and their affiliates have set up safety management departments as required, forming an integrated vertical and horizontally collaborative safety management system. By the end of 2025, the Group had a total of 879 full-time safety management personnel, including 109 safety directors appointed at second-tier management units and 508 personnel holding registered safety engineer qualifications. The professional team structure continues to be optimized, and safety governance capabilities are steadily improving.

Clarify safety objectives and strictly enforce assessment and accountability

In 2025, the target responsibility agreement signed between BBMG, and its secondary entities clearly sets the safety objective as "no fatal work safety accidents," while the agreement signed with directly managed units specifies "no serious or above-level production safety accidents. "The responsibility letter also serves as the assessment basis for the "Management" items in the *2025 Performance Management Target Responsibility Letter* for the primary responsible persons of secondary entities under the Group. Each secondary entity and directly managed unit shall analyze and refine the target tasks and then sign annual work safety target responsibility letters progressively from top to bottom with their affiliates. Meanwhile, all units shall make work safety commitments from bottom to top.

The Group adheres to the principle of "strict management and strong supervision," incorporating work safety objectives into corporate governance and performance management systems. It actively fulfills its leadership and oversight responsibilities for the work safety management of its affiliates, including work safety practices within the scope of inspections such as Party committee (patrol inspections), economic responsibility audits, compliance reviews, and disciplinary supervision. This strengthens the rigid constraints of safety responsibilities in management evaluations and compensation distribution. In 2025, work-related injury incidents across all member units decreased by 32% compared to the previous year, demonstrating significant progress in controlling the total number of accidents. Regarding the two fatal work safety accidents that occurred in 2025, the Group conducted internal investigations seriously and promptly organized warning interviews with the primary responsible persons of the units involved in accidents. During the Reporting Period, 57 employees and cadres who failed to fulfill their safety responsibilities were strictly evaluated and disciplined according to management authority and responsibility division; two related parties involved in serious incidents were legally and procedurally placed on the Group's supplier "blacklist". By directly linking accident control, responsibility implementation, and violations to management's annual performance evaluations and compensation distribution, as well as to supplier qualification and bidding processes, the Group continues to strengthen the principle of "holding failures accountable and enforcing accountability strictly" in work safety management.

Work Safety Performance of BBMG from 2023 to 2025

Indicator	Unit	2023	2024	2025
Number of work-related fatalities	person	0	0	2
Percentage of work-related fatalities	%	0	0	0.005
Number of workdays lost due to work-related injury	day	/	/	15,521
Work safety investment amount	ten thousand yuan	/	/	47,448

Strengthening the supervision and management of supplier security

BBMG treats the safety supervision of suppliers, contractors, and other related parties as an essential part of its work safety management system and clearly defines the control procedures and core requirements for related parties in the *Work Safety Management System*. When selecting outsourcing parties, all units must conduct qualification reviews, with key review items including business license and scope of operations, work safety qualifications, construction performance, construction organization plans, work safety responsibility systems and operating procedures, safety conditions of equipment brought into the facility, and proof of payment for work injury insurance or accidental injury insurance. Only units that pass the review may be shortlisted to participate in project bidding, thereby controlling safety risks associated with related parties at the source.

Focusing on the health and safety assurance of personnel from interested parties, the Group issued the *Notice on Strengthening the Insurance Management of Personnel from Enterprise Interested Parties* in 2025. The document explicitly requires: first, that all units conduct a comprehensive review of the current insurance payment status for personnel from service-providing interested parties and promptly rectify any issues identified; second, that insurance requirements for personnel from interested parties be clearly specified during the bidding and procurement process, with the notice to suppliers stating that "all personnel entering the Group's premises for work must be covered by work-related injury insurance or a commercial insurance policy with equivalent coverage," and this requirement shall be treated as a substantive response condition, further strengthening the protection of occupational safety and health rights of personnel from interested parties. By organizing the signing of work safety management agreements or clearly defining the respective work safety management responsibilities in relevant contracts, the Group reinforces the safety responsibilities of all parties and implements "unified coordination, unified standards, and unified management" for interested parties.

Strengthening Process Control

BBMG adheres to systematic governance and tiered management and control, comprehensively strengthens the primary responsibility for work safety, and coordinates risk prevention, hazard identification, work safety standardization, supervision and inspection, as well as emergency response, integrating safety management throughout the entire process of enterprise development. In 2025, the work safety investment by affiliates under BBMG was approximately 470 million yuan.

Conduct Frequent Safety Inspections

BBMG conducts work safety inspections by combining regular daily supervision with leadership-led inspections during key periods, implementing classified and graded management for precise measures. At the Group level, a total of 340 work safety research and inspection visits were carried out throughout the year, resulting in 56 group-level *Notices of Hazard Rectification* issued and 388 hazard items supervised and rectified. Secondary entities and directly managed units conducted various work safety inspections, issuing 825 *Notices of Hazard Rectification* and supervising the rectification of 4,708 hazards. Enterprises identified and rectified 4,146 hazards through self-inspections. Through this three-tier coordinated mechanism, high-quality safety inspections are continuously conducted, effectively ensuring overall stability and orderly control of work safety conditions during key tasks and sensitive periods throughout the year.

In 2025, the Group launched a special safety campaign, systematically formulating and implementing 21 specialized management documents covering areas such as hazardous chemicals, mining, fire safety, material shed facilities, and collaboration with relevant parties. A total of 453 hazard identification and rectification inspections were organized at key sites throughout the year, leading to the identification and supervision of 8,592 hazard corrections. Regarding supervision of key enterprises and newly acquired units, the Group provided targeted guidance and support to 11 enterprises with weak management foundations, completed work safety special due diligence for 10 acquired units, and promoted the concurrent implementation of work safety management requirements during the acquisition process.

Dual Prevention and Control Mechanism Implementation

BBMG has consistently regarded safety risk classification management and hidden danger investigation and rectification as fundamental tasks for work safety and emergency management, continuously improving the "dual prevention and control mechanism" for work safety to advance risk prevention and control measures and proactively implement governance actions. By formulating and implementing the *Regulations on Safety Risk Classification Management and Hidden Danger Investigation and Rectification* and the *Guidelines for Safety Risk Assessment and Classification*, BBMG systematically guides enterprises at all levels to standardize the identification, assessment, classified control of safety risks, and the investigation and rectification of hidden dangers, thereby strengthening the foundation of proactive safety management.

The Group conscientiously implemented the State Council Work Safety Committee's *Guidance on Promoting the Establishment of Internal Reporting and Reward Mechanisms for Accident Hazards in Production and Operation Units* and systematically guided the establishment and implementation of internal reporting and reward systems for accidents across all 294 affiliated units. Member units have utilized the BBMG unified safety and environmental protection management platform to carry out risk identification and hazard investigation and rectification work, achieving online recording and dynamic management throughout the entire process of risk identification, hazard, and corrective action implementation. Based on risk assessment and graded control within their affiliates, secondary entities organized re-evaluation and re-classification activities, and continuously promoted the effective implementation of risk control measures through a combination of routine supervision and special inspections. During the Reporting Period, a total of RMB 899,600 was distributed as rewards for hazard reporting, significantly enhancing the timeliness of hazard detection and the proactiveness of hazard management.

Work Safety Standardization

The Group has integrated work safety standardization development with the safe BBMG safety audit initiative, assembling an internal safety audit expert team of over 500 professionals from various units, including expertise in safety, equipment, technology, machinery, and engineering. While inspecting the implementation of all elements of work safety standardization, the team organizes forums and exchanges with frontline personnel such as team leaders and technical backbone staff, conducts safety duty interviews with middle-level and senior managers, observes and evaluates on-site emergency response drills, and carries out safety behavior observations in areas involving "new technologies, new processes, new materials, and new equipment." This comprehensive approach enables a full assessment of the soundness and operational effectiveness of the audited enterprises' safety governance systems, leading to a four-tier dynamic classification management (Grade A, B, C, and D) based on safety governance levels. In 2025, the safe BBMG safety audit shifted focus from "identifying problems" to "evaluating systems," mobilizing 278 expert person-times to complete safety audits across 45 enterprises. With this, the Group concluded its third round of full-coverage safety audits. The comprehensive evaluation results show that the number of Grade A enterprises increased from 2 in the first round to 6 in the third round, Grade B enterprises rose from 38 to 86, Grade C enterprises decreased from 57 to 25, and Grade D enterprises dropped from 11 to 1. A positive dynamic of "advanced enterprises guiding lagging ones, and underperformers learning from top performers" has largely taken shape.

Accident Prevention in Key Areas

The Group has solidly carried out risk prevention work in key areas of transformation and development and continuously promoted the implementation of the three-year action plan for fundamental improvements in work safety. Focusing on risks related to new business models, new processes, and hazardous chemicals, the Group organized industry experts to conduct specialized safety inspections on hazardous chemicals at Beishui Company's CCUS project and the alkanolamine project of the energy-saving technology company, cumulatively promoting the rectification of 124 (hidden dangers). With emphasis on mines, storage facilities, and critical process links, the Group systematically advanced the implementation of risk classification control and hidden danger investigation and treatment measures. Throughout the year, it facilitated 11 enterprises in renewing their mining work safety production licenses and guided 14 enterprises to standardize the rectification of 17 silo storage-related safety hazards. Meanwhile, closely monitoring nine typical high-risk operation scenarios—including coal grinding, new construction projects, kiln tail chambers, bulk loading, and belt material accumulation—the Group developed and deployed an AI-powered safety intelligent monitoring model to enable dynamic identification and real-time early warning of key risk points. The property development group thoroughly implemented the requirement of "managing safety while managing operations," continuously strengthened unannounced safety inspections and specialized assessments, and required business departments responsible for construction projects, commercial real estate, directly managed properties, and traffic safety to regularly report safety performance to the Safety Committee. Tianjin Building Materials Group systematically revised and implemented its work safety management system, strengthened safety training and certification management for leaders at grassroots units, and successfully completed service and support tasks for major events including the SCO summit.

Emergency Response to Sudden Incidents

BBMG adheres to the concept of "comprehensive safety and comprehensive emergency response," focusing on the Group's reform, development, and actual production operations, and continuously improving the emergency management system and operational mechanisms. The Group has organized the formulation and issued the *Overall Emergency Response Plan for Sudden Incidents*, simultaneously revised and improved the *Comprehensive Emergency Response Plan for Production Safety Accidents*, and developed specialized emergency plans such as the *Emergency Response Plan for Natural Disasters*, the *Emergency Response Plan for Occupational Disease Hazard Incidents*, and the *Emergency Response Plan for Sudden Internal Security Incidents and Suspected Criminal Cases*, targeting key risk areas including natural disasters, occupational disease hazard accidents, sudden internal security incidents, and suspected criminal cases. Meanwhile, in accordance with legal requirements, the Group systematically conducts safety risk assessments and emergency resource investigations, producing the *Safety Risk Assessment Report* and the *Emergency Resource Investigation Report*, further strengthening the foundation of emergency management.

The BBMG Mangrove Emergency Rescue Team (referred to as the "Emergency Team") is a key professional force for environmental emergency response within BBMG, proactively serving the overall goals of ecological and public safety in the capital city. The team actively undertakes emergency tasks assigned by Beijing municipal government departments and regularly provides socialized emergency services. In 2025, the team organized a total of eight emergency drills, efficiently handled 122 sudden environmental incidents, deployed emergency rescue personnel 352 person-times, properly collected and disposed of 114.35 tons of emergency-generated waste, and achieved emergency service revenue recovery of 562,700 yuan. During major events and sensitive periods such as the National "Two Sessions" and National Day, the emergency team fully participated in emergency support operations and successfully completed all assigned tasks. Meanwhile, the team has actively promoted the integrated development of emergency forces in the Beijing-Tianjin-Hebei region, assisting Chengde BBMG Environmental Protection Company in establishing the "Hebei BBMG Chengde BBMG Environmental Emergency Rescue Team," thereby enhancing regional environmental emergency response capabilities as a whole.



Case | The BBMG Mangrove Emergency Rescue Team fully safeguards the ecological security of the capital

In 2025, the BBMG Mangrove Emergency Rescue Team successively completed two high-risk emergency tasks. The first was assisting the Miyun District Bureau of Ecology and Environment in properly handling a sudden environmental incident involving spilled waste oil. The emergency team worked continuously to thoroughly clean up hazardous waste scattered along approximately 7 kilometers of roadway, eliminating the risk of environmental pollution. The second task was the efficient emergency cleanup of obsolete pesticides at the Shunyi Pesticide Plant. Completed over four days under adverse conditions including high temperature, high humidity, insect bites, and a complex site environment, the team systematically organized, classified, packaged, and safely transported all hazardous waste, collecting a total of 69 tons of hazardous waste and effectively eliminating environmental safety hazards.

Steady Progress in Enhancing Safety Through Science and Technology

The Group continues to promote the deep integration of work safety management and information technology, using the safety and environmental protection management information platform as the core carrier to build a four-level safety control system covering "group—secondary entity—enterprise—grassroots." The platform integrates functional modules such as the dual prevention and control mechanism, major hazard monitoring and early warning, full-process control of special operations, safety education and training, emergency response, and contractor management. In 2025, focusing on practical safety management needs, the Group completed a total of 103 functional optimizations across modules including safety director, safety audit, and comprehensive management, and carried out 14 system deployment updates.

The Group attaches great importance to the implementation of technology-driven safety projects. The cement sector focuses on nine typical high-risk operation scenarios, including coal grinding, new construction projects, kiln tail chambers, bulk loading, and belt material accumulation. It has developed and applied AI-powered safety intelligent monitoring models to continuously enhance the digitalization, intelligence, and precision of safety risk control. This enables dynamic identification and real-time early warning of key risk points, providing solid safety support for the Group's high-quality development and green transformation.



Ensuring Occupational Health

BBMG strictly complies with laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, the *Work Safety Law of the People's Republic of China*, and the *Labor Law of the People's Republic of China*. It has formulated and implemented the *Occupational Health and Safety Management Regulations*, under which the Group Work Safety Committee oversees occupational health and safety management, while the Department of Safety and Emergency Management supervises the implementation of related work by affiliates. By the end of 2025, the Group had a total of 181 enterprises that had obtained ISO 45001 occupational health and safety management system certification.

Monitoring and Management of Occupational Hazard Factors

- The Group requires its affiliates that have positions involving occupational hazard risks to systematically carry out monitoring, assessment, and control of occupational hazard factors in strict accordance with relevant national and local government regulations.
- Strengthen monitoring and information disclosure by urging enterprises to regularly test and evaluate occupational hazard factors in production and work sites, incorporate the test and evaluation results into the organization's occupational health records in accordance with the law, and disclose such information to employees as required.
- Strengthen process equipment and source control by requiring enterprises to enhance daily management of production processes and equipment facilities, and to conduct regular inspection and maintenance on critical components prone to leakage, such as equipment, pipelines, and valves; strictly prohibit the use of equipment, processes, and materials that have been eliminated by national regulations or may cause serious occupational health hazards.
- Promote the management of hidden dangers and risk mitigation. Enterprises must immediately implement protective and remedial measures for workplaces that do not meet national occupational safety and health standards and requirements; for workplaces with severe occupational disease hazards that cannot be rectified within a short period, production must be legally suspended for rectification.
- Improve warning signs and emergency protective facilities; uniformly install standardized warning signs and Chinese warning instructions at workstations and locations where occupational hazards may occur; equip toxic and hazardous work sites with potential for acute occupational hazards with alarm devices, washing facilities, protective and first-aid equipment according to regulations, and establish emergency evacuation routes and necessary danger relief zones.
- Standardize job operations and protective practices, strictly require employees engaged in hazardous and harmful work to properly wear and use personal protective equipment, prohibit the use of hazardous solvents for hand washing or cleaning work areas, and strengthen occupational health protection management for confined space operations.

Monitoring of Operational Personnel

- The Group strictly requires employees engaged in toxic and hazardous operations to properly wear and use personal protective equipment, prohibits the use of materials, reagents, and equipment with unknown properties, and forbids the use of toxic and hazardous solvents for hand washing or cleaning work areas.
- Strengthen occupational health protection management for confined space operations, standardize the placement of protective signs and operating instructions, and implement the work supervision system.
- Strengthening supervision and inspection of the use of personal protective equipment; personnel who have not implemented protective measures as required shall not be allowed to work.
- Guide and urge affiliates to legally report or update occupational hazard factors to local government departments, standardize the detection of occupational hazard factors and information disclosure, and organize employees to undergo occupational health examinations and occupational health training.
- For positions involving high-temperature work, promote the implementation of high-temperature allowance policies and promptly distribute heatstroke prevention and cooling medicines and supplies.

Management of Occupational Health Monitoring Records

- Improve the management of occupational health surveillance records. Enterprises shall establish individual occupational health surveillance files for employees based on the principle of "one file per person," and properly retain these files for the prescribed period. The file contents shall include the employee's occupational history, medical history, history of exposure to occupational hazards, results of occupational health examinations, records of diagnosis and treatment of occupational diseases, as well as test results of occupational hazard factors in the corresponding workplace.
- Implement occupational health examinations and medical surveillance by organizing annual occupational health examinations for employees in positions exposed to occupational disease hazards; promptly provide medical treatment or observation for employees who have suffered or may suffer acute occupational disease hazards during work and accurately record such information in their personal health surveillance files.
- In terms of information-based management, the Group relies on the safety and environmental protection management information platform to implement full-process, information-based, and standardized management of occupational health management across its enterprises. Through the system, the Group can monitor in real time the declaration of occupational hazards, hazard factor testing, public disclosure, and the implementation of occupational health examinations within its affiliates.



Developing the Safety Culture

BBMG adheres to culture-led development, continuously strengthens grassroots foundations, and enhances frontline safety governance capabilities. It has organized the compilation and issuance of the *Guidelines for Team Safety Construction*, establishing a standardized work framework focusing on key aspects such as team safety responsibilities, operation control, risk prevention, and daily management, thereby promoting standardized and institutionalized operation of team safety management.

The Group places great importance on education and training for work safety, adopting a tiered and graded safety training policy, and establishing a work safety education and training model featuring "overall coordination by the Group, thematic deepening by secondary entities, and daily training by enterprises." In 2025, the Group coordinated the development and implementation of the *2025 Work Safety Education and Training Program*, focusing on key areas such as safety assurance for project start-up and resumption, identification and control of accident hazards, implementation of primary responsibility for fire safety, and proactive prevention of electrical accidents. Throughout the year, the Group organized more than 40 training sessions of various types, covering over 13,000 participants.

2025

Organized more than **40**
training sessions of various types



Training sessions covered over
13,000 participants



- Conducted safety responsibility training for the first time targeting principal officers of tertiary and quaternary units in the Beijing-Tianjin-Hebei region, organizing six centralized training sessions by region, covering a total of **362** newly appointed principal officers from grassroots units within the past three years.
- Carried out solid special training to enhance the job performance capabilities of safety management personnel. During the year, organized job performance enhancement training for **430** internal group safety audit experts, **126** safety directors, and **670** principal persons in charge and safety management personnel of enterprises based in Beijing.
- We consistently deliver work safety public lectures on a quarterly basis, inviting experts to provide professional interpretations on topics such as hazard identification and mitigation, fire accident prevention, and interpretation of regulations and standards. Each training session engages over **3,500** participants both online and offline.



Group Safety Director Training



Safety Training for Heads of Grassroots Units in Beijing Region



Safety Training for Heads of Grassroots Units in Shijiazhuang Region



Safety Training for Grassroots Unit Leaders in Tianjin Region

Regarding the implementation of safety initiatives, BBMG has widely conducted safety culture promotion activities to foster a positive atmosphere of full participation. In 2025, the Group organized two workshop-level safety-themed forums: in June, the Group's "6-16" safety publicity and consultation day event, themed "Safe BBMG, Built by All," was held at Liushui Company; in July, the "Safe BBMG: Strengthening Workshop-level Construction as a Safety Barrier" themed safety forum was convened at Laishui Environmental Protection Company. These efforts have continuously deepened grassroots safety experience sharing and professional guidance, promoting mutual learning and exchange of advanced practices.

The Group took the opportunity of themed events such as "Work Safety Month" and "Fire Safety Promotion Month" to actively carry out educational campaigns targeting grassroots staff and relevant parties, including "Everyone Talks About Work Safety," "Case-based Interpretation," "I Know Fire Risk," and "Comprehensive Inspection of Outsourced and Leased Operations," striving to foster a working environment in which "everyone is responsible for work safety and everyone shares the benefits of safety outcomes."



06

People-Oriented Approach: Inspire Team Vitality

BBMG has always adhered to a people-oriented approach, attaching great importance to talent team development, continuously improving the compensation and incentive system, fostering a fertile ground for talent cultivation, and refining democratic management mechanisms to fully stimulate team vitality.



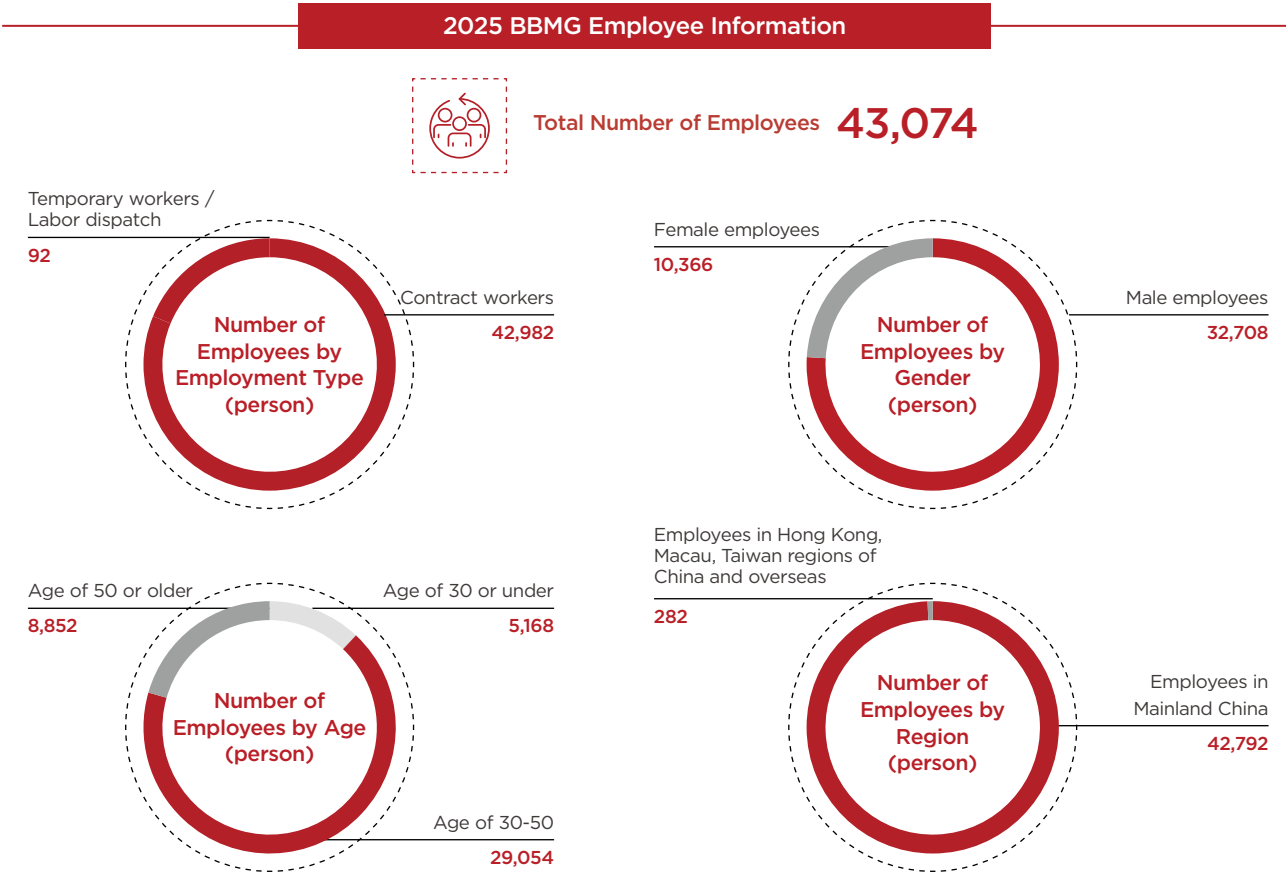
Contributing to UN SDGs



Protecting Employees' Rights and Interests

BBMG is based on the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and the *Regulations for the Implementation of the Labor Contract Law of the People's Republic of China*, the *Employment Promotion Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Minors*, the *Rules on Prohibiting the use of Child Labor*, and other relevant laws and regulations on employment, continuously improves internal talent recruitment systems, standardizes employment management mechanisms, refines compensation and benefits systems, deepens democratic management practices, and effectively safeguards employees' legitimate rights and interests.

Talent Recruitment



Indicator		Unit	2025
Total Number of New Employees		person	2,493
Proportion of employees paying Five Social Insurances and One Housing Fund		%	100
Number of departed employees (excluding those due to retirement, death, or organizational transfer)		person	2,532
Number of departed employees by employee type	Contract workers	person	2,497
Number of departed employees by gender	Male	person	1,773
	Female	person	759
Number of departed employees by age	Age of 30 or under	person	593
	Age of 30-50	person	1,536
	Age of 50 or older	person	403
Number of departed employees by geographical location	Employees in Mainland China	person	2,532
	Employees in Hong Kong, Macau, Taiwan regions of China and overseas	person	0
Employee turnover rate		%	5.56
Employee turnover rate by employee type	Contract workers	%	5.49
Employee turnover rate by gender	Male	%	5.14
	Female	%	6.82
Employee turnover rate by age	Age of 30 or under	%	10.30
	Age of 30-50	%	5.02
	Age of 50 or older	%	4.35
Employee turnover rate by geographical location	Employees in Mainland China	%	5.59
	Employees in Hong Kong, Macau, Taiwan regions of China and overseas	%	0

BBMG continues to improve its talent recruitment and development system, and implements internal employment policies such as the *BBMG Human Resources Management System* and the *BBMG Employment Contract Management Measures*, continuously standardizing employment management and talent recruitment processes. The Group has campus recruitment, social recruitment and diversified channels to widely attract outstanding talents to strengthen the talent pool. During the Reporting Period, the Group further innovated its talent acquisition model by establishing a flexible talent introduction mechanism and issued the *Management Measures for Flexible Introduction of High-Level Talents (Trial)*, aiming to widely attract various types of talents required for the Group's high-quality development without establishing formal labor contract relationships, strengthen the team of strategic scientists and technological leaders, and provide solid support and service guarantees for the enterprise's innovation and entrepreneurial development.

Throughout the entire process of recruitment and employment management, BBMG firmly opposes any discriminatory practices or malicious competition based on gender, age, ethnicity, region, religion, or other factors. The Group also avoids hiring child labor or forced labor, and any related violations will be promptly and seriously addressed in accordance with relevant regulations upon discovery. In 2025, BBMG did not experience any instances of forced labor or child labor. Furthermore, from 2023 to 2025, no large-scale layoffs or strikes/work stoppages occurred.

In 2025, BBMG's specific measures to avoid child labor and forced labor recruitment are as follows:



Avoid Child Labor

All prospective employees are managed uniformly through the Human Resources Management System. Staff members verify employee identity information and enter the employee's ID number. The system validates the date of birth and age when saving the information. Meanwhile, the Group's background staff regularly monitor employment situation across various enterprises.



Avoid Forced Labor

Submit overtime applications through the Human Resources Management System. The system performs logical check on overtime hours, stipulating that they must not exceed 36 hours per month.



Compliance Check

The Group regularly conducts supervision and inspections of human resources basic management, and jointly carries out comprehensive oversight with inspection, audit, and disciplinary inspection functions to check whether enterprises employ child labor or forced labor.

BBMG continues to actively recruit fresh graduates, accurately aligning with talent demands, the Company organized group recruitment visits to strategically partnered and discipline-specific universities such as University of Science and Technology Beijing, Beijing University of Technology, and University of Jinan, hosting over 100 offline recruitment events including dual-choice fairs and information sessions. In 2025, the Group signed a total of 490 fresh graduates through its campus recruitment, including 1 PhD, 115 Masters, and 333 Bachelors. Additionally, the Group participated in various specialized recruitment events, including the National Joint Recruitment Fair for College Graduates, Recruitment Events for College Student Veterans, and Youth Recruitment Fairs organized by the Municipal Committee of the Communist Youth League, to support the employment and professional development of young talent.

BBMG took the initiative to shoulder the responsibilities of a state-owned enterprise in 2025, steadily advancing talent introduction and development efforts in paired support regions, with a focus on recruiting fresh graduates from Tibet and Inner Mongolia. The Group actively participated in a special recruitment event organized by the Beijing Municipal Bureau of Human Resources and Social Security for Tibetan graduates, conducting on-site recruitment in Lhasa by offering high-quality positions, proactively engaging job seekers for communication, and actively supporting and promoting local graduate employment. As a result, two Tibetan graduates were successfully hired, and the work has been recognized by government departments in both Beijing and the Tibet Autonomous Region. Meanwhile, the Group has further strengthened its targeted assistance to Inner Mongolia by actively participating in university job fairs in the region, and specifically promoted job opportunities from Inner Mongolia Jidong, Baotou Jidong, Baogang Jidong, Yidong Company, and Jidong Huida Environmental Protection Company, fully implementing employment assistance policies and fostering a favorable employment environment.

In addition, the Group is high-quality advancing employment assistance work for rural revitalization, deeply integrating employment assistance with talent introduction and development, and providing targeted job opportunities suitable for the assisted regions. By 2025, the Group organized its affiliates to participate in a total of 45 dual-choice fairs held in the assisted regions, focusing on connecting with rural-registered university graduates from counterpart assisted areas, successfully establishing employment intentions, and effectively supporting rural university graduates taking roots at the grassroots level and securing employment. Meanwhile, the Group actively fulfills its social responsibilities by encouraging affiliates to widely absorb local labor forces and proactively building employment platforms for people who have been lifted out of poverty. It explicitly requires all affiliates to prioritize and continuously hire individuals from assisted regions who have been lifted out of poverty, those at risk of returning to poverty, and low-income family members with specialized skills, based on job requirements and suitability principles under equal conditions. This employment assistance aims to consolidate achievements in poverty alleviation and promote comprehensive rural revitalization.

Compensation and Benefits

BBMG continues to coordinate its subordinate enterprises to further improve a multi-layered and diversified compensation system based on position value and performance, supported by competency qualifications and referenced to market value. A diversified compensation mechanism “focusing on the performance-based salary system and an annual salary system, supplemented by piece-rate pay, commission-based pay, contractual pay, and fixed salary systems” has been implemented to ensure fairness in compensation. Each subsidiary must establish a relatively unified broadband compensation system in layers and levels according to its specific circumstances. Furthermore, the Group formulated the *Management Measures for Labor Costs*, standardizing eight major categories and 35 detailed sub-items of labor cost management, promoting the linkage between enterprise labor costs and operational performance.

BBMG adheres to the principles of compensation management that emphasize “distribution according to labor, prioritizing efficiency, while considering fairness and sustainable development”. The Company continuously optimizes and adjusts its compensation framework, clearly defining that the employee compensation system comprises three components: basic salary, performance-based salary, and allowances. A strong performance-based incentive pay structure covering all employees has been established. The Group continues to optimize its performance evaluation index system, sign the *Performance Management Target Responsibility Agreement* with responsible persons and guarantors of each affiliate, and have each enterprise sign the *Work Assignment* with senior management personnel. Implement performance evaluations for all employees in accordance with the principles of goal orientation, value orientation, and innovation orientation, and closely link evaluation results to compensation distribution. Meanwhile, the Group has established an incentive and restraint mechanism combining annual and term-based evaluations. In accordance with the *Term-based and Contractual Management Measures for the Members of the Management Team of the Affiliates*, performance-based annual salaries and term incentives for management team members are paid out in stages. For individuals with unsatisfactory annual or tenure assessment results, malus adjustments will be applied to their performance-related annual remuneration and tenure incentives. The Group is gradually developing a robust incentive clawback framework.

In terms of non-pay benefits, BBMG is based on the *Guiding Opinions on Further Improving the Medical Security for Employees* and the *Interim Measures for the Management of Supplementary Medical Insurance*, for all employees providing pensions and retirement benefits, pay pension insurance, medical insurance, unemployment insurance, work injury insurance, maternity insurance, and housing provident fund; organizations meeting relevant conditions additionally contribute enterprise annuities for employees. According to the Group's supplementary medical insurance regulations, we reviewed enterprises applying to establish supplementary medical insurance and approved four enterprises to establish supplementary medical insurance. In 2025, the Company achieved 100% coverage of physical examinations for employees and 100% coverage of work-related injury and medical insurance. By the end of 2025, a total of 83 enterprises within the Group had established supplementary medical insurance, benefiting 15,176 currently employed staff and 4,484 retired staff. The Company continued to strengthen the management of enterprise annuities, revised the *Enterprise Annuity Management Measures*, and dynamically adjusted enterprise contribution rates. In 2025, the Company reviewed and approved six enterprises to join, eight enterprises to resume contributions, 14 enterprises to terminate contributions, and 44 enterprises to adjust their contribution rates.

In addition, the Group strictly implements the statutory paid leave system in accordance with the law, providing employees with various leave benefits including annual leave, personal leave, sick leave, marriage leave, maternity leave, and bereavement leave. It strictly complies with statutory arrangements for female employees regarding maternity leave, prenatal examination leave, and breastfeeding leave, ensuring full payment of salary and maternity allowances during leave periods. Meanwhile, the Group implements classified working hour management—standard working hours, flexible working hours, and comprehensive calculated working hours—based on relevant regulations, reasonably arranges employees' working hours, and legally pays corresponding compensation. The Group strictly adheres to special regulations on the labor protection of female workers: during pregnancy, female employees are not assigned prohibited tasks such as working at heights, in low temperatures, or involving high-intensity physical labor; during the breastfeeding period, night shifts and overtime work are not arranged; for female employees unable to cope with their original positions, the Group legally reduces their workload or transfers them to suitable positions, effectively safeguarding employees' rights to rest and leave as well as the legitimate rights and interests of female employees.

On the basis of legally regulated employment practices, the Group continues to strengthen talent incentives and humanistic care. Specific measures are as follows:

- Vigorously promote the spirit of scientists, model workers, labor, craftsmanship, and the BBMG culture of getting things done. Host a science and technology conference and a trade union commendation meeting to ceremoniously recognize outstanding groups and individuals honored with awards in scientific and technological innovation, achievement transformation, model worker titles, May Day Labor Awards, and craftsmanship talent distinctions, fostering a positive atmosphere throughout the Group that reveres, learns from, and strives to surpass advanced examples.
- Formulate and implement talent incentive measures to promote value creation across the organization, strengthen motivational effects, and allocate total salary resources preferentially to key positions, frontline production roles, and high-level talents in critical and urgent demand.
- Actively provide targeted and considerate services for talent, offering care and support in terms of office conditions, meals and accommodation, transportation, and family life. Introduce and strictly implement management systems for employee medical benefits and corporate pension plans, continuously enhancing employees' sense of gain and happiness.

Democratic Management

BBMG establish a three-tier democratic management system at the “Group level, secondary entity level, and enterprise level”, achieve full coverage of the secondary entity level worker’s congress system, effectively leverage the role of the worker’s congress, and successfully hold the second session of the third Group Worker’s Congress with high quality, focusing on the three “persistence” to safeguard employees’ “five major rights.” Organize and convene one meeting during the recess period of the Group Worker’s Congress joint meeting to review matters concerning employees’ vital interests, such as the *Recommendation of Employee Director of BBMG Corporation*, and to supervise enterprises at all levels in conducting standardized collective salary negotiations. The trade unions of various enterprises in BBMG organized representatives of employees to collectively bargain with the enterprise, concluding collective contracts or special collective contracts for issues such as labor remuneration and working hours in accordance with the procedures stipulated by national laws and regulations. Meanwhile, enterprises within the Group continue to improve and refine their mechanisms for resolving labor disputes and emergency management. Where conditions permit, companies have established labor dispute mediation committees to ensure that disputes are properly and promptly addressed. In 2025, the coverage rate of signed collective agreements reached 100%.

Deepening the Reform of Industrial Workforce Development

The reform of building up the industrial workforce is a major strategic decision of overarching importance and a key component of the comprehensive deepening of reforms. Industrial workforce constitute the main force of the working class, the backbone in creating social wealth, and the key force in implementing the innovation-driven development strategy and accelerating the building of a manufacturing powerhouse. As one of the hundred enterprises in the national initiative to advance the reform of the building of the industrial workforce, BBMG has fully implemented the guiding principles of documents such as the *Opinions of the Central Committee of the Communist Party of China and The State Council on Deepening the Reform of Industrial Workforce Development*. With the goal of building a world-class team of industrial technicians, BBMG has implemented reform measures focusing on ideological guidance, enabling industrial workforce to make significant contributions, enhancing their skills, elevating their status, and expanding the team, thus creating a hallmark “golden business card” for BBMG’s reform of industrial workforce development team in the new era.

Key Directions for Deepening the Reform of Industrial Workforce Development

Focusing on Ideological and Political Guidance for Employees

Persistently consolidating and inspiring the workforce with the Party’s innovative theories, providing ideological guidance and spiritual support to motivate employees. Innovatively launched the “Chinese Workers’ Ideological and Political Education Class – BBMG Chapter” activity under the China Machinery, Metallurgical and Building Materials Trade Union, integrating ideological and political guidance into all aspects and stages of work, effectively enhancing employees’ political literacy and theoretical competence. Selected model workers and skilled craftsmen from the Group to deliver lectures at the “Chinese Workers’ Ideological and Political Education Class – Xinjiang Chapter”, and conducted distinctive initiatives such as “Model Workers and Craftsmen Entering Enterprises” in collaboration with Jiangxi Copper Corporation and Anhui Jianghuai Automobile Group, collectively reaching approximately 50,000 employees.

Focusing on the Implementation and Rooting of the “Three Spirits”

Holding the May Day Commendation Conference annually with the theme of “Unite and Follow the Party, Forge Ahead on a New Journey”, the Group fully leverages the exemplary influence of advanced role models. In 2025, the Group had 4 advanced collectives and 15 outstanding individuals at the provincial-ministerial level or above. The Group achieved a historic breakthrough with two employees simultaneously receiving the national model worker title. Currently, the Group has 75 incumbent model workers at the provincial-ministerial level or above, whose overall profile demonstrates continuously rising educational attainment, increasingly refined professional skills, and a vibrant, well-structured age distribution, providing solid talent support for the Group’s high-quality development.

Focusing on the “Pyramid” System Construction

Actively building a “pyramid” system for artisan skilled talents structured along the framework of “Great Country Artisan – provincial and municipal craftsman– BBMG craftsman”, promoting the transformation of the craftsman talent team from “single-skilled” to “comprehensive and innovative”. Strengthening the “apex” leadership, Zhao Chang’an participated in the “Nation Craftsmen Talent Training Camp” at Tsinghua University and was successfully elected as a “Great Country Artisan”. Consolidating the “middle tier” foundation, Wang Yuanfei was shortlisted as a cultivation candidate for the fourth “Beijing Craftsman”, while Li Yang and several other employees received craftsman honors at the municipal level. Reinforcing the “base” support, continuously identifying and nurturing high-skilled talents, deepening branded initiatives such as “master-apprentice pairing” and “model workers and craftsman assisting enterprises”, the Group of “BBMG craftsman” continues to expand. Bishan Cement Company has become a pilot unit for reform of industrial workforce in Chongqing.

Focus on optimizing the “three-chain” competition system

The three-tiered competition system “national level, provincial and ministerial level, and group level” is becoming increasingly refined. In 2025, employees of the Group achieved outstanding results in events at or above the provincial level, winning six gold, five silver, and five bronze medals. Li Wenhui won the championship in the national-level “Red Flag Cup” competition, while Jidong Cement Shijiazhuang region secured the top group award in the National High-Quality Development Competition. The BBMG “Craftsman Cup” series of competitions has yielded remarkable outcomes in skill refinement and craftsman development across business segments. Trade unions at all levels have organized over 200 BBMG “Craftsman Cup” competition events, engaging more than 50,000 employee participations, achieving a coverage rate of over 95%. Longshuncheng Craftsman College was honored as a “Training Base for Employees in the China Machinery, Metallurgy, and Building Materials Industry”.

Talent Training and Development

The Group places great emphasis on talent development and has established a three-tier training system at the Group level, secondary entity level, and enterprise level, forming a progressive training chain that cascades from top to bottom, with clearly defined responsibilities and step-by-step implementation. To standardize the management of the entire training process, the Group’s Human Resources department is responsible for overall coordination, guidance, promotion, and supervision of training activities. It continuously optimizes and improves the knowledge, program, and instructor systems as well as operational mechanisms, refines training management processes, and handles preliminary arrangements such as employee enrollment and registration prior to training sessions.

To tap into training demand potential, the Group conducts comprehensive training needs assessments, formulating annual employee training plans in alignment with the Company’s development strategy and annual business plan. Once approved through the relevant decision-making procedures, the training plans are fully implemented. Meanwhile, the Group continuously strengthens training process management by developing specific training programs for each initiative. For training programs with high professional requirements, specialized assessments and examinations are designed. After training completion, satisfaction surveys and training effectiveness evaluations are conducted for key programs, along with assessments of training outcomes and instructor performance, to promptly monitor training effectiveness. Upon completion of training initiatives, an annual comprehensive review and summary of training activities are conducted.

In 2025, BBMG systematically summarized its 2024 annual education and training work, and focusing on “stable growth, innovation focus, and risk prevention” three major tasks, collected training needs from staff and cadres through questionnaires, and scientifically formulated the training plan for the year. Meanwhile, the Company planned 37 Group level key training programs, among which the “Advanced Research Class on Green Building and New Material Applications” was successfully selected into Beijing’s advanced research class program and secured a special grant of 60,000 yuan from the Beijing Municipal Bureau of Human Resources and Social Security.

In addition, the Group has continuously enhanced the activity of the “BBMG Talent Community”, attracting a total of 424 young talents and striving to build a high-quality platform for young employees to exchange work experiences, share ideas, and achieve growth. The community has shared over 100 work updates, organized two career development seminars, and conducted ten training sessions on professional title and skill level advancement. Five outstanding young members from the community were invited to share their insights in the “Gold Talent Class”, and two gold medalists from national and provincial skill competitions were invited to share their experiences and showcase the talents of youth, effectively supporting the growth and development of young talents.

Case | “Three Golds” Talent Training Camp

The Group continued to hold the “Three Golds” (Gold Talent, Gold Elite, and Gold Eagle) talent development programs in Beijing. Different training modules—focusing on corporate culture, career development, self-improvement, and technological innovation—were designed for both new and experienced employees, aiming to help new hires quickly adapt to their roles and strengthen their sense of identity and belonging, while enabling outstanding young professionals to broaden their horizons and enhance their comprehensive competencies and career development capabilities. In 2025, a total of 490 newly recruited graduates and 110 outstanding young talents received systematic training. The “Three Golds” talent development program has now become a distinctive BBMG talent cultivation mechanism and a hallmark “gold” brand for talent development within the Group.



Gold Talent Training Class



Gold Talent Training Class



Gold Elite and Gold Eagle Training Class

Case | BBMG 2025 Skills Certification Training Class

In 2025, the Group continues to conduct autonomous qualification assessments for occupational skill levels across 11 types of workforce, including electricians, industrial solid waste treatment workers, and risk management specialists. The skill assessment and training programs aim to cultivate a high-level skilled workforce, explore and enhance the capabilities of industrial workers, broaden career development pathways for frontline employees, and meet the needs of the enterprise's high-quality development.



Vocational Skills Certification Examination



Vocational Risk Certification Training Class

Case | “Green Building and Application of New Materials” Advanced Training Program

From October 22 to October 25, 2025, the Beijing Advanced Training Program on “Green Buildings and Application of New Materials” hosted by BBMG was successfully held at BBMG Fengshan. Over 200 participants attended the training program. Closely aligned with the construction industry's transformation toward greening and intelligence, this advanced program meticulously designed its curriculum and practical components to deepen participants' understanding of industrial policies, market trends, and cutting-edge technologies related to green buildings and new materials, while guiding them to embrace the concepts of technological innovation and green, low-carbon development. Looking ahead, BBMG will continue to adhere to the innovation-driven development strategy, further integrate green building practices with new material applications, empower industrial upgrading through talent development, and contribute BBMG's strength to advancing the green transformation of the construction industry and achieving the “Carbon Peaking and Carbon Neutrality” objectives.

Development of Skilled Talent Teams

In 2025, BBMG made new breakthroughs and achieved fruitful results in the development of its skilled talent team. In terms of enterprise qualifications, in alignment with the implementation of the national talent strategy, BBMG actively promoted the national vocational skills enhancement initiative and proactively coordinated with the Beijing Municipal Bureau of Human Resources and Social Security. It successfully obtained the qualification for autonomous recognition of skill levels in 11 types of works, and became the first municipal enterprise in Beijing to gain the authority for independent assessment and certification of special-grade technician and chief technician levels. It is also the only enterprise in the city with the qualification for vocational skill level assessment and certification in risk management.

In terms of cultivating high-end talent, the Group achieved exceptional promotion of high-end skilled talents and strengthened the “pyramid” system of craftsman talent development along the framework of “Great Country Artisan – provincial and municipal craftsman – BBMG craftsman”, becoming the only municipally-owned enterprise with two “Great Country Artisan”. By establishing an independent evaluation system, the Group has successfully cultivated a group of high-skilled professionals, including experts enjoying special allowances from the State Council and the Beijing Municipal Government, as well as leaders of Beijing Skills Masters Studios, initially forming a talent hub with industry-wide influence. The Group continues to undertake the work of the Beijing Municipal Engineering and Technical Series (building materials) Intermediate and Associate Senior Professional Review Committee, completing qualification reviews and defense evaluations for over 600 applicants citywide, contributing BBMG's strength to the development of skilled talent teams in Beijing's building materials sector.

In terms of skills training and certification, the Group continued to conduct autonomous qualification assessments for occupational skill levels across 11 types of works. During the Reporting Period, more than 1,500 employees obtained skill level certificates through assessment, including one newly certified special-grade technician. Through a series of skill enhancement and risk control training programs, employees' risk prevention awareness has significantly improved, enabling them to accurately identify job-related risk points and master scientific prevention methods. This has effectively reduced potential risks and losses, achieving source control, proactive prevention, and nipping risks in the bud, thus comprehensively strengthening the foundation of skilled talent for the Group's high-quality development.

Indicator		Unit	2025
Percentage of trained employees by employee type	Senior management	%	100
	Middle management	%	100
	General staff	%	100
Percentage of trained employees by gender	Male	%	100
	Female	%	100
Training hours per employee by employee type	Senior management	hours	37.63
	Middle management	hours	39
	General staff	hours	40
Training hours per employee by gender	Male	hours	39.50
	Female	hours	39.50
Annual training expenditure amount		ten thousand yuan	2,119

Employee Promotion System Construction

BBMG strictly implements internal talent promotion management regulations, including the *Management Measures for Middle-Level Leaders of the Group*, the *Regulations on the Work Process for the Selection and Appointment of Middle-Level Leaders in the Group*, the *Selection and Appointment Measures for Middle-Level Leaders of Affiliates*, the *Opinions on Establishing and Improving the Career Development Channels for Employees*, and the *Management Measures for L1-L5 Grade Personnel in Professional Channels (Trial)*. On this basis, the Company continuously deepens the promotion system of “Dual channels, Three-sequences, 15 levels”, constantly strengthens the implementation and effectiveness of the system, and improves a standardized, orderly, smooth, and diversified mechanism for talent promotion and development.

Based on the implementation opinions and through thorough research and practical assessment, each enterprise has revised and adjusted its current job level system to ensure seamless integration with the opinions and strict enforcement. In establishing the job level system, the Group has built differentiated and diversified career development pathways for various talents by leveraging a well-structured grading framework, serving as a core guideline for enterprise talent team development. The qualification criteria for each job level clearly define the required core competencies and experience, helping both enterprises and employees formulate more targeted development plans, while effectively ensuring talent supply for key positions. This has gradually established a talent structure that combines the old, the middle-aged and the young professionals with a well-balanced hierarchy and builds a talent mobility system that fosters a virtuous cycle.

During the implementation and deepening of the system, the Group further clarified the approach to constructing employee career development pathways, guiding all affiliates to rigidly link job level with performance appraisal results, thereby instilling in all employees a sense of responsibility and urgency to “deliver results while in position and act with purpose”. Meanwhile, the “Dual-channel and Three-sequences” job level system effectively addressed the key challenge of “easy promotion but difficult demotion” for managers under the three-system reform, providing a reasonable and feasible new pathway for managers to exit management positions.

In addition, the unified group-wide job level evaluation criteria have strengthened the authority of talent selection and appointment, further enhancing team cohesion and centripetal force. In 2025, the Group prioritized the development of professional career pathways, organized the first evaluation for professional job levels L1-L5, and precisely aligned corresponding compensation standards, effectively ensuring expert talent benefits and providing sustained momentum for the Group’s talent development.

To ensure the effective implementation of various talent systems, the Group conducted system promotion and specialized training in parallel with its secondary entities, promoting the comprehensive rollout of the job level system. The Property Investment and Management Group, under the overall coordination of the talent work leading group, formulated a detailed work plan and implementation schedule for internal job level construction, clarifying stage-specific objectives and timelines to ensure orderly advancement of the job level system. The Modern Building Materials Industrialization Group organized human resources departments from its affiliates to hold a special seminar, collectively studying the relevant implementation opinions and requiring relevant personnel to accurately grasp the core principles and complete the construction of employee career development channels as required. Affiliates of Jidong Development Group conducted specialized training for all employees, thoroughly explaining the background, significance, and content of the job level system to help employees clearly understand their individual career development paths.



Caring for Employees’ Well-being

BBMG adheres to a people-oriented approach, continuously improving the employee welfare security system and care facilities, actively organizing diverse cultural and sports activities, and constantly enhancing employees’ sense of belonging and happiness. This fosters a harmonious, warm, and positive corporate atmosphere, providing a solid talent foundation and humanistic support for the Group’s high-quality development.

Employee Care Facilities

Trade union organizations at all levels of the Company continue to build employee homes that share resources and integrate the industrial chain, advancing the integrated development of warm-service stations for employees, women employees’ homes, and maternity care rooms.

- Successfully established three shared staff homes, including the Jinyu-Caofeidian Cooperative Development Demonstration Industrial Park, with more than 150 sets of hardware facilities invested in total, benefiting over 2,000 employees.
- Liushui Company and Tongchuan Company were honored with the title of Convenient Employee Reading Station by the All-China Federation of Trade Unions (ACFTU). Longshuncheng and one other organization were recognized as ACFTU Model Worker Bookshelf Book Distribution Points. Five units under Jiangjin Company received the provincial-level honor of “Model Employee Home”, and Fengshan Company was successfully approved as one of the first Beijing Municipal Model Worker Resort and Convalescence Bases.
- The Group highlighted the innovative achievements of female employees through a series of events for International Women’s Day, recommended Yu Haiyan for the title of “Top Ten Outstanding Women in the National Building Materials Industry”, and six families including Wu Lanchun’s were honored with the Beijing municipal staff “Happy Family” title.

Employee Benefits and Protection

Regarding employee care and assistance, enterprises in Beijing have achieved full coverage of comprehensive insurance for employees, with a total premium of 3.6261 million yuan, benefiting 51,800 employees cumulatively. Insurance claims for over 900 employees were processed, with a total compensation amounting to 1.6893 million yuan. Mutual assistance and relief funds totaling over 216,500 yuan were applied and distributed for nearly 205 eligible employees and their family members, while secondary reimbursement under the “Warmth & Mutual Aid” program was claimed for over 3,832 individuals, totaling 1.0928 million yuan, effectively alleviating employees’ financial burdens. The providing warmth campaign during the “New Year’s Day and the Spring Festival” was carried out extensively, reaching over 6,734 employees in difficulty, with relief funds and suppliers totaling over 3.31 million yuan distributed.

Employee Cultural and Sports Activities

BBMG held its 10th Group Employee Sports Games with a focus on “promoting BBMG culture, advancing enterprise development, and benefiting all employees”, delivering high-quality organization over a period of more than six months. The event featured eight major categories and 46 sub-events, reaching 20 provinces and municipalities across China and involving over 160 units, with cumulative participation exceeding 8,000 employee members. It achieved deep integration between mass sports activities and BBMG culture, transforming BBMG’s 70-year journey of entrepreneurship and development into a shared value identity and a collective aspiration for renewed excellence among all employees. The games produced a series of replicable and scalable cultural innovations, including the “Rainbow” and “Growth Rings” formation displays, the theme song *A Colorful Path Toward a Shared Future*, the “Mu Hua Li” commemorative medals, and interactive employee cultural experiences. The BBMG Art Troupe completed three grassroots relief performances. The employee dance performance “Blossom” won the gold award at the Beijing Municipal Employee Cultural and Art Festival, while *The Golden Vessel* was brilliantly presented at the “Building Materials Industry Spring Festival Gala”, receiving widespread acclaim.



© Employees’ Sports Games Matix



© Employee Sports Games Opening Ceremony

Responsibility Fulfillment: Serve Social Progress

BBMG has always upheld its responsibilities as a state-owned enterprise serving the capital city and improving people's livelihoods. It continues to deepen its public welfare and charitable initiatives, steadily advancing rural revitalization. The Company integrates enterprise development deeply into community building, conveys corporate warmth through volunteer activities, and gives back to society through concrete actions, striving to create a high-quality, vibrant, and caring community life circle.



Contributing to UN SDGs



Empowering Public Welfare Initiatives

BBMG continues to carry out public welfare initiatives through the BBMG Public Welfare Foundation established in 2019. The Company focuses on supporting public welfare projects related to industrial poverty alleviation and consumption-based poverty alleviation, as well as education-based poverty alleviation; and assisting with the living expenses of impoverished families, medical treatment for impoverished patients, and education for impoverished students; support environmental protection and cultural heritage preservation projects; fund infrastructure improvements in low-income regions; and provide relief for damages caused by natural disasters and other emergencies.

To continuously standardize the operations of the BBMG Public Welfare Foundation and prevent public welfare risks, the foundation conducted a special rectification campaign this year, carrying out comprehensive investigations into potential violations, disciplinary offenses, and illegal activities through self-examinations, special inspections, and focused reviews, ensuring that all foundation activities are conducted legally, in compliance with regulations, and with openness and transparency.

In accordance with the guidance from the Ministry of Civil Affairs of the People's Republic of China and the Central Commission for Discipline Inspection and National Commission of Supervision regarding the special rectification campaign targeting prominent issues in the public welfare and charity sector, as well as the requirements set forth by the Beijing Municipal Civil Affairs Bureau and the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality, the foundation promptly established a special task force. It conducted thorough self-inspections and implemented corrective measures in areas such as Party building, internal management, project operations, and fund utilization, aligning rigorously with regulatory standards. These efforts have been recognized by the supervising authorities. Meanwhile, through the special rectification initiative, the foundation has strengthened its internal capabilities and established long-term mechanisms, laying a solid foundation for high-quality development.

External Donations

Support for Post-Disaster Reconstruction

Case | Donating funds to Xinglong County, Hebei Province

From July 23 to 28, 2025, Xinglong County in Hebei Province suffered the most severe flood disaster since the county's establishment, affecting 74,958 people across 217 villages in 20 towns. Among them, Sibozicun Village, located in the northern part of Gualanyu Town in Xinglong County, incurred economic losses totaling over 36.9 million yuan due to continuous heavy rainfall. The foundation donated 2 million yuan to the Xinglong County Charity Association, specifically designated for post-disaster reconstruction efforts in Sibozicun Village of Gualanyu Town, including emergency road repairs, reconstruction of village access roads, retaining walls, bridges, and other infrastructure, as well as restoration of the cultural plaza.

Case | Donating funds to Yi County, Hebei Province

From July 24 to August 27, 2025, Yixian County in Hebei Province experienced multiple rounds of rainfall, triggering flood disasters. All 28 towns (administrative divisions) in the county were affected to varying degrees, with severe damage to roads, house beams, bridges, and river embankments. Due to financial difficulties in Yi County and limited village collective income, there was a significant shortfall in funds and materials. The foundation donated 400,000 yuan to the Yi County Charity Association, specifically designated for the recovery and reconstruction of infrastructure in the affected villages and towns.

Case | Donating funds to Wuchuan County, Inner Mongolia

From July 23 to 25, 2025, Dongpo Village in Deshenggou Township, Wuchuan County, Inner Mongolia experienced a once-in-a-century flood disaster. Continuous heavy rainfall caused a total economic loss of 13.909 million yuan in Dongpo natural village, including 12.354 million yuan in infrastructure damage. In particular, approximately 240 meters of the inter-village concrete road connecting Dongpo Village to Shuitou Village were damaged, along with 1,080 meters of farmland protection embankments. The foundation donated 2 million yuan to the People's Government of Deshenggou Township, specifically designated for the reconstruction of infrastructure such as the inter-village concrete road and farmland protection embankments between Dongpo Village and Shuitou Village.

Support for the Conduct of Public Welfare Activities

Case | Donating funds to Hotan Prefecture, Xinjiang

To further implement the requirements of the Party Central Committee and leverage public welfare initiatives to advance the campaign against desertification at the edge of the Taklamakan Desert in Hotan Prefecture, Xinjiang, the Xinjiang Hotan Command is actively promoting the "I Am Here to Secure the Edge" public welfare desertification control project in the region. Through public welfare platforms, this initiative aims to increase local farmers' incomes and support the building of a shared future for the Chinese nation. The BBMG public welfare foundation has provided aid funds of 300,000 yuan to the Hotan region of Xinjiang, specifically designated to support the implementation of the "I Am Here to Secure the Edge" public welfare desertification control activities.

Case | Donating funds to the Red Cross Society of China Beijing Branch

"Bo'ai in Beijing" is a public welfare project that has been carried out by the Red Cross Society of China Beijing Branch system for 20 consecutive years. By pooling the compassion and support of the community, it helps people facing hardship due to serious illnesses or accidental injuries to overcome their difficulties. The BBMG public welfare foundation donated 50,000 yuan to the Red Cross Society of China Beijing Branch, specifically to support its "Bo'ai in Beijing" public welfare activities.



Supporting Rural Revitalization

In 2025, BBMG established the Rural Revitalization Working Leadership Group headed by the Group’s main leaders, continuously strengthening the leadership and coordination of rural revitalization efforts. It has built a three-tier linkage assistance mechanism “Group, secondary entities, and resident in the village”, forming a work system that integrates Party leadership with industrial support, consumption support, employment support, and public welfare support. This ensures steady and progressive implementation of various support measures in areas such as industry, consumption, employment, and public welfare, demonstrating the responsibility of a state-owned enterprise through concrete actions and contributing BBMG’s strength to comprehensively advancing rural revitalization.

Poverty Alleviation by Industry

BBMG has invested in 18 projects in Beijing’s cooperative support initiatives across eight provinces and regions, including Inner Mongolia, Xinjiang, Qinghai, Tibet, Hebei (Zhangjiakou, Chengde), Hubei (Shiyan), Henan (Nanyang), and Shanxi (Changzhi). In May, the Group signed a strategic cooperation agreement with the Urumqi Municipal People’s Government to deepen collaboration in multiple fields, including new-type green and environmentally friendly building materials industries, prefabricated construction, and urban renewal; in November, the Group signed a strategic cooperation agreement with Chengde Municipal, continuously supporting the high-quality development of local economy and society. In 2025, the Group added industrial investment of 57.23 million yuan across eight provinces, creating 185 new local jobs.

Poverty Alleviation by Consumption

BBMG has elevated its consumption poverty alleviation initiatives to a key component of the Party Committee’s work agenda, formulating the *Implementation Plan for Consumption Assistance in Rural Revitalization 2025*. The plan specifies that 30% of employee welfare assistance products should be included in procurement under consumption poverty alleviation, with a focus on key state-assisted regions such as Inner Mongolia, Xinjiang, and Tibet. Through the establishment of a “monthly coordination + quarterly evaluation” mechanism, BBMG dynamically monitors procurement progress across all units. In addition, the Group proactively collaborated with channels such as the Beijing Aid Xinjiang Hotan Command and the Innovation and Entrepreneurship Center to purchase unsold agricultural products including Hotan dates. It has also thoroughly implemented the State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality’s “Jingcai Xipin” initiative, cumulatively purchasing over 15 million yuan worth of consumption poverty alleviation products, ranking among the top state-owned enterprises in the city.

Poverty Alleviation by Employment

In 2025, BBMG actively responded to the requirements of the State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality by proactively exploring and expanding job positions. The Group further increased its recruitment targets in the annual hiring plan, directing positions toward Beijing’s key assisted cooperation regions and priority groups. Under equal conditions, individuals from assisted regions—including those who have emerged from poverty and university graduates from rural households, are given priority for employment. The Group also encourages qualified enterprises to hire individuals from assisted regions to work in Beijing or within the province, achieving precise person-job matching. When recruiting for positions such as security guards and cleaners, labor teams from the assisted regions are prioritized to support their full employment. In 2025, the Group recruited a total of 185 people from the eight provincial regions supported by Beijing, including 144 rural residents and 27 university graduates from rural areas in the assisted regions.

BBMG places importance on employment in assisted regions, organizing its affiliates to participate in job fairs at Inner Mongolia University of Technology, Inner Mongolia University of Science and Technology, Inner Mongolia Agricultural University, and Inner Mongolia Normal University, as well as regional dual-choice fair for colleges and universities in Tibet, Shanxi, Hebei, and other areas. Meanwhile, BBMG has proactively registered for nearly 30 recruitment events in assisted regions, including the “Career Leads the Future – North China Joint Recruitment Fair”, the “2025 National Urban Joint Recruitment Spring Special Event for University Graduates”, and the “Spring Blossoms, Careers Just for You” series of job fairs.

Actions for Villages Against Poverty within the City

BBMG has thoroughly implemented the requirements for paired assistance program to villages with weak collective economies in Beijing, actively undertaking assistance tasks for Longmentai Village and Dacao Ling Village, Xiayunling Township, Fangshan District, and Denggezhuang Village, Huaibei Town, Huairou District, three villages with weak collective economies. The Company has formulated specific assistance measures for 2025 to support rural development and increase farmers’ incomes in the paired villages, advancing the comprehensive rural revitalization through high-quality development. Among these villages, Dacao Ling Village, Xiayunling Township, Fangshan District achieved a collective income of 180,000 yuan; Longmentai Village in the same township reached 197,200 yuan; and Denggezhuang Village, Huaibei Town, Huairou District achieved an operating collective income of 180,000 yuan. In addition, the Company has made public welfare donations and welfare visits to paired assistance villages with weak collective economies within the municipality. In Denggezhuang Village, Huaibei Town, Huairou District, BBMG distributed daily necessities such as rice and cooking oil to disadvantaged Party members, left-behind children, and empty-nest households, benefiting a total of 160 households. In Dacao Ling Village, Xiayunling Township, Fangshan District, the Company has regularly conducted home visits and consolations, remained committed to frontline disaster prevention and mitigation efforts, and continuously supported infrastructure development in rural areas.

 Case

Assistance Project in Lungmantai Village, Xiayunling Township, Fangshan District



In 2025, BBMG advanced targeted assistance work in Longmentai Village, Xiayunling Township, Fangshan District. With support from the BBMG Public Welfare Foundation, the first resident secretary coordinated township and village level organizations to complete furniture provisioning and project leasing for the “Happiness Post” homestay, while also connecting with farm resources in Xiayunling Township to achieve an annual revenue of 150,000 yuan from the homestay project. Focusing on the key challenge of “difficult sales” for agricultural products, proactive efforts were made to build a bridge between production and market, facilitating a corporate purchase of 19,000 yuan worth of local honey, effectively opening up channels for agricultural products to reach broader markets. The village’s first secretary and village committee raised funds independently to distribute welfare supplies totaling 32.5 tons to 447 villagers and provided door-to-door medical services covering all age groups, serving over 60 people in total. Additionally, Party-building collaboration served as a “heart-to-heart bridge” to better serve the community. Through these initiatives, in 2025, Longmentai Village achieved a collective operating income of 197,200 yuan, effectively supporting the growth of the village collective economy and increasing farmers’ incomes, while significantly alleviating villagers’ difficulties in “long travel distances and difficulty accessing medical care” and markedly enhancing their sense of happiness and well-being.

Expanding Volunteer Services

BBMG has continuously responded to the Party’s call, actively promoting the volunteer service spirit of “dedication, friendship, mutual assistance, and progress”, widely mobilizing and organizing young employees to participate in volunteer activities, and has achieved positive progress. In 2025, the Group organized employees to participate in over 500 various volunteer service activities, accumulating more than 2,400 hours of registered volunteer service time, practicing social responsibility through concrete actions, vividly interpreting the responsibility and commitment of a state-owned enterprise in the capital, and continuously conveying the warm and powerful “BBMG warmth”.

2025

The Group organized employees to participate in over **500** various volunteer service activities



Accumulating more than **2,400** hours of registered volunteer service time



Future Outlook

A new cycle of sun and moon begins, unveiling a new chapter for all things. The year 2026 marks the beginning year of the 15th Five-Year Plan and represents a critical milestone for BBMG as it advances toward its goal of becoming a world-class enterprise. Standing at this new historical starting point, we will continue to uphold the great banner of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, serving national strategies and leading industry transformation with a more uplifted spirit, a more pragmatic style of work, and a more innovative mindset.

Adhering to strategic guidance, anchoring the course of high-quality development. We will thoroughly implement the spirit of the 20th National Congress of the Communist Party of China and its preceding plenary sessions, closely align with the national and Beijing municipal “15th Five-Year” plan proposals, and deeply integrate the concept of sustainable development into the Group’s overall strategy. Focusing on three key areas—new materials, “Carbon Peaking and Carbon Neutrality”, and digital and intelligent transformation—we will accelerate the construction of the “264” new materials industrial system, promoting the new materials industry to become the “third growth engine” for the Group’s high-quality development. We will continuously improve the ESG governance structure, strengthen the Board of Directors’ strategic decision-making function on ESG, and ensure the Company’s long-term, stable growth through high-level governance.

Strengthening innovation-driven development, building robust technological capabilities. We will continue to increase research and development investment, fully leverage the role of the Scientific and Technological Innovation Strategy Advisory Committee as a high-level think tank, rely on national-level innovation platforms such as the “State Key Laboratory of Low-Carbon Recycling and Regeneration of Materials”, deepen our deployment in cutting-edge fields like “AI+New Materials”, and accelerate breakthroughs in key core technologies. We will advance the quality and efficiency of original technology innovation hubs, promote the transformation of scientific and technological achievements into practical productive forces, and turn scientific and technological innovation—this “key variable”—into the “greatest increment” for high-quality development.

Deepening the green transition, laying a low-carbon foundation for development. We will fully implement the new development philosophy, take the “Carbon Peaking and Carbon Neutrality” objectives as our guide, and continuously promote

the optimization of industrial structures and the transition to a cleaner energy mix. We will accelerate the application of advanced technologies such as ultra-low emission retrofitting and carbon capture and utilization, vigorously develop the circular economy, and enhance the level of solid waste resource utilization. We will actively promote demonstrations of green building materials, green buildings, and ultra-low energy consumption buildings, leveraging the green transformation of the entire industrial chain to contribute to the building of a beautiful China.

Undertaking social responsibility with courage, embodying the mission and commitment of a state-owned enterprise. We will always adhere to the people-centered development philosophy, continuously optimize our talent development system, and provide employees with a broad platform to showcase their talents. We will uphold the bottom line of safety and environmental protection, safeguarding lives, health, and the ecological environment with a “zero tolerance” attitude. We will actively engage in rural revitalization and public welfare initiatives, making greater contributions to regional coordinated development and the promotion of common prosperity. We will give back to society with sincerity and dedication, fulfill the mission of a state-owned enterprise through concrete actions and tangible results, and join hands with all sectors of society to build a harmonious and beautiful home together.

The road ahead is long and arduous, but with persistent effort, we will ultimately reach our destination. On this new journey, BBMG will stay true to its original aspirations, forge ahead with courage and resolve. With an indefatigable spirit and an unyielding striving posture, we will strive to write a new chapter of high-quality development and contribute the strength of BBMG to the comprehensive advancement of the great rejuvenation of the Chinese nation!



Indicator Index

Indicator Index for the *Environmental, Social, and Governance* Reporting Code by the Hong Kong Stock Exchange

Subject Areas	Aspects	Key Performance Indicators	Location
Environment	A1 Emission	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Strengthening Environmental Management
		A1.1 The types of emissions and respective emissions data.	Practicing Ultra-Low Emissions
		A1.3 Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Practicing Ultra-Low Emissions
		A1.4 Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Practicing Ultra-Low Emissions
		A1.5 Description of emission target(s) set and steps taken to achieve them.	Practicing Ultra-Low Emissions
		A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Practicing Ultra-Low Emissions
	A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Implementing Energy Conservation and Consumption Reduction
		A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Implementing Energy Conservation and Consumption Reduction
		A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Implementing Energy Conservation and Consumption Reduction
		A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Implementing Energy Conservation and Consumption Reduction
		A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Implementing Energy Conservation and Consumption Reduction
		A2.5 Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	Implementing Energy Conservation and Consumption Reduction
	A3 The Environment and Natural Resources	General Disclosure Policies on minimizing the issuer's significant impacts on the environment and natural resources.	Strictly Controlling Environmental Impacts
		A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Strictly Controlling Environmental Impacts

Subject Areas	Aspects	Key Performance Indicators	Location
Social	B1 Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Protecting Employees' Rights and Interests
		B1.1 Total workforce by gender, employment type (for example, full- or part time), age group and geographical region.	Protecting Employees' Rights and Interests
		B1.2 Employee turnover rate by gender, age group and geographical region.	Safeguarding Employees' Rights and Interests
	B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Adhering to Source-Based Governance
		B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Adhering to Source-Based Governance
		B2.2 Lost days due to work injury.	Adhering to Source-Based Governance
		B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Adhering to Source-Based Governance Strengthening Process Control Ensuring Occupational Health
	B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Deepening the Reform of Industrial Workforce Development
		B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Deepening the Reform of Industrial Workforce Development
		B3.2 The average training hours completed per employee by gender and employee category.	Deepening the Reform of Industrial Workforce Development
	B4 Labor Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Protecting Employees' Rights and Interests
		B4.1 Description of measures to review employment practices to avoid child and forced labor.	Protecting Employees' Rights and Interests
		B4.2 Description of steps taken to eliminate such practices when discovered.	Protecting Employees' Rights and Interests

Subject Areas	Aspects	Key Performance Indicators	Location
Social	B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain	Building Resilient Supply Chains
		B5.1 Number of suppliers by geographical region.	Building Resilient Supply Chains
		B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Building Resilient Supply Chains
		B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. implementation and monitoring methods.	Building Resilient Supply Chains
		B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Building Resilient Supply Chains
	B6 Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Upholding the Lifeline of Quality
		B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Upholding the Lifeline of Quality
		B6.2 Number of products and service related complaints received and how they are dealt with.	Upholding the Lifeline of Quality
		B6.3 Description of practices relating to observing and protecting intellectual property rights.	Upholding the Lifeline of Quality
		B6.4 Description of quality assurance process and recall procedures.	Upholding the Lifeline of Quality
		B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Upholding the Lifeline of Quality
	B7 Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	Adhering to Business Ethics
		B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Adhering to Business Ethics
		B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Adhering to Business Ethics
		B7.3 Description of anti-corruption training provided to directors and staff.	Adhering to Business Ethics
	B8 Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Responsibility Fulfillment: Serve Social Progress
		B8.1 Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Empowering Public Welfare Initiatives Supporting Rural Revitalization Expanding Volunteer Services
		B8.2 Resources contributed (e.g. money or time) to the focus area.	Responsibility Fulfillment: Serve Social Progress

Part D: Climate-Related Disclosures	Location	
Climate-related disclosures	(I) Governance	Climate Change Governance
	(II) Strategy	Climate-related risks and opportunities
		Business model and value chain
		Strategy and decision-making
		Financial position, financial performance and cash flows
		Climate resilience
	(III) Risk Management	Climate Change Risk Management
	(IV) Metrics and Targets	Greenhouse gas emissions
		Climate-related transition risks
		Climate-related physical risks
		Climate-related opportunities
		Capital deployment
		Internal carbon prices
		Remuneration
		Industry-based metrics
		Climate-related targets

Indicator Index for *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies - Sustainability Report (Trial)*

Dimension	Number	Issue	Corresponding Articles	Chapter
Environmental	1	Climate change tackling	Articles 21 to 28	Responding to Climate Change Implementing Energy Conservation and Consumption Reduction
	2	Pollutant discharge	Article 30	Practicing Ultra-Low Emissions
	3	Waste disposal	Article 31	Practicing Ultra-Low Emissions
	4	Ecosystem and biodiversity protection	Article 32	Strictly Controlling Environmental Impacts ²⁵
	5	Environmental compliance management	Article 33	Strengthening Environmental Management
	6	Energy usage	Article 35	Implementing Energy Conservation and Consumption Reduction
	7	Usage of water resources	Article 36	Implementing Energy Conservation and Consumption Reduction
	8	Circular economy	Article 37	Strictly Controlling Environmental Impacts
Social	9	Rural revitalization	Article 39	Supporting Rural Revitalization
	10	Contributions to the society	Article 40	Empowering Public Welfare Initiatives Expanding Volunteer Services
	11	Innovation-driven	Article 42	Adhering to Innovation-Driven Development
	12	Ethics of science and technology	Article 43	Not Applicable ²⁶
	13	Supply chain security	Article 45	Building Resilient Supply Chains
	14	Equal treatment to small and medium-sized enterprises	Article 46	Building Resilient Supply Chains
	15	Safety and quality of products and services	Article 47	Upholding the Lifeline of Quality
	16	Data security and customer privacy protection	Article 48	Upholding the Lifeline of Quality
Sustainable development- related governance	17	Employees	Article 50	Protecting Employees' Rights and Interests Deepening the Reform of Industrial Workforce Development Caring for Employees' Well-being
	18	Due diligence	Article 52	Sustainable development due diligence has not yet been initiated, but the impacts, risks, and opportunities of the issues have been assessed, and potential negative impacts or risks related to these issues are being monitored in daily operations.
	19	Communications with stakeholders	Article 53	Stakeholder Communication
	20	Anti-commercial bribery and anti-corruption	Article 55	Adhering to Business Ethics
	21	Anti-unfair competition	Article 56	Adhering to Business Ethics

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Note: The Group is not involved in production or operations within ecological conservation redlines, nor in the protection of genetic resources of biological organisms.

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Note: The Group is not involved in ethics of science and technology matters due to the nature of its business.

Reader Feedback

Dear Reader,

Thank you very much for reading the *BBMG Corporation 2025 Sustainability Report (Environmental, Social, and Governance Report)*. We greatly value and expect to listen to your feedback regarding BBMG's management practices and information disclosure in the areas of environment, society, and governance. Your opinions and suggestions are essential for us to advance corporate sustainable development. We are looking forward to your response!

Multiple Choice Questions (Please mark √ in the corresponding place)

1.Do you think this Report can reflect the material impact of BBMG on economy, society and environment?

Yes ☐Average ☐No ☐

2.Do you think this Report can identify stakeholders and correctly and comprehensively analyze their relationships with BBMG?

Yes ☐Average ☐No ☐

3.Do you think the information in this Report is comprehensive?

Yes ☐Average ☐No ☐

4.Do you think the information in this Report is readable?

Yes ☐Average ☐No ☐

Open-ended question

You are welcome to provide any other comments or suggestions regarding the *BBMG Corporation 2025 Sustainability Report (Environmental, Social, and Governance Report)*.

Your contact information

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