鞍钢股份有限公司
ANGANG STEEL COMPANY LIMITED

CSR Report & ESG Report

2025

About This Report

Time horizon

This Report describes events of the Company during the period from January 1, 2025 to December 31. In order to ensure the consistency and comparability of contents, part events may happen beyond the above-mentioned time horizon.

Release cycle

This Report is an annual report which is usually released in March of the next year.

Title description

For the convenience of expression and reading, “Angang Steel Company Limited” is also expressed as “Angang Steel”, “the Company/it”, or “we/us/our” in this Report. “Anshan, Yingkou and Chaoyang production bases” are expressed as the “three bases” in this Report.

Scope of the Report

Angang Steel Company Limited and its subsidiaries, branches and direct affiliates.

Data source

All data used in this Report are from the official documents and statistical reports of Angang Steel Company Limited.

Basis of compilation

- *GRI Standards* by Global Sustainability Standards Board
- *2030 Agenda for Sustainable Development* by the U.N. (SDGs)
- *Guiding Opinions on the High-standard Performance of Social Responsibilities by Central Enterprises in the New Era* by the State-owned Assets Supervision and Administration Commission of the State Council (SASAC)
- GB/T 36001-2015 *Guidance on Social Responsibility Reporting*
- *Environmental, Social and Governance Reporting Code* by The Stock Exchange of Hong Kong Limited
- *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)*
- *Self-Regulatory Guidance No. 3 for Companies Listed on Shenzhen Stock Exchange—Preparation of Sustainability Report (2026 Revised Version)*

Language and version

This Report is made in both Chinese and English. If there are differences in the contents between the Chinese and English versions, the former shall prevail.

Acquisition of the Report

You can download the electronic version of this Report from the official website of Angang Steel Company Limited (http://www.ansteel.com.cn/).

The manufacturing sector must advance toward high-end, intelligent, and green development, continuously enhancing the technological content and added value of products. Large central state-owned enterprises like Ansteel should contribute more to Chinese modernization.

—On January 23, 2025, General Secretary Xi Jinping made this earnest appeal during his inspection of the Third Cold Rolling Mill at the Cold Rolling Complex of Bengang Steel Plates Co., Ltd., part of Ansteel.

Contents

Message from the Chairman

The year 2025 was a pivotal year for Angang Steel Company Limited ("the Company" or "Angang Steel" for short) as it advanced through the 14th Five-Year Plan period and pursued high-quality development. During his inspection of the Third Cold Rolling Mill at the Cold Rolling Complex of Bengang Steel Plates Co., Ltd., part of Ansteel Group Corporation Limited ("Ansteel" for short) in January 2025, General Secretary Xi Jinping stressed that the manufacturing sector must advance toward high-end, intelligent, and green development, continuously enhancing the technological content and added value of products. He also urged large central state-owned enterprises like Ansteel to contribute more to Chinese modernization. These directives both strongly encouraged and motivated Ansteel to act. Moreover, they clarified the strategic direction for the high-quality development of the steel industry, provided fundamental guidance, and injected powerful momentum. As a core enterprise within Ansteel, we remain true to our original aspiration and inherit our revolutionary red legacy. With the broad responsibility befitting the top priorities of the country and the steadfast resolve of a "steel backbone," we are committed to building a first-class in the world, sustainable enterprise and to contributing Ansteel's strength to Chinese modernization.

Strengthening the foundation of governance and enhancing strategic leadership

We have been committed to elevating environmental, social and governance (ESG) to a company-level strategic priority and establishing a scientifically grounded, standardized, and highly efficient governance system. We have refined the Board's decision-making and oversight mechanisms, reinforced compliance, risk control and business ethics frameworks, and continuously driven the development of an enterprise with high performance in five aspects—positioning model enterprises to strengthen political leadership, dynamic enterprises to stimulate reform momentum, innovative enterprises to spur technological breakthroughs, brand-focused enterprises to cultivate a distinguished corporate identity, and commercially focused enterprises to boost value creation. We remain committed to high-end, intelligent, and green development. With the mission to forge the steel backbone of national key equipment, we are fully committed to meeting material requirements for major national projects such as Hualong One, the Shenzhen–Zhongshan Link, and the Jakarta–Bandung High-speed Railway, and to fulfilling our responsibility as a central state-owned enterprise to safeguard the security and stability of industrial and supply chains. In 2025, the State Key Laboratory of Metal Material for Marine Equipment and Application has taken a new step forward in its development; the Ansteel Pilot Platform for Transportation and Energy Steel Materials was approved as a pilot platform for prioritized cultivation by the Ministry of Industry and Information Technology; and four products, including extra-thick locomotive steel for cold regions and high-strength spherical tank steel for deep-sea containers, made their debuts globally. Scientific and technological innovation has thus become the core driver supporting national strategy and industry progress.

Putting green first to drive a low-carbon transition

In response to global climate governance and the accelerating green revolution, we remain committed to forging green steel. In 2025, we actively advanced innovations in green manufacturing processes, the green-power, green-hydrogen pilot line for fluidized bed hydrogen metallurgy achieves full-process integration and continuous production, marking a revolutionary leap from "carbon metallurgy" to "hydrogen metallurgy" and providing solid, tangible support for the "angreen" brand promise. At the same time, we proactively built a green manufacturing system that combines high technological content with low resource consumption and minimal environmental pollution. By leveraging green manufacturing to enhance our brand competitiveness, we continued to strengthen the "Ansteel Blue" ecological identity and contribute a steelindustry perspective to the construction of a beautiful China.

Pursuing society-centered philosophy and promoting integrated coexistence

Angang Steel is not only a leader in steel manufacturing but also a dedicated practitioner in shared progress with stakeholders, including partners, the city, and employees. We are committed to building better cities and advancing industry-city integration so that resource development and ecological protection proceed in harmony. We have made every effort to ensure a reliable public energy supply in winter to provide stable support for urban operations and regional stability. We have deepened our "Warm Heart" employee program, strengthening career development pathways and compensation incentive systems to continuously enhance employees' sense of fulfillment, happiness, and security. We have continued to invest in rural revitalization and community co-development. Together with industrial chain partners, we have promoted responsible procurement and low-carbon collaboration, demonstrating our leadership and unifying influence expected of a core enterprise in the industry.

At the start of the 15th Five-Year Plan period, Angang Steel will continue to be guided by ESG principles and pursue the goal of becoming a world-class enterprise characterized by superior products, a distinguished brand, leading innovation, and modern governance. We will keep strengthening the foundation of governance, deepening our green transition, and empowering shared social value. By achieving technological self-reliance and strengthening our core capabilities and by green development, intelligent, and upgrading toward high-end, we will forge our core competitive advantages. Through the transition toward green, intelligent, and high-end development, we will build the competitiveness needed for the future. Together with our partners across sectors, we will write a new chapter in sustainable development and make even greater contributions to the construction of Chinese modernization.

Chairman of Angang Steel Company Limited

WANG JUN

王军

About Us

Company profile

Angang Steel Company Limited (hereinafter referred to as “the Company” or “Angang Steel”) is a large-scale domestic steel production and sales enterprise.. It was established by Ansteel Group Corporation Limited, the only founder, on May 8, 1997 and was listed on the Stock Exchange of Hong Kong and Shenzhen Stock Exchange respectively. At present, the Company, headquartered in Anshan City, Liaoning Province, registers capital of RMB 9.369 billion.

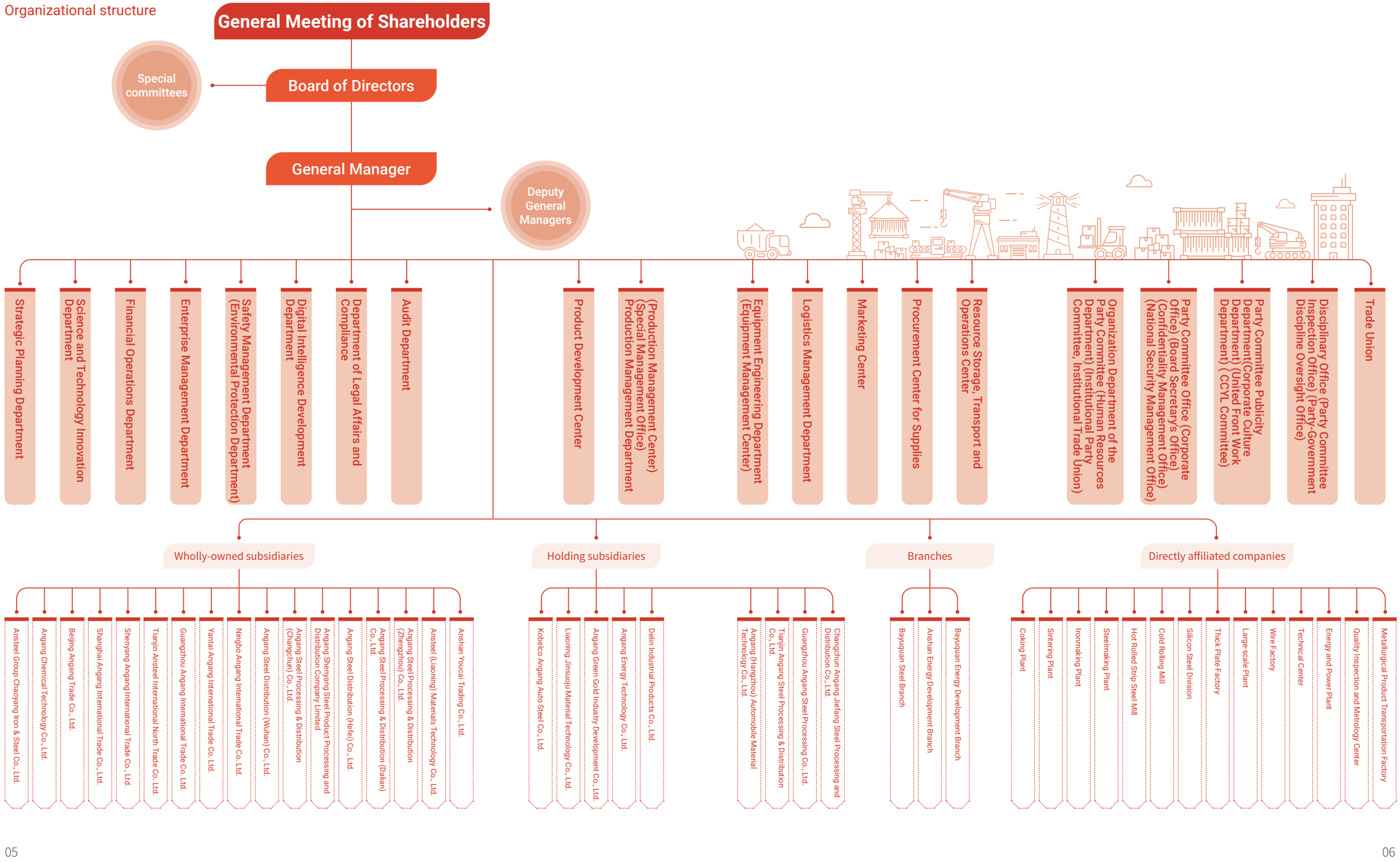
Main business

Angang Steel is principally engaged in the steel manufacturing industry. The Company operates production lines and supporting facilities across the full steelmaking process, including coking, sintering, ironmaking, steelmaking, rolling, and energy power. It also maintains a well-developed industrial chain for logistics, trade, and steel product processing services. Its principal equipment has reached the advanced domestic level. Currently, Angang Steel has three production bases in Anshan, Yingkou and Chaoyang respectively, as well as sales service and processing, distribution institutions in Dalian, Shenyang, Changchun, Tianjin, Shanghai, Wuhan, Hefei, Zhengzhou Guangzhou and other places. It also has international businesses relying on the overseas sales institutions of Ansteel Group.

Diversified products

Angang Steel has diversified products including plates, pipes, sections, rods, wires, etc. It has relatively complete product categories and specifications covering hot-rolled coils, medium plates, cold-rolled sheets, galvanized sheets, color-coated sheets, cold-rolled silicon steels, heavy rails, profiles, seamless steel tubes and wire rods. Its products are widely used in the sectors including machinery, metallurgy, petroleum, chemical engineering, coal, power, railway, watercraft, vehicle, building, home appliance, aviation, etc. In addition, It ranks among the top in China in terms of sales volume of steel for shipbuilding and railway. It owns famous brand products such as products with high technology content, for example electric steel and steel for vehicle, nuclear power, petroleum and petrochemical product, home appliance and container. Besides, it is an international leader in the research & development of new types of ship plates and railway rails and the production technology of steel rails. It is also leading in the industry regarding the technical and technological level of a series of products such as the high-strength thick-walled pipeline steel for high-pressure oil & gas transportation in deep sea. The Company is home to the only state key laboratory in the field of metallic materials for marine equipment in China—the State Key Laboratory of Metal Material for Marine Equipment and Application. The Company has gained high popularity and good reputation, and won the title of “China Famous Brand Product” by virtue of its steel for railways, steel plates for containers and shipbuilding plates.

Organizational structure



Development strategy

Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, Angang Steel has thoroughly implemented the guiding principles of the 20th National Congress of the Communist Party of China (CPC) and all plenary sessions of the 20th CPC Central Committee. It has continued to further translate into practice the important directives delivered by General Secretary Xi Jinping during his inspections in Liaoning and at Bensteel, part of Ansteel Group. It has coordinated efforts to advance adopted at Ansteel's Third Party Congress. The Company has acted on the general principle of pursuing progress while ensuring stability, grounded its efforts in the new development stage, applied the new development philosophy, and created a new pattern of development. By pursuing high-quality development as the general aim, it has consistently strengthened Party leadership, further deepened comprehensive reform, and fully implemented the "1345" development strategy to continuously enhance its core functions and competitiveness and to accelerate its advance toward becoming a worldclass steelmaker.

Anchoring on "one positioning" » Unwaveringly strengthening, optimizing, and expanding, build a more competitive "steel flagship" in the industry and, with the responsibility of being the "eldest son of the People's Republic of China," fully supporting Ansteel's contributions to Chinese modernization

Upholding "three directions" »
- Firmly pursuing high-end development
- Firmly pursuing intelligent development
- Firmly pursuing green development

Leveraging "four functions" »
- Giving full play to technological innovation as the "main driving force"
- Giving full play to enhancing core competitiveness as the "vanguard"
- Giving full play to the "supporting role" of talent aggregation
- Giving full play to the "benchmark" role of Party building leadership

Constructing "an enterprise with high performance in five aspects" »
- Model enterprise
- Dynamic enterprise
- Innovative enterprise
- Brand-focused enterprise
- Commercially focused enterprise

Three-step plan »
- 2025–2026: stabilization period—climbing the slope and overcoming hurdles
- 2027–2028: critical period of accelerated rise
- 2029–2030: decisive period for leapfrog development

Extended Reading | Advancing sustainability through the development of "an enterprise with high performance in five aspects"

The Company's initiative to develop "an enterprise with high performance in five aspects" has advanced sustainability through coordinated efforts across governance, innovation, operations, and brand allegiance. Guided by Party leadership and reform to invigorate the organization, and driven by technological innovation to enable green transition and product upgrading, the initiative has leveraged lean operations to reduce costs and improve efficiency, systematically strengthening the Company's risk resilience, long-term competitiveness, and capacity for sustainable value creation.

Building a model enterprise

Angang Steel has consistently regarded adherence to Party leadership and strengthening Party organization as our foundation and core. By reinforcing Party institutions and integrating Party building more deeply and effectively into production and operations, it has materially improved employees' sense of fulfillment, happiness, and security.

Building a dynamic enterprise

Committed to reform that establishes modern corporate governance, Angang Steel has tackled entrenched problems to make corporate systems more complete, mechanisms more flexible, resource allocation more efficient, and its workforce more invigorated.

Building an innovative enterprise

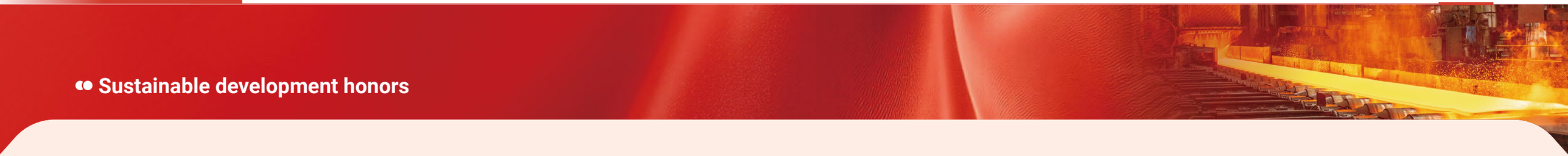
Angang Steel has prioritized scientific and technological innovation, fortified innovation platforms, and accelerated digital intelligence empowerment. These efforts have enhanced the Company's capacity to serve national strategies, increased the conversion rate of scientific and technological achievements, delivered stronger market and onsite support, and materially boosted the Company's core competitiveness.

Building a brand-focused enterprise

Guided by "modern industries, high-end products, and efficient services," Angang Steel has intensified its efforts to build a distinguished brand. This has enhanced market power, strengthened our voice in industry affairs, and raised our reputation, positioning the Company as an industrial brand with international influence.

Building a commercially focused enterprise

By combining disciplined financial management with lean management, Angang Steel has made production and operations more efficient, tightened cost control, and stabilized the business environment, making its key operating metrics ranked among the top of the industry leaders.



Sustainable development honors

Excellence in governance: leading by example

Angang Steel received an Agrade rating in the Shenzhen Stock Exchange's 2024–2025 Information Disclosure Assessment for Listed Companies.

The *Angang Steel Company Limited CSR Report & ESG Report 2024* received the "Golden Bee 2025 Outstanding Corporate Sustainability Report—Leadership Enterprise Award."

The Company was awarded the "Outstanding Practice" Prize by the China Association for Public Companies in the 2024 Annual Report Performance Briefings.

The Company was conferred the "Investor Relations Gold Award (2024)—Outstanding IR Team" by quanjing.com.

Four projects received Metallurgical Science and Technology Awards by the Chinese Society for Metals; eight projects won Liaoning Provincial Science and Technology Progress Awards; and three projects were honored with Science and Technology Awards from the Chinese Society for Corrosion and Protection.

The "Data + AI Redefining Steel Manufacturing Processes" project won Third Prize in the Raw Materials (Steel) Industry category at the 5th Intelligent Manufacturing Innovation Competition.

The case "Intelligent Application of Fullprocess Measurement Data in Steel Logistics—Dynamic Measurement and CrossSystem Integration Driving Improvements in Safety, Efficiency , Cost" was selected among the first batch of exemplary measurement data application cases published by the State Administration for Market Regulation.

Steel for bogies of 350 km/h standard EMUs was listed in the Ministry of Industry and Information Technology's list of "2024 Outstanding Exemplary Cases for Future Industry Innovation and Development" and recognized as a representative application scenario for future materials.

Obtained the National Data Management Capability Maturity Assessment (DCMM) Level 4 certification.

Green and low-carbon development

The Headquarters and Chaoyang Iron & Steel Co., Ltd. successfully completed public disclosure for fullprocess ultralow emissions and were listed in the "Dualcarbon Best Practice—Energy Efficiency Benchmark Demonstration Processes/Equipment" disclosure; Chaoyang Iron & Steel Co., Ltd. was upgraded to an Agrade environmental performance enterprise.

In the National Benchmarking Competition for Energy Conservation and Consumption Reduction of Key Large-scale Steel Production Equipment, Bayuquan Steel Branch's No. M converter was awarded the title of "Champion Furnace," and Blast Furnace No. 2 received the "Pioneer Furnace" designation.

Joint Contribution and Shared Benefits

The initiative "With Care, Affection and Effort: Supporting the Pamir Plateau Yak Industry on Its Path to Branddriven Prosperity" was recognized as a model case in the *CMG Rural Revitalization Observational Report* at the inaugural Rural Revitalization forum hosted by China Media Group (CMG).

The Company's first employee original short film, Master, received the Excellence Award at the 6th Central State owned Enterprises Microfilm Competition themed on the Socialist Core Values.

The D-shift crane crew in the operations area of Cold Rolling Mill Branch No. 4 was awarded the title of "Safety Standardization Model Team for Steel Enterprises" by the China Machinery, Metallurgy and Building Materials Workers Technical Association.

The Company was awarded titles such as "Excellent Supplier" by CIMC Containers, "Outstanding Partner" by Haier Smart Home and "Strategic Partner" by Midea Group.

The Company received twice an "Excellent" rating for engineering construction from the PipeChina Construction Project Management Branch.

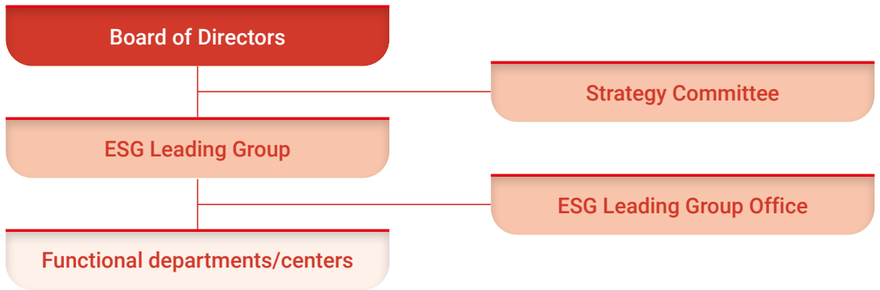
The B-shift continuous-annealing line team in the production operations area of Cold Rolling Mill Branch No. 3 of Angang Steel was honored with the Liaoning Workers' Vanguard designation.

ESG strategy and management

Angang Steel regarded ESG management as a core driving force for responding to industry transformation and ensuring long-term corporate vitality. It established a Boardled governance framework and defined a clear sustainability strategy. It also translated commitments into action and performance through systematic management practices. The goal was to create integrated value across environmental, social, and governance (ESG).

Governance

The Company established a clear three-tier, inter-linked ESG governance structure to ensure that sustainability issues are effectively addressed across decision-making, execution, and oversight. The Board of Directors bears ultimate responsibility for ESG strategy, major risks, and overall performance. The Strategy Committee under the Board of Directors provides detailed guidance on ESG strategy formulation, reviews significant ESG-related matters, and supervises their implementation.



Independence and scientific decision-making

The Board of Directors places strong emphasis on the critical role independent directors play in strengthening governance and mitigating risks. As of the end of 2025, the Board comprises nine members, four of whom are independent non-executive directors (44%), a relatively high proportion that safeguards objectivity and independence in decision-making. The Audit and Risk Committee, Nomination Committee, and Remuneration and Evaluation Committee are all majority-led by independent directors, who also serve as conveners, institutionalizing effective oversight and checks and balances. Drawing on their professional expertise, independent directors provide impartial opinions on major operational decisions and on the assessment of internal control and risk frameworks, materially enhancing the Board's scientific decision-making.

Diversity and holistic value

To deliver more balanced and sustainable long-term value, the Company actively implemented a board diversity policy. Current Board members include experts from the steel industry, financial management, legal and compliance, risk control, and corporate strategy. This diversity of professional backgrounds enables the Company to integrate multiple perspectives into strategic planning, comprehensively consider stakeholder concerns, and more effectively assess the combined environmental, social, and long-term corporate impacts of decisions.

Key Performance

Number of female directors: **1**

11.1% of the members of the Board of Directors

As of December 31, 2025, the Company's directors are as follows:

Name	Gender	Age	Board position	Professional background & areas of focus
Wang Jun	Male	58	Chairman, Executive Director	Iron and steel metallurgy, strategic planning, corporate governance
Tian Yong	Male	47	Executive Director, General Manager	Thermal power engineering, production management, strategic planning
Zhao Zhongmin	Male	59	Employee Director	Economic management, Party building within enterprises, Trade Union and employee affairs
Li Jingdong	Male	49	Executive Director, Deputy General Manager, Chief Accountant, Board Secretary	Financial management, accounting, Board governance
Tan Yuhai	Male	56	non-executive Director	Engineering technology, discipline inspection and supervision, corporate compliance
Wang Wanglin	Male	51	Independent non-executive Director	Legal compliance, corporate governance
Zhu Keshi	Male	59	Independent non-executive Director	Accounting, taxation, finance
Hu Caimei	Female	43	Independent non-executive Director	Economic management, corporate strategy, industrial economics
Liu Chaojian	Male	60	Independent non-executive Director	Steel process planning, engineering technology, industry consultancy

Composition of the Board of Directors and Professional Backgrounds

Compensation incentives linked to performance

The Company established a close-loop ESG performance management system and linked key outcomes to senior management compensation assessments. In accordance with the *Measures for Evaluating the Operational Performance of Leadership Teams*, core ESG indicators, including carbon dioxide emission intensity per 10,000 yuan of output value, work safety, employee wellbeing, and rural revitalization, have been incorporated into the leadership team's specialized performance assessment. This mechanism closely aligns management incentives with the Company's long-term ESG performance, driving comprehensive implementation and continuous improvement of ESG management from an incentive perspective.

Strategy

Drawing on deep insights into macro trends, industry challenges, and its own capabilities, the Company defined an ESG strategic vision centered on "A Responsible Steel Company, A Beautiful Future." It systematically translated this vision into concrete actions through the "A-STEEL" strategic pathway.

A-STEEL promotion program of the Company

Impact, risk and opportunity management

The Company systematically identified, evaluated, and managed ESG-related impacts, risks, and opportunities as a foundation for further sustainable development and value creation. It was committed to generating social and environmental value through proactive measures, prudently managing risks to enhance operational resilience, and actively converting ESG trends into development opportunities, and continuously advancing our transformation toward high-end, intelligent and green development.

Topic	Impact (I)	Risk (R)	Opportunity (O)
Response to climate change	Positive: Implementing low-carbon technologies, such as green electricity and hydrogen-based reduction, to reduce carbon dioxide emissions per ton of steel. Negative: Conventional long-process steelmaking emits significant greenhouse gases.	1. Implementation of the EU Carbon Border Adjustment Mechanism (CBAM) may increase export costs. 2. Extreme climate events may disrupt operations and raise costs.	1. Growing demand for low-carbon steel from emerging industries. 2. Transitioning to green power helps reduce carbon intensity per ton of steel.
Green and low-carbon transition	Positive: Green technologies, including hydrogen metallurgy, reduce carbon footprints and drive industry-wide emissions reductions. Negative: Technological lag may result in higher pollution levels and elevated emissions.	1. R&D for green technologies requires substantial investment and long development cycles, posing risks related to technological immaturity. 2. Lack of unified technical standards may impede deployment and industrialization.	1. Eligibility for national science and technology grants, green credit, and other financial supports is available. 2. Leading technologies may enable technology export capabilities and generate new growth opportunities.
Environmental compliance management	Positive: Improving management efficiency helps prevent environmental incidents. Negative: Poor implementation may trigger sudden environmental accidents and pollution.	1. Management lapses may lead to regulatory penalties. 2. ESG audit requirements from suppliers or customers may create contingent liabilities across the supply chain.	1. Driving upgrades in environmental technology to lower costs and improve efficiency. 2. Enhanced reputation of the Company with the government and regulatory bodies creates additional opportunities for collaboration.
Pollution prevention and control	Positive: Technological innovation may reduce pollutant discharges. Negative: Uncontrolled pollutant discharges may adversely affect local residents' health and the surrounding environment.	1. Non-compliant emissions may lead to production shutdowns, disrupting normal operations. 2. Sudden pollution accidents may trigger fines and litigation.	1. Those who upgrade pollution control technologies may qualify for policy subsidies. 2. Environmentally certified steel products may help increase market share.
Resource recycling	Positive: Recycling steel slag and scrap reduces raw material costs. Negative: Failure to implement a circular economy effectively exacerbates resource waste and environmental burden.	1. High upfront investment in circular technologies may strain short-term cash flow. 2. Poor quality control of recycled feedstocks, such as scrap steel, may increase product defects and compliance risks.	1. Integrated resource utilization reduces production and procurement costs. 2. Co-developing integrated recycling networks with downstream partners may secure low-cost scrap steel sources.
Ecosystem protection	Positive: On-site greening and ecological restoration projects improve local ecosystems. Negative: Poorly managed production and operations may harm surrounding ecosystems and accelerate climate change.	1. Failure to meet regulatory requirements may result in administrative penalties. 2. Ecological damage incidents may trigger downgrades in ESG ratings and increase financing costs.	1. Strict ecosystem protection enhances corporate reputation and attracts customers and investors. 2. Compliance with "no net deforestation" supply chain requirements facilitates access to premium markets.
Management of water resources	Positive: Effective water management reduces water consumption and mitigates impacts on aquatic environments. Negative: Poor management may result in water wastage or contamination.	1. Excessive resource consumption may raise operating costs. 2. Non-compliance with water abstraction regulations may lead to sanctions.	1. Improving water use efficiency, lowering operating costs. 2. R&D in water-saving technologies enhances resilience to water scarcity.
Environmental awareness	Positive: Raising employee awareness may reduce non-compliant operations and lower the likelihood of accidents. Negative: Insufficient awareness undermines effective implementation of environmental measures.	1. If employee behaviors do not change substantively, measures may become superficial. 2. Failure to implement new regulations may weaken enforcement and expose the Company to penalties.	1. Energy-saving initiatives and green office practices help reduce operating costs. 2. Building a green brand image attracts customers and meets green supply chain requirements.
Biodiversity conservation	Positive: Biodiversity conservation initiatives help enhance local biodiversity around operations and deliver environmental benefits. Negative: Unplanned operations or expansion may negatively affect surrounding biodiversity.	1. Projects that destroy native vegetation may face penalties or suspension. 2. Poorly executed ecological restoration may disrupt ecosystem balance and affect overseas orders.	1. Eligible projects may access green bonds or loans with preferential interest rates. 2. Meeting "no net deforestation" supply chain requirements for sectors such as automotive and electronics facilitates entry into premium markets.
Employee development	Positive: Strengthening training and development systems enhances employee capabilities and competitiveness. Negative: Intelligent transformation may devalue skills associated with some traditional roles, causing temporary disruptions.	1. Industry transition raises recruitment and training costs and may lead to talent shortages. 2. Inadequate occupational health and safety management may cause accidents, operational interruptions, and liability claims.	1. Partnerships with industry-university-research institutions help build a talent pipeline for the transition. 2. Intelligent automation combined with enhanced training may reduce the risk of major safety incidents.
Product quality and services	Positive: High-quality products help downstream partners reduce costs and improve efficiency, supporting supply chain security in key national sectors. Negative: Quality accidents or delayed responses may lead to resource waste and reputational damage.	1. Raw material defects or inadequate production control may trigger product recalls and claims. 2. Insufficient response to market demand may result in loss of market share.	1. Delivering safe, reliable products with transparent environmental profiles enhances brand reputation and customer trust. 2. Leveraging digital tools to build an agile service system increases customer retention and loyalty.
Technology-driven innovation	Positive: Driving breakthroughs in key technologies such as hydrogen metallurgy increases added value across the industrial chain. Negative: Insufficient intellectual property protection may jeopardize the Company's and stakeholders' interests.	1. Returns on low-carbon technology innovation are influenced by policy factors such as carbon pricing, creating return uncertainty. 2. Changes in external demand may result in low sales of innovative products.	1. The Company can pursue national tax incentives, subsidies, and other policy supports to secure project funding and resources. 2. Aligning R&D with national strategies enables flexible response to market trends and improves market performance.
Origin of proprietary technologies	Positive: Breakthroughs in critical materials secure supply chains and technological autonomy for major national projects, guiding industry upgrading. Negative: Prolonged absence of breakthroughs will increase downstream dependence on imports and threaten industrial security.	1. Cutting-edge R&D is challenging and can exacerbate short-term profit pressure during periods of low steel prices. 2. R&D failures or misaligned research directions may reduce state support and cause missed development opportunities.	1. Undertaking major national science and technology projects can secure preferential policies and resource allocation. 2. Achieving breakthroughs in critical materials can fill domestic gaps, capture high-end market share, and secure the discourse power.
High-end industrial upgrading	Positive: Facilitating sustainable profitability for the Company, setting an industry benchmark, and driving industry-wide technological upgrades and competitiveness. Negative: Intensified competition for high-quality research resources, talent, and policy support may crowd out small and medium-sized enterprises (SMEs).	1. Capacity control policies combined with low steel prices intensify short-term profit pressures during high-end transitions. 2. Uncertainty in market demand for high-end products may affect investment returns.	1. Downstream industry upgrades and supportive national policies open new growth avenues for the Company. 2. Elevating national standards for high-end products help build industry barriers and secure market positioning and influence.
Intelligent transformation	Positive: Upgrading production lines to replace high-risk positions improves production efficiency and product quality and promotes supply chain collaboration. Negative: Digital transformation requires substantial investment and may be slow to offset, exacerbating financial pressure.	1. Weak market demand reduces demand for high-value-added products; stringent environmental requirements force rapid technological iteration, and laggards may face production restrictions. 2. Networked systems are exposed to cybersecurity threats that could cause data breaches or attacks on production systems.	1. Securing national policy support for equipment renewal and intelligent upgrades to lower transformation costs. 2. Intelligent monitoring systems reduce accident rates and losses; efficient production meets market demand for premium steel, enabling price premiums and revenue growth.
Supply chains	Positive: Responsible procurement drives improvement in ESG capabilities across the supply chain. Negative: Inadequate supplier access and ongoing oversight may lead to critical material supply disruptions, causing production stoppages and cascading effects for customers.	1. Inverted raw material pricing continues to compress margin space. 2. Supply chain ESG risks (e.g., environmental non-compliance) may destabilize supply and fail to meet regulatory and customer requirements.	1. Building a sustainable supply chain enhances supply stability and fosters collaboration. 2. Leveraging national measures to lower logistics costs, the Company can achieve cost reduction and efficiency gains through resource integration and coordination.

Topic	Impact (I)	Risk (R)	Opportunity (O)
Rural revitalization	Positive: Supporting education, infrastructure, and related initiatives improves livelihoods and advances inclusive prosperity. Negative: Insufficient risk assessment or excessive commercialization of projects may lead to cultural dilution and ecological damage.	1. Insufficient demand surveys undermine project effectiveness and lead to resource waste. 2. Assistance to remote areas and frequent staff rotation may compromise project continuity and sustainability.	1. Aligning with national policies may secure tax incentives, subsidies, and other support, reducing operating costs. 2. Having projects selected as national cases or covered by authoritative media can enhance the Company's brand reputation.
Public welfare and charity projects	Positive: Improving the livelihoods of vulnerable groups directly through assistance programs and volunteer services. Negative: Projects that lack continuity may attract public criticism and damage the Company's reputation.	1. Cross-regional volunteer coordination risks a weak organization and low operational efficiency. 2. Fluctuations in corporate profitability may undermine sustained funding, creating reputational risk; emergency interventions may disrupt regular operations.	1. Strategic public welfare initiatives (e.g., supply chain assistance) build goodwill with the government and communities, creating a favorable environment for policy support. 2. Public recognition helps shape a responsible corporate image and enhances brand value and reputation.
Protection for the beautiful city	Positive: Treating municipal waste, increasing reclaimed water reuse, and recovering gas resources contribute to public welfare and urban development. Negative: Improper treatment or utilization may cause pollution and resource waste, threatening public livelihoods.	1. Technologies such as reclaimed water reuse and waste heat recovery entail substantial capital costs. 2. Reliance on blast furnace operation for district heating risks service interruptions during production cuts or equipment failures, potentially triggering public complaints.	1. Advancing urban environmental projects may qualify the Company for low-interest loans and elevate its priority for government collaboration. 2. Delivering public services such as district heating and reclaimed water enhances the Company's role as a responsible urban corporate citizen and enhances brand image.
Transparent communication	Positive: Regular reporting and investor briefings safeguard shareholders' right to information; transparent environmental disclosure reduces social and operational risk. Negative: Untimely communication may provoke public suspicion; selective disclosure undermines trust.	1. Failure to meet mandatory disclosure requirements may trigger regulatory inquiries. 2. A lack of transparent communication may exacerbate crises and harm brand value and ESG ratings.	1. High transparency attracts long-term investors, improves valuation, and may secure more favorable interest rates for green credit. 2. Institutionalized communication mechanisms help maintain information advantage during crises and enable effective public opinion management.
Win-win cooperation	Positive: Long-term collaboration with upstream and downstream partners strengthens supply chain resilience; industrial coordination drives regional economic development. Negative: Inadequate protection of interests in partnerships may affect their longevity; insufficient IP protection in industry-university-research collaborations may weaken competitiveness.	1. Weak ties with key partners expose the Company to supply disruptions during market volatility. 2. Major collaborative projects may incur upfront losses due to misaligned objectives or poor management.	1. Co-building platforms with universities and research institutes to integrate external intellectual resources and overcome technical challenges. 2. Forming strategic partnerships with logistics providers and suppliers to optimize transportation and reduce losses, thereby achieving cost reduction and efficiency gains.
Customer privacy protection	Positive: Strengthening protection awareness and management capabilities to safeguard trade secrets and preserve a fair market environment. Negative: Weak protection may harm customer rights, trigger market panic, and result in confidential data leaks.	With tightening data privacy regulations, protection gaps may cause data breaches, customer attrition, and administrative penalties.	Leveraging digital technologies to build more secure protection systems can strengthen downstream trust and facilitate new business opportunities.
Supporting major national strategies	Positive: Responding to national strategies such as "dual-carbon" targets and manufacturing power, thereby supporting policy implementation and regional high-quality development. Negative: Strategic execution misaligned with national priorities may negatively affect regional development.	1. Misinterpretation of policies or delayed implementation may cause project approval delays and misallocation of resources. 2. Failure to respond promptly to shifts in national strategy may force industry exit or accelerated transformation.	1. Participation in major national projects (e.g., new-energy infrastructure) secures stable orders. 2. The Company seeks policy support through national science and technology grants, tax incentives, and green finance policies.
Building a modern industrial system	Positive: Advancing high-end, intelligent, and green upgrades across the industrial chain to enhance total factor productivity. Negative: A slow pace of transformation may undermine the quality and efficiency of industry and regional development.	1. Rapid technological iteration means that insufficient R&D investment may be outpaced by competitors. 2. Inadequate industrial chain coordination may constrain improvements in overall efficiency.	1. Enhancing production efficiency through intelligent manufacturing, industrial Internet, and related technologies. 2. Participating in the formulation of industry standards to strengthen the Company's influence across the value chain.

Topic	Impact (I)	Risk (R)	Opportunity (O)
Modern corporate governance	Positive: Establishing effective checks and balances in governance to ensure scientific decision-making, protect minority shareholders' rights, and set an industry benchmark. Negative: Ambiguities between Party leadership and the authorities of the Board, shareholders' meeting, and executive management may reduce decision-making efficiency; ineffective internal supervision can harm long-term interests.	1. Imperfect governance structures may lead to major investment decision errors and asset losses. 2. Governance shortcomings can undermine investor and customer trust and depress ESG governance scores.	1. Excellent governance supports systemic improvements in competitiveness and resilience. 2. Robust governance attracts domestic and international investors and helps reduce financing costs.
Deepening state-owned enterprise reform	Positive: Improving modern corporate systems enables more scientific decision-making; market-oriented reforms stimulate vitality and provide a model for industry transformation. Negative: Incomplete supporting measures for reform can trigger internal instability; resource reallocation may cause short-term underinvestment in certain businesses.	1. Failure to accurately interpret or implement reform policies may affect assessment ratings by the State-owned Assets Supervision and Administration Commission (SASAC). 2. In market-oriented employment and compensation reforms, inadequate incentive mechanisms may result in the loss of key talent.	1. Reforming the innovation system to increase R&D investment can enable breakthroughs in critical technologies. 2. Establishing market-oriented business mechanisms to streamline processes improves metrics such as labor productivity and capital turnover.
Cost reduction and efficiency improvement	Positive: Process and supply chain optimization reduces cost per ton of steel, strengthens industrial competitiveness, and provides a more stable supply environment for downstream partners. Negative: Upfront investments required for automation and intelligent upgrades are substantial and may depress nearterm profits; stringent cost controls may be passed upstream to suppliers.	1. Excessive cuts to essential expenditures (e.g., equipment maintenance) increase the risks of failures and unplanned downtime. 2. The use of lower-cost substitute materials or oversimplifying processes may compromise product reliability.	1. Sustained cost reduction via process optimization and refined management directly improves gross margins and cyclicality resilience. 2. Driving technology innovation focused on cost reduction to develop proprietary core technologies and intellectual property.
Brand management	Positive: Developing high-end product brands to meet downstream premium demand drives industrial chain upgrading; brand building enhances employee pride and corporate reputation. Negative: Pursuing high-end brands intensifies competition for scarce resources and policy support, putting pressure on peer companies.	1. Sustained investments in environmental upgrades to maintain a green brand image intensify short-term capital expenditure and profit pressure. 2. In an oversupplied market, brand investments may not immediately translate into sales or profits, exacerbating short-term cash flow strain.	1. The state's recognition of the Company's brand building capabilities enhances credibility and can indirectly secure greater policy support and high-quality contracts. 2. Developing brand advantages in sectors such as shipbuilding & marine engineering steels and automotive plates and optimizing the product mix can enable higher price premiums.
ESG governance	Positive: Standardized management strengthens systemic governance and safeguards the preservation and appreciation of state assets, offering a reference for industry transformation. Negative: Inadequate governance can result in insufficient control over sustainability risks, affecting investor decisions and corporate reputation.	1. ESG risks involving related parties may prompt market scrutiny of the Company's overall governance effectiveness. 2. Weak governance may result in stagnant or declining ESG ratings, undermining the appeal of long-term capital.	1. Integrating ESG factors into decision-making enables systematic risk identification and management, strengthening long-term resilience. 2. Robust ESG governance is an intrinsic requirement for building a world-class enterprise and enhances stakeholder trust.
Risk management	Positive: Systematically managing risks such as raw material supply and price volatility ensures stable product supply and safeguards national economic security; strengthening governance frameworks protects the rights and interests of minority shareholders. Negative: Safety or environmental incidents resulting from management failures not only disrupt operations but also jeopardize the safety around the facility, local ecosystems, and the industry's reputation.	1. Production safety issues, raw material price swings, and tightening environmental regulations directly impact profitability and compliance. 2. Trade barriers and similar factors may disrupt critical material supplies or sharply raise costs; choosing the wrong technology path during green transition can weaken competitiveness.	1. Proactive energy risk management and energy-saving technical upgrades directly help reduce energy consumption and costs. 2. Incorporating ESG risks into investment and strategic planning effectively identifies opportunities under "dual-carbon" targets and directs resources toward green, low-carbon domains.

Topic	Impact (I)	Risk (R)	Opportunity (O)
Compliance and Business ethics	Positive: Rigorous compliance management prevents illicit benefit transfers and monopolistic conduct, upholding market fairness; comprehensive compliance systems minimize the risk of state-assets erosion from indiscriminate investments. Negative: Corruption cases such as self-dealing within the steel industry severely harm investor interests; environmental and safety violations have immediate, adverse impacts on local communities.	1. Illegal or non-compliant incidents may severely undermine corporate reputation and brand image, impair product competitiveness, and negatively affect ESG ratings. 2. Ethical lapses by personnel in key positions may lead to poor decision-making and reduced operational efficiency.	1. Strengthening compliance procedures reduces discretionary operational behavior, minimizes internal friction, and lowers operational risk. 2. Embedding business ethics into supply chain management fosters stable, trust-based supplier relationships and creates sustainable competitive advantage.
Protection of shareholders' rights and interest	Positive: Stable dividends and prudent operations enhance shareholder returns; sound governance and standardized disclosures protect shareholders' rights to information and participation. Negative: Failure to effectively prevent stakeholder or intra-industry competition may harm the rights and interests of the listed company and minority shareholders; voting mechanisms that fail to respect minority shareholders' views may undermine their right to participate.	1. Failure to meet regulatory requirements on disclosure, corporate governance, and related areas may prompt regulatory inquiries or sanctions. 2. Inadequate protection of shareholder rights may erode market confidence and result in valuation discounts.	1. A robust shareholder return framework and strong governance help attract long-term, value-oriented investors. 2. A stable shareholder base supports strategic resilience through industry cycles and mitigates abnormal sharp-price volatility.

Goals and Indicators

Dimensions	Goals/indicators	Targets	Progresses in 2025	Status of goal attainment
Governance	Accuracy rate of information disclosure (%)	100%	100%	→
	Legal protection rate of major projects (%)	100%	100%	→
Environmental	Sulfur dioxide emissions (ton)	⩽ 7,125	4,360.6	→
	Emissions of COD (ton)	⩽ 70	51.39	→
	Nitrogen oxide emissions (ton)	⩽ 17,730	13,971.26	→
	Emissions of particulate matters (ton)	⩽ 4,516	3,657.18	→
	Comprehensive energy consumption per 10,000 yuan of output value (ton standard coal per 10,000 yuan)	⩽ 1.98	1.89	→
Social	Coverage of safety training for employees and stakeholders (%)	100%	100%	→
	Injury rate per 1,000 employees (‰)	⩽ 0.25‰	0.085‰	→
	Proportion of R&D investment in main business revenue (%)	⩾ 3.85%	3.99%	→
	Investment in paired assistance ('0,000 yuan)	⩾ 1,650	1,650	→

→ Advancing in an orderly way → Progressing slowly → Deviating from the target

Communication with stakeholders

Upholding the tenets of integrity, interaction, and parity, the Company continued to refine the participation mechanisms and communication channels for its stakeholders and listened to and apprehended the requisitions and anticipations of diverse stakeholders. Periodically, it documented and appraised the communication dynamics with stakeholders. These actions enabled the Company to demarcate its ESG strategies and core topics more incisively. As a result, the Company ensured that stakeholders took part in the ESG journey of the Company, thereby jointly propelling its sustainable development.

Stakeholder	Content of concerns	Ways of communication
Government/regulatory body	Compliance with laws and regulations Promoting economic growth	Government meetings Site visits and receptions Information disclosure platforms
Shareholders/investors	Financial performance Information transparency Value maintenance of assets	Shareholder meetings Performance presentations Announcements
Customers	Product quality Smooth communication channels low-carbon products	Customer satisfaction surveys Customer hotlines
Employees	Protection of rights and interests Health and safety Career development Employee benefits	Staff and Workers' Representative Congress Internal training Internal communication platforms
Business partners/suppliers/peers	Business ethics industry collaboration Work safety	Field investigations Video reviews
Surrounding communities/environment	Community development Environmental protection	Community exchange Open events of the enterprise Disclosure of the environmental information
Media	Information transparency Fulfillment of social responsibility	Official website of the Company ESG reports Press release

Important Topics

To systematically advance its sustainability strategy and actively respond to stakeholder expectations, the Company established a standardized mechanism for identifying and managing important ESG topics. Drawing on industry trends, operational realities, and regulatory requirements, the Company conducted multidimensional research and analysis to identify core topics that have a significant impact and financial importance for the organization. These topics were integrated into governance and strategic decision-making to continuously enhance the Company's overall value creation capacity and social responsibility fulfillment.

Topic identification process

The Company determined an ESG topic list with characteristics of the iron and steel industry and its business by combining industry development trends, its business characteristics, and relevant capital market requirements. It conducted an importance analysis from the dimensions of impact importance and financial importance, and topics deemed important after review by the Board of Directors were identified as material topics and disclosed accordingly.

Double materiality analysis

To practically respond to stakeholders' strong expectations for the Company's sustainable development and to comply with regulatory requirements such as the Shenzhen Stock Exchange's *Sustainability Report Guidelines*, the Company conducted a systematic double materiality assessment of ESG topics. In the assessment process, the Company considered not only the potential implications of topics for its own financial health (financial importance), but also paid close attention to the broader effects that the Company's operations may have on the economy, society, and the natural environment (importance of impact). This assessment continued the disclosure framework used in the Company's prior reports and aimed to clearly present the Company's ongoing strategic reflections and priority actions on the path to sustainable development.

❖ Impact materiality

As a key pillar of the national economy, the Company's business activities are closely linked to social welfare and ecological health. The Company systematically evaluated the potential positive and negative impacts that each topic may have on the external environment and society, as well as the likelihood of those impacts occurring. The assessment of impact magnitude was conducted across three primary dimensions.

Scale of impact	Scope of impact	Irreversibility
Assess the extent to which the Company's actions can advance or address sustainability challenges, for example, whether they can drive transformational improvements in regional development or effectively prevent and mitigate significant environmental harm.	Analyze the breadth of the impact, such as effects on local communities, across the industry value chain, at the national level, and potential international ramifications.	Carefully judge whether potential impacts are reversible and the difficulty and timeframe for remediation, for example, potential impacts on ecosystems or cultural heritage.

These dimensions were considered together with the likelihood of impact occurrence to form a comprehensive judgement. The assessment identified 25 core topics of the importance of impact. These topics guide how we better fulfill our responsibilities as a central state-owned enterprise and collaborate with stakeholders to shape a sustainable future.

❖ Financial materiality

As a listed company, the Company attached great importance to the financial implications of sustainability topics for its long-term development. We systematically evaluated the substantive effects that each issue could have on the Company's future financial performance, operational resilience, and market valuation, assessing both the magnitude of impact and the likelihood of occurrence.

Magnitude of impact	Likelihood of occurrence
Analyze whether a topic could materially affect the Company's key financial dimensions, including revenue, costs, assets, cash flows, and access to capital.	Rationally estimate the probability that identified financial impacts will materialize, based on policy trends, technological developments, market dynamics, and historical experience.

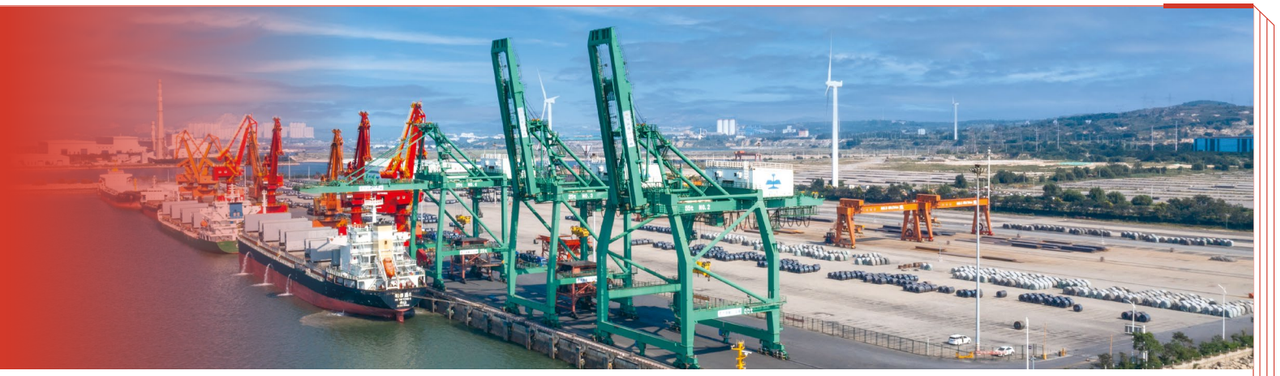
The assessment identified 20 topics with financial importance. Proactively managing these topics is essential not only for risk mitigation but also for capturing development opportunities, building new quality productive forces, and achieving sustainable, high-quality growth.

Double materiality conclusions

Viewed through the lens of double materiality, the Company clarified the core sustainability issues that warrant priority attention and management at the current stage. This list of topics embodies both the Company's original aspiration and commitment as a central state-owned enterprise to serve national strategies and contribute to social development and its rational determination as a market participant to pursue excellence and safeguard the long-term interests of shareholders and investors.

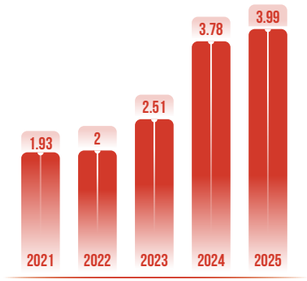
Striving Through the 14th Five-Year Plan Period to Forge Excellence

During the 14th Five-Year Plan period, Angang Steel, guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, has remained true to its original aspiration of serving the nation with steel. It strengthened development foundations through modern governance, forged national key equipment through technological innovation, led industry transformation through green transition, and fulfilled its responsibilities as a central state-owned enterprise through contributions to public welfare. All these efforts have demonstrated steady progress and outstanding contributions of the Company on its new journey, diligently composing a high-quality development response for the era.



Effective governance for steady and sustainable progress

Acting as the steel backbone in the national development and meeting strategic needs through innovation breakthroughs, the Company has consolidated its foundation via modern governance and deepened state-owned enterprise reform over the past five years, yielding pioneering models such as "authorization + shared interests." It has courageously shouldered the mission of supplying materials for national key equipment, contributing to major national projects including the deep-ocean drilling vessel "Dream" and the Shenzhen–Zhongshan Link. By strengthening the dual engines of technological innovation and intelligent manufacturing, the Company has earned multiple national-level awards, delivered notable digital transformation outcomes, and continuously enhanced its core competitiveness on the path toward becoming a world-class enterprise.



Proportion of R&D investment in main business revenue (%)

Deepening SOE reform

- Chaoyang Iron & Steel's "authorization + shared benefits" model has been adopted by the SASAC as a leading practice.
- Angang Chemical Technology Co., Ltd. was recognized as an outstanding enterprise under SASAC's "double-hundred action."
- Bayuquan Steel Branch pioneered an innovative "two integrations, one system" collaborative management model.

Supporting the backbone of the national key equipment

- "Dream," China's first domestically designed and built ultra-deep-ocean drilling vessel, was completed. Angang Steel designed, developed, and supplied over **3,000** tons of steel plates for the vessel.
- The Company directly supplied more than **6,000** tons of weathering steel for venues at the National Alpine Skiing Centre, pioneering large-scale domestic use of weathering steel in building construction.
- Ultra-thick steel plates for nuclear containment vessels were launched globally for the first time and were first applied in the "Guohe-1" demonstration project.
- The Company supported the manufacture and construction of China's first Hualong One (HPR1000) nuclear power unit in the western region under the "Products from Ansteel" program.
- The Shenzhen–Zhongshan Link, one of the world's most complex offshore clustered engineering projects, was completed and opened. Angang Steel became the largest steel plate supplier for immersed tube tunnel projects.

Technology innovation driving development

Leading breakthroughs on five critical core technologies

One achievement received the sole Special Prize in that year's Metallurgical Science and Technology Award.

One achievement won the World Steel Association's "Steelie" Award for Excellence in Low-Carbon Steel Production.

Two projects received Second Prizes in the National Science and Technology Progress Award.

One project won First Prize in the Central Enterprise Yixing Innovation and Creativity Competition.

Accelerating the rollout of worldclass frontier technologies and high-end products

- The Company unveiled the world's first VL44MOD cryogenic steel for LPG carriers, the highest toughness grade yet developed in the CMn shipbuilding steel family.
- The Company launched the world's first largestrain pipeline steel plates, enabling a breakthrough in critical materials for highcapacity, longdistance pipelines across complex terrain conditions.
- The Company introduced the world's first 590 MPa grade hotdip galvanized, lowdensity automotive steel, injecting new impetus for vehicle lightweighting.

Building more advanced R&D platforms

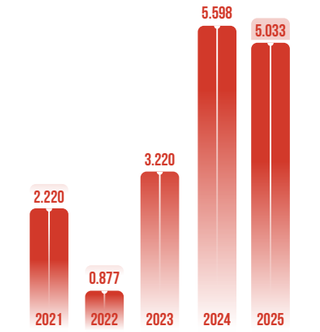
- The State Key Laboratory of Metal Material for Marine Equipment and Application has taken a new step forward in its development.
- The Company completed a pilot production base for premium steel material production and applications, along with a hydrogen metallurgy pilot line at Bayuquan.
- The Company deployed a big data platform for metallurgical materials R&D, which won the Most Investable Award at the Intelligent Manufacturing Innovation Competition hosted by China Iron & Steel Association (CISA).
- The Company established an Ansteel pilot platform for transportation and energy steel materials.

Intelligent manufacturing as the engine of transformation

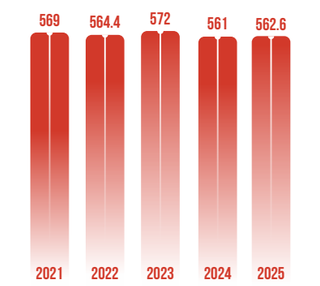
- The Company launched the "Anyun Zhiding" AI largemodel application platform.
- The Company fully commissioned an integrated smart operations management and control system.
- Angang Steel has been successively recognized by the Ministry of Industry and Information Technology as a Pilot Demonstration Enterprise of Intelligent Manufacturing, selected into the "Digital Pilot" enterprise list, and awarded the Data Intelligence Galaxy Case Award.
- Angang Steel has passed the Level 4 certification of the Data Management Capability Maturity Model (DCMM) of the People's Republic of China.
- The color-coated "dark factory" in the Cold Rolling Mill was listed among the List of "Intelligent Factories" announced by the Department of Industry and Information Technology of Liaoning Province.

Going green: turning decarbonization into value

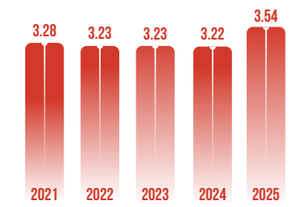
"The greater the development burden, the more imperative it is to prioritize environmental protection and drive a comprehensive green transformation of economic and social development." Over the past five years, the Company has thoroughly implemented Xi Jinping Thought on Ecological Civilization and advanced resolutely along a path of ecological priority and green, low-carbon development. Moving from localized interventions to systemwide initiatives and from reactive responses to proactive planning, the Company has driven the deployment of green technologies such as hydrogen metallurgy and strengthened green energy infrastructure. It has systematically implemented ultralow emission upgrades—investing more than 10 billion yuan in total—significantly cutting emissions of sulfur dioxide, nitrogen oxides, and other air pollutants. The Company has cut general and hazardous solid waste generation and advanced "zerowaste" enterprise initiatives, making sustainability a clear hallmark of its high-quality development.



Environmental protection investment (billion yuan)



Comprehensive energy consumption per ton of steel (kg standard coal/ton steel)



Water consumption per ton of steel (ton per ton steel)

Strengthening green development capabilities

- The green-power, green-hydrogen pilot line for fluidized bed hydrogen metallurgy achieved full-process integration.
- Chaoyang Iron & Steel's 100 MW ultrahightemperature subcritical coal gas power generation project achieved stable operation, increasing generation by **165** million kWh yearonyear; Phase II of the distributed photovoltaic power generation was successfully commissioned.
- Bayuquan Steel Branch and the Headquarters completed the construction of the **135** MW ultrasupercritical coal gas power generation project.
- The Steelmaking Complex launched an inhouse intelligent control model for the LF (ladle furnace) without requiring new equipment.
- The Company completed and commissioned ultralow emission retrofit projects for three heating furnaces on the 2150 line and two heating furnaces on the 1700 line in the Hotrolled Strip Mill.
- The Company produced three batches of green steel and obtained **30%** carbon reduction certification for five key automotive steel products.

Fighting the battle against pollution

The Company invested a cumulative 10.7 billion yuan in a dedicated fund to complete ultra-low emission retrofits across the entire process of raw material yards, sintering, pelletizing, coking, ironmaking, steelmaking, rolling, captive power plants, as well as bulk material and product transportation.

The Headquarters achieved zero non-flood-season industrial wastewater discharge by treating effluent through the Xidagou and Beidagou sewage systems.

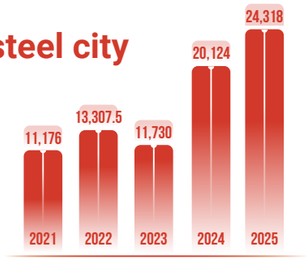
The Company built a complaint landfill and solid waste storage facilities and established inhouse kiln recovery and disposal processes for eight categories of hazardous waste (including waste oil drums), advancing toward a "zero-waste" enterprise.

Bayuquan Steel Branch became the first A-grade environmental-performance enterprise and a benchmark "dual-carbon" energy-efficiency best-practice model in Northeast China and within Ansteel.

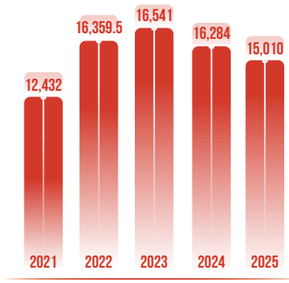
Environmental governance and protection measures contributed to Anshan's air quality meeting the national Grade II standard for four consecutive years and continuous improvement in water quality for seven consecutive years.

Together in one vision—A thriving, happy steel city

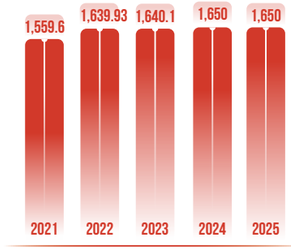
Putting people's well-being at the center of development, the Company has focused on translating growth into tangible improvements in quality of life. Over the past five years, upheld the people-centered philosophy, the company has invested hundreds of millions of yuan in facility repairs and hardship assistance, continuously improving the production and living conditions for employees. It has actively fulfilled its corporate responsibilities by supporting rural revitalization and extending heating services to thousands of households. Through extensive volunteer services and public welfare programs, the Company has helped build a shared, harmonious, and prosperous community across the steel city.



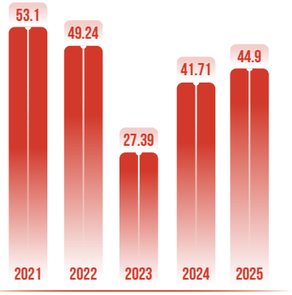
Cumulative volunteer service hours



Employee health & safety investment (0'000 yuan)



Funds allocated for assistance (0'000 yuan)



Local procurement ratio (%)

Employee care

The Company invested a total of **125** million yuan to renovate operating rooms, lounges and canteens.

The Company conducted **68,400** employee visits and disbursements

Distributing **31.3376** million yuan in relief payments

14.0102 million yuan in medical assistance

Corporate relief insurance paid **37.36** million yuan in claims to **467** employees

1 employee was named a National Model Worker

2 employees were awarded the national May 1st Labor Medal

2 employees were recognized as Central SOE Model Workers

3 teams were awarded the title of National Workers' Vanguard

Public welfare projects

Assigned to assist Taxkorgan Tajik Autonomous County, the supporting cadres have long been rooted in the frontline of rural revitalization to fulfill their duties conscientiously, and have been awarded the title of Outstanding Supporting Cadre by the Party Committee of Taxkorgan Tajik Autonomous County for consecutive years.

The initiative "With Care, Affection and Effort: Supporting the Pamir Plateau Yak Industry on Its Path to Branddriven Prosperity" was recognized as a model case in the *CMG Rural Revitalization Observational Report* at the inaugural Rural Revitalization forum hosted by China Media Group (CMG).

Create a special tourism route themed "Iron Spirit Ties to the Snowy Land, A Journey of Tajik Customs", which was successfully selected as a demonstration project of central enterprise cultural tourism assistance under the "Beautiful Countryside Journeys" initiative by the State-owned Assets Supervision and Administration Commission of the State Council in May 2025.

The "Guo Mingyi Love Team" unit at the Ansteel Coking Complex of Angang Steel received the Best Volunteer Service Organization Award by the Publicity Department and the Civilization Office of the CPC Central Committee.

Protection for the beautiful Anshan city

The Company undertook the task of supplying heat for **12** million square meters across Anshan city.

The Company signed Northeast China's first General Logistics Contracting Agreement with the Shenyang Railway Bureau, pioneering a "general contracting + mutual empowerment" cooperation model and achieving win-win development of "steel enterprises reducing costs and increasing the scale of railways".

Topic 1

Leading with High-End Development to Forge Outstanding Pillars

High-end development is one of the key directions for the steel industry's development and an enduring pursuit for improving quality and efficiency. Angang Steel adheres to leading with technological innovation as its driving force. Through independent innovation, it achieved breakthroughs in critical materials; by optimizing supply, it maintained leadership in strategic products; and by deploying across the full value chain, it fortified industrial security. The Company acted as a brave vanguard in building a modern industrial system, providing the "steel backbone" that supports a strong manufacturing power.

Building a high-end product matrix

Focused on national priorities, the Company embraced responsibility for advancing technological self-reliance. By integrating with the national innovation system and strengthening nation-level R&D platforms, it positioned itself as an indispensable technology partner for key national initiatives. From the record-spanning Hong Kong–Zhuhai–Macao Bridge and the Shenzhen–Zhongshan Link to national energy corridors such as the West-to-East Gas Transmission Project and the Sichuan-to-East Gas Transmission Project, from containment domes for Hualong One nuclear units to rails that carry the Fuxing EMUs, the Company's products delivered the safety and reliability required by projects of vital and lasting importance, truly the "steel backbone" of national key equipment.

Pipeline steel

As a core material for the nation's energy arteries, pipeline steel is widely used in major domestic and international pipeline projects such as the West-to-East Gas Transmission Project and the Sichuan-to-East Gas Transmission Project, and the China–Russia East-Route Natural Gas Pipeline. It provides a solid material guarantee for national energy security and the Belt and Road Initiative.

Bridge steel

As a key material for national and global landmark transportation hubs, bridge steel has been successfully applied in domestic super-projects such as the Hong Kong–Zhuhai–Macao Bridge and the Shenzhen–Zhongshan Link, as well as international projects like the Verrazzano-Narrows Bridge. It has become an important calling card for "Made in China" on the world stage.

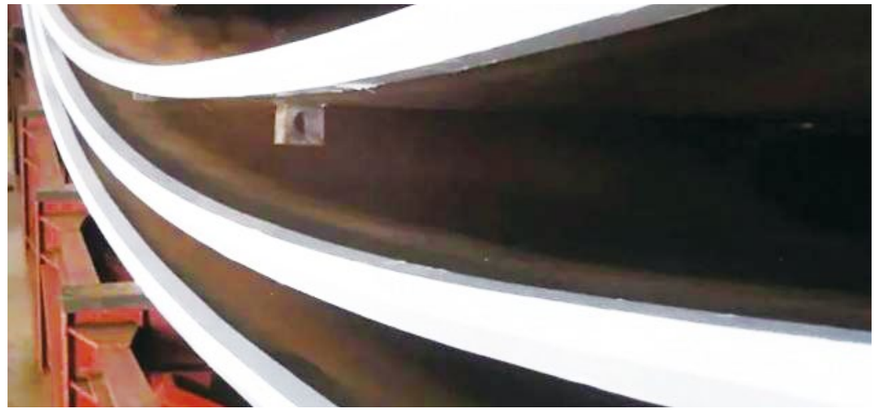
Offshore engineering steel

Continuously supporting the advancement of China's marine equipment into the deep blue, the Company has supplied all large-thickness, ultra-high-strength steels for ultra-deep ocean drilling platforms such as "Blue Whale 1," and is the sole supplier of the top-grade FH36 offshore engineering steel for deep-sea equipment such as "Anemone-1."

"Anemone-1"

Nuclear power and specialty steels

As a core supplier and technical leader in China's nucleargrade steel industry, the Company got deeply involved in major national nuclear projects such as "Hualong One" and "Guohe-1," and provided critical material support for world-class clean energy projects like the Baihetan Hydropower Station.



The Company's 130 mm extrathick steel plates for nuclear containment shells were first applied in the "Guohe-1" demonstration project

Transport and construction steels

In the transport sector, the Company's medium-thick plate products cover the full range of EMUs and urban rail vehicles operating at speeds from 120 km/h to 400 km/h, and it is the sole qualified supplier of the bogie steel for "Fuxing" highspeed trains. In the construction sector, the Company's steel has supported ten major early buildings of New China and have continued to serve landmark modern venues such as the National Stadium ("Bird's Nest"), the National Aquatics Center ("Water Cube"), and the National Alpine Skiing Centre for the Beijing Winter Olympics, continually contributing to the country's major infrastructure projects.

A Fuxing Locomotive Manufactured Using 100 mm Extra-thick, 460 MPa-grade-High-strength, High-toughness Steel for Locomotives

Driving breakthroughs in high-end R&D

With high-level scientific and technological self-reliance as a strategic core, the Company built an innovation system that powers high-end R&D breakthroughs. By cultivating an open, collaborative innovation ecosystem, strengthening multitier R&D platforms and attracting and cultivating top talent, it established a robust foundation for independent innovation. The Company continuously addressed bottlenecks in critical materials and technologies to support industry upgrading and to improve competitive standing.

Responsibility honors

- ★ "Innovative and Applied Key Welding Technologies for High-Efficiency, Low-Cost, and Long-Service-Life Offshore Equipment" was awarded First Prize of the 2024 Liaoning Provincial Science and Technology Progress Awards.
- ★ The "Integrated Development and Engineering Application of Materials for a 600 MW Demonstration Fast Reactor Nuclear Power Plant" project was awarded First Prize of the Metallurgical Science and Technology Award.
- ★ Two PhD holders were awarded the title of the 15th Metallurgical Youth Science and Technology Award.
- ★ The Liu Tie Innovation Studio was selected as a national model worker & craftsman innovation studio supported for construction.

Improving innovative and collaborative mechanisms

Deepening industry–university–research collaboration: Angang Steel established long-term partnerships with universities and research institutions, including the Harbin Institute of Technology and University of Science and Technology Liaoning, to carry out research on cutting-edge technologies and accelerate the conversion of scientific and technological achievements into practical applications.

Optimizing internal innovation governance: Angang Steel implemented mechanisms such as "open bidding for selecting the best candidates" and technology-leading projects to channel resources toward critical areas. By selecting "Ansteel Scientists" and "Teams with Outstanding Contributions to Technological Innovation," the Company established benchmarks and stimulated internal innovation vitality.

Cultivate an innovative talent team

Enhancing talent attraction, development and incentive mechanisms: Refine the talent cultivation and incentive system, select and assign young technical personnel to take up posts at the frontlines of production and sales for training, and transform the enterprise's technical challenges into research topics, forming a virtuous cycle of "sales-research-production".

Building innovative R&D platforms

Undertaking nationallevel R&D assignments: Angang Steel integrated with Ansteel's top-level R&D strategy. It actively participated in and supported the development and operation of national-level platforms such as the State Key Laboratory of Metal Material for Marine Equipment and Application, conducting frontier materials research in support of major national demands.

Strengthening independent platform capabilities: Angang Steel built joint R&D platforms in cooperation with leading domestic universities in areas such as welding technologies for offshore structures and metallic materials for polar environments. It conducted forward-looking, cross-cutting research to underpin the development of higher-end products.

Promoting the transformation of innovative achievements

Leading and participating in standards development: Angang Steel led the revision of ISO 10701 *Steel and iron—Determination of sulfur content in steel* and spearheaded the issuance of national standard GB/T 24238-2025 *Hot-rolled steel wire rod for prestressed steel wire and strand*, converting technical expertise into industry influence.

Building a high-end industrial ecosystem: Angang Steel drove upgrades across the value chain by exporting technology and defining standards, thereby strengthening the independent controllability and competitiveness of supply chains in key national sectors.

Leading recognition of high-end value

True high-end development is not just about producing superior products but also about building a robust ecosystem and shaping a distinctive brand. Anchored in a range of high-end products and cutting-edge technologies, the Company embedded exceptional quality, sustainability principles, and solutionbased capabilities into the core of its brand. The Company promoted the elevation of "Products from Ansteel" from product excellence to brand value, continuously enhancing the recognition, reputation, and customer loyalty of "Products from Ansteel," and empowering the development of new-quality productive forces through a high-end brand building.

Case "ANTHICK," Ansteel medium-thick plate brand: Defining a new benchmark for high-end manufacturing

On August 8, 2025, Ansteel officially launched its medium-thick plate brand "ANTHICK" at the 23rd China International Metallurgical Industry Expo, positioning it as "the steel backbone of national key equipment." As the Group's core steel asset operating platform and the chief producer of medium-thick plate products, Angang Steel forms the solid foundation for ANTHICK's brand value. Innovative products developed and manufactured by the Company, such as longitudinally variable-thickness plates, are regarded as industry benchmarks for green and lightweight applications.

Ansteel medium-thick plate brand "ANTHICK"

Case ANocean, Ansteel's marine metallic materials brand at the forefront of innovation

On October 28, 2025, Ansteel officially launched the marine metallic materials brand ANocean at the 2025 China Ocean Economy Expo. By establishing a full-chain innovation system covering production, academia, research, inspection, and application, the Company has achieved comprehensive independent innovation in high-end marine metallic materials, filled multiple domestic and international gaps, and established global technology leadership in several areas.

Case ANautoS, Automotive Steel Solutions Brand: Empowering Industrial Upgrading through Integrated Collaboration

On November 13, 2025, Ansteel officially launched the automotive steel solutions brand "ANautoS" at its Automotive Steel Customer Conference. The brand consolidated eight brand resources across Ansteel's five major production bases to form a full-category automotive steel product matrix, with Angang Steel responsible for core R&D and production. By promoting the establishment of a "one-face, full-chain collaboration" service system, the Company provided customers with integrated solutions from material customization and technology R&D to supply chain assurance, injecting strong momentum into the high-end and intelligent transformation of China's automotive industry.

Topic 2

Building a Digital Intelligence Engine to Reshape the Operating Chain

Angang Steel accelerated the deep integration of modern technologies, such as the Internet, big data, and artificial intelligence, across its entire steel production and management chain. The Company constructed an endtoend, allscenario, fullchain digital intelligence ecosystem and embarked on a new journey of digital intelligence of steel.

Optimizing the toplevel design path

To achieve a leap from “manufacturing” to “intelligent manufacturing,” the Company prioritized digital transformation, formulated blueprint layouts, and explored digital development pathways. It advanced the implementation of “lean, standardized, automated, digitalized, and intelligent” approaches, deeply embedding digital solutions with business scenarios, and continuously promoting full-process intelligent upgrades.

Coordinating plans and deployment

Aligned with Ansteel’s overall “Digital Ansteel” strategy, the Company focused on six priorities—deployment, empowerment, collaboration, innovation, transformation, and security—and defined 42 digital transformation actions to support the construction of Digital Ansteel.

Benchmarking, diagnosis, and improvement

The Company conducted systematic and diagnostic evaluations of digital transformation against national and industry plans and benchmarked leading enterprises to identify weaknesses and bottlenecks. As an active contributor to industry standards, it was among the pilot units to complete the *Steel Industry Digital Transformation Maturity Assessment*, strengthening the foundations for change.

Advancing scenario-based applications

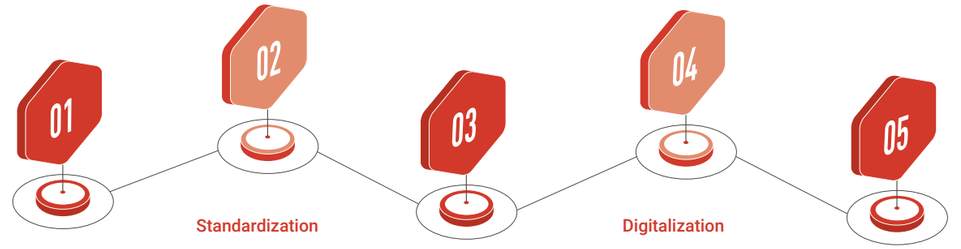
Using a scenario- and map-driven approach, the Company advanced intelligent manufacturing for critical processes and developed construction standards and norms. It defined the positioning and value of each application scenario, and developed implementation pathways and plans that could be replicated and scaled across all sites and units.

Cultivating digital talent

The Company strengthened capacity building training under the Digital Ansteel program and formulated training programs for digital practitioners. It advanced the construction of a corps of digital intelligence navigators. It delivered low-code training to 310 participants, held over 40 training and exchange sessions for the “Anyun Zhiding” AI largemodel platform, and developed 263 digital intelligence navigators and 50 digital pioneers.

The Steel Process AI Application Innovation Center and the Joint Laboratory for Intelligentization were established at Angang Steel

Seventy-six key business personnel participated in the digital application talent training program co-organized by the Company and the University of Science and Technology Liaoning



Lean management

Lean management is the foundation. Strengthen basics by standardizing work procedures and process design, with waste reduction as the primary principle.

Standardization

Simplify and optimize complex operations, consolidate lean management achievements into fixed practices, and establish unified standards.

Automation

Implement automated management and control of production processes.

Digitalization

The main challenge of digitalization is data governance. A successful digital transformation is evident when people “don’t search for data, don’t use PPTs in meetings, and instead rely directly on system data,” requiring comprehensive, accurate, and logically consistent system data.

Intelligentization

Unlock the value of data to support decision-making and deliver capability-enabled outcomes.

AI-reconstructed Governance and Control Model

Guided by the core concept of “datadriven process transformation, AI-reconstructed governance,” the Company was fully committed to building the unified digital intelligence foundation, “Anyun Zhiding.” The Company built a data governance platform by integrating business data across the entire domain and integrating multiple open source models into an AI agent platform, it has laid a solid foundation for advanced intelligent applications.

2025 年

The Company systematically planned **17** categories of AI application scenarios across multiple domains.

The Company developed **48** digital employees, including “Zhiji Star.”

Data foundation

Angang Steel built a data governance platform that catalogs over 12,000 data assets and ingests more than 6,000 data tables across core domains, such as production, manufacturing and marketing, while exposing over 200 standardized data interfaces.

Intelligent applications

Using a “baseplatform integration + self-developed agents” model, Angang Steel successfully deployed 48 digital employees across production, equipment management, procurement, and human resources to serve as “super assistants” for the Company’s smart office. The one-stop office platform reduced report writing time by 50%, boosted data analysis efficiency by over 50%, and shortened PPT preparation time by more than 60%.

Scenario empowerment

The “data + AI” model has permeated all business scenarios. In production, AI was integrated with intelligent control systems for RH and LF furnaces. In logistics, commissioning the unmanned crane system at the Cold Rolling Mill improved yard operation efficiency and inventory turnover both increased by approximately 30%. In supply chain collaboration, a trusted data space that integrates four-party data is expected to shorten procurement cycles by 20% and raise inventory turnover by 25%.

Responsibility honors

★ The “Data + AI Redefining Steel Manufacturing Processes” project was awarded Third Prize in the Raw Materials (Steel) category of the 5th Intelligent Manufacturing Innovation Competition.

Case **Raising quality through intelligence: New breakthroughs in cost and efficiency through AI management**

Through digital transformation, the Company achieved tangible economic benefits in process cost reduction, management optimization, and equipment management.

- **Cost savings:** The "Refining Temperature Control Intelligent Computing Assistant" can precisely control molten steel temperature variations during steelmaking to organize production at the optimal temperature. Estimates showed that for every 1°C reduction in converter tapping temperature, annual cost savings reach tens of millions of yuan.
- **Management optimization:** The Company explored combining AI tools for solution design within lean improvement initiatives. In the Cold Rolling Mill's "Packaging Material Cost Reduction Optimization" project, AI-enabled data analysis and processing tasks were completed in seconds.
- **Equipment management:** The deployed "Hua Tuo" electrical equipment system, built on big data technologies and focused on predictive maintenance, has shifted management from single-fault alarms to full-life-cycle management. As a result, equipment failure rates have fallen markedly, replacement intervals have been extended by an average of 30%, and maintenance costs have declined by more than 20%.

Digital brain for precise decision-making

In 2025, Angang Steel launched Decision Support System 2.0, marking a new stage in its digital management capabilities. Through resource integration, functional restructuring, scenario enablement, and dedicated functional modules, the platform formed an intelligent decision-making hub that covers the entire industrial chain. By equipping production and operational management with a "digital brain," it propelled the Company's ongoing progress along the path of digital transformation.

Resource integration

Angang Steel consolidated and standardized the reporting system by eliminating low-value reports and creating an intelligent map covering 16 professional domains and 111 topics. Unified specifications were applied to 39 cross-site common reports, improving operational transparency and decision-making efficiency.

Functional restructuring

Five core functional engines were developed: a "digital registry" for full lifecycle report tracking; refined, layered security controls for data security and precise authorization; an Application Management Center to comprehensively monitor and optimize system usage efficiency; a Decision Center that integrates the Company's core indicators for dynamic operational visibility; and data connectivity with multiple external business systems.

Scenario enablement

Scenario-based solutions tailored to production and operational needs were launched. The Plant and Mine Analysis, covering 12 production units, provides one-click querying and analysis of key production, quality, and cost metrics; supports layered, penetrative systematic organizational performance analysis; and offers a Process Analysis module for assessing and optimizing the efficiency of management processes.

Functional zones

Three innovative applications, Announcements, Search, and Dashboards, were added to enhance usability and transparency. The platform introduced three convenient zones: an "Announcements Zone" for realtime information release and sharing; a "Search Zone" to rapidly locate required reports from multiple perspectives; and a "Data Dashboard Zone" that visually displays system usage heatmaps, user activity, and resource status, making operational management immediately clear.

Digital factory: safe and efficient

Through systematic promotion of intelligent upgrades and scenario innovation, the Company comprehensively advanced its production system toward intrinsic safety and highefficiency collaboration and promoted a strategic shift of production models toward digital intelligence transformation.

Case **Advancing Bayuquan Steel Branch toward Intelligent Manufacturing 2.0**

Angang Steel continued to promote intelligent upgrades of key processes, using the "dark factory" as a benchmark to expand intelligent scenarios. In 2025, the Company prioritized transforming five production lines at Bayuquan Steel Branch, including ironmaking and energy lines, and coordinated intelligent upgrades across a total of 30 production lines. As a result, the numerical control rate of key processes reached 92.5%, and the intelligent upgrade rate of primary production lines rose to 50.8%. Major projects, such as the Bayuquan energy platform's intelligence enhancement, a real-time dynamic detection and intelligent control system for sinter alkalinity in the ironmaking department, and an intelligent steel leakage forecasting system for steelmaking, were successively put into operation, driving Bayuquan Steel Branch's comprehensive transition to Intelligent Manufacturing 2.0 and injecting new momentum into the finer, more efficient, and greener production and operations of the Company.

Case **Chaoyang Iron & Steel's Digital Steelmaking Workshop was selected as a 2025 Liaoning provincial digital workshop**

In 2025, Chaoyang Iron & Steel's digital steelmaking workshop was selected as a Liaoning provincial digital workshop. Its digital intelligence construction achievements received authoritative provincial recognition and became a demonstration model for intelligent transformation in the steel industry. As an important practice in implementing the "Digital Ansteel" deployment, Chaoyang Iron & Steel, guided by new-type industrialization, focused on the "new model of a digital intelligence future factory" and built an intelligent manufacturing system centered on a steelmaking centralized control hub. By integrating operating rooms for remote control and strengthening information security defenses, it fundamentally improved work safety. Also, by deploying industrial robots to replace high-risk role and mining deeper value from data to optimize hot metal temperature reduction and upgrade production coordination, the Company independently developed alloy optimization models to precisely control costs. It deeply integrated next-generation IT with operations, achieving intelligent, efficient production and advancing high-quality development through digital intelligence.

Chaoyang Iron & Steel Digital Intelligence Center

Topic 3

Responding to Climate Change: Forging Green Steel

Facing the global challenge of climate change, Angang Steel actively responded to the "dual-carbon" call by building a green governance system and pursuing a three-step strategy to lead the industry's low-carbon transition. Through technological innovation that addressed carbonreduction bottlenecks, the Company developed full-value-chain demonstration benchmarks, contributed Ansteel solutions to global climate governance, and delivered a major-country response from the steel industry.

Improving the governance system

A robust governance system is the cornerstone of addressing climate challenges. The Company deeply integrated climate issues into top-level governance design and management systems, constructed a new system for full-chain advancement, planed and advanced at high starting points and high standards to provide systematic support for driving the low-carbon transition.

Top-level design leadership

To meet its "dual-carbon" objectives, the Company established a Dual-carbon Work Leadership Committee and a supporting Dual-carbon Office. Departments coordinated closely, and production sites implemented measures precisely. The Company also instituted a full-chain advancement mechanism, featuring "company-wide coordinated deployment, departmental collaborative linkage, and process-level precise execution," to ensure climate strategies are effectively formulated and carried out.

Leadership Committee for Promoting Carbon Peaking and Carbon Neutrality

Main Responsibilities:

- Take charge of overall leadership of the efforts in promoting carbon peaking and carbon neutrality;
- Examine and approve the development plans and overall goals of carbon peaking and carbon neutrality, and study and make decisions on important matters and major problems in the process of promoting carbon peaking and carbon neutrality;
- Discuss and study the development trends of innovative technologies in carbon peaking and carbon neutrality and the key technologies, and define the key research and development directions;
- Approve major investment projects and R&D projects prioritized for "dual-carbon" development;
- Examine and approve key construction investment projects and research & development projects for carbon peaking and carbon neutrality;
- Coordinate internal and external resources to support the promotion of carbon peaking and carbon neutrality.

Office for Promoting Carbon Peaking and Carbon Neutrality

Main Responsibilities:

- Implement the decision-making matters of the Leadership Committee for Promoting Carbon Peaking and Carbon Neutrality;
- Formulate and implement the overall plan for low-carbon development; promote relevant strategic cooperation and major projects; develop annual promotion plans; arrange key tasks; track and check progress;
- Define the key research and development directions for carbon peaking and carbon neutrality, determine research and development projects, and promote technological cooperation;
- Carry out carbon accounting and statistics; promote the implementation and application of product life cycle assessment (LCA); confirm the free carbon quota and the total amount of carbon emissions required for compliance; organize the management of energy-saving projects and the carbon reduction in production;
- Prepare the funding plan for carbon peaking and carbon neutrality and include it in the annual budget; complete carbon trading and carbon compliance settlement; coordinate the management of low-carbon, green steel products and the Carbon Border Adjustment Mechanism (CBAM);
- Promote collaborative efforts in carbon reduction, including pollution reduction and green expansion, and track the implementation process;
- Improve the talent pool for carbon peaking and carbon neutrality; carry out training of these talents and supervise and inspect the training results; hire external experts on carbon peaking and carbon neutrality as needed;
- Collect, study, interpret and implement policies, information and requirements related to carbon peaking and carbon neutrality, build internal and external communication platforms and organize exchanges and cooperation on carbon reduction.

Institutional and mechanism safeguards

The Company developed quantifiable, assessable annual targets, plans, and indicator systems that align vertically and horizontally to drive the deep integration of green transition and high-quality development, ensuring carbon reduction goals and measures were implemented and delivered demonstrable results.

The Company developed the 2025 low-carbon work plan, together with annual work targets. It defined key measures focused on low-carbon projects, allowance compliance, platform development, and exploration of low-carbon pathways.

Plan formulation

Assessment and oversight

The Company incorporated key carbon emission indicators into the annual performance evaluations of affiliated units and principal responsible persons. It set annual quantitative carbon emission targets for each base and process, implemented a monthly data reporting and monitoring mechanism, issued alerts for units exceeding monthly emission thresholds, and held each unit accountable for its responsibilities.

The Company strengthened cross-departmental "dualcarbon" talent reserves. It organized 31 personnel to participate in the Group's "dual-carbon" training; conducted targeted training for procurement and sales staff on product carbon life-cycle assessment methods and applications, "dual-carbon" strategy, and low-carbon progress and outcomes to reinforce the "dual-carbon" talent pool; improved the Anshan Steel dual-carbon talent database, bringing the total number of dualcarbon personnel to 156.

Capacity building

Clarifying target pathways

The Company implemented Ansteel Group's carbon peaking action plan and executed its dual-carbon strategy according to short-, medium-, and long-term strategic objectives.

01 Short-term goal

—The total carbon emissions are expected to reach the peak in 2025.

02 Medium-term goal

It is expected to enter the plateau period of carbon peaking from 2026 to 2030, during which total carbon emissions are estimated to remain relatively stable during this phase.

03 Long-term goal

The years 2031 to 2050 mark the era of carbon reduction and the years 2051 to 2060 mark the era of carbon neutrality.

04 Core pathways

Building on the Ansteel Group's carbon peaking action plan and tailored to the Company's circumstances, the Company advanced coordinated emissions reductions through four core pathways: process redesign, reduced resource consumption, optimization of the energy mix, and frontier technology innovation.

The Company has achieved phased results in carbon management. In 2025, the total amount of greenhouse gas emissions were 51,034,980 tons of carbon dioxide equivalent, a decrease of 1.23% compared to 2024. The greenhouse gas emission density was 2.03 ton per ton of steel, remaining the same as in 2024.

Risk identification and response

In responding to climate change, the Company proactively adapted and turned risks into opportunities by following a closed-loop management process of "identify–assess–respond." It systematically managed climate-related risks and opportunities and integrated response measures into daily operations to enhance its resilience and sustainability. In response to climate risks, 5.033 billion yuan was invested in environmental protection in 2025, mainly for ultra-low emission transformation, energy-saving and carbon reduction projects, and green energy facility construction. The company is currently conducting a quantitative assessment of the impact of climate risks on assets, and relevant data will be gradually improved in subsequent reports.

Risk identification	Major risks	Scenario analysis (In the context of global temperature rise by 2℃)	Impact analysis	Countermeasures
Transition risk	Policy and Regulatory Risk	On December 31, 2025, the transition period of the EU's Carbon Border Adjustment Mechanism (CBAM) came to an end, and EU importers would need to pay CBAM fees and submit equivalent CBAM certificates. The national "dual-carbon" policies are also tightening, emission allowances are being reduced, carbon prices are rising, and environmental standards continue to be raised.	The export cost of steel products may increase, and there are potential trade barriers. High-carbon-emitting enterprises may face rising costs, and environmental compliance expenses in the steel industry may increase.	The Company carried out the CBAM carbon footprint accounting and reporting for exported products according to the EU CBAM accounting rules. Focusing on reducing energy consumption as the primary lever, it continued to reduce carbon emissions by pursuing best-in-class energy efficiency, optimizing energy mix, and deploying innovative technologies.
	Technical risk	Hydrogen metallurgy, CCUS, and other carbon reduction technologies remain at the R&D or demonstration stage.	They require substantial investments, with uncertain technical routes, making large-scale, economically viable deployment unlikely in the short term.	The Company promoted mature energy-saving and carbon-reduction technologies, such as increasing the blast furnace pellet ratio and raising the proportion of scrap in converter steelmaking. With a medium-to-long-term perspective, it established dedicated R&D funds and undertook technology reserves for hydrogen-based shaft furnaces and short-route electric-arc furnace.
	Market risk	Downstream customers (e.g., automotive, appliances, construction) are establishing green supply chain thresholds and requiring lower carbon footprints for steel products. Potential "carbon tariff" barriers may emerge in international markets.	Failure to seize opportunities may lead to a decrease in company orders and market share.	The Company actively developed low-carbon products, organized LCA carbon footprint assessment and EPD certification for products, and provided customers with green and low-carbon products to help customers reduce carbon emissions.
	Reputational risk	Investors, financial institutions, the public, and other stakeholders are increasingly attentive to the Company's climate actions.	Poor performance may damage the Company's reputation, brand value, and access to financing channels.	The Company issued ESG reports regularly to disclose climate governance, goals, and progress in detail; issued green bonds that tied financing costs to decarbonization performance to signal confidence to the market.
Physical risks	Acute physical risks	Under the scenario of global temperature rise by 2°C , extreme weather events (such as extreme rainstorms, floods, and heavy snow) become more frequent, potentially causing factory inundation, equipment damage, logistics disruption, and production stoppages.	These factors will adversely affect raw material procurement & supply and supply chain stability. It may cause losses to the Company's equipment assets, resulting in production interruptions and adversely affecting output.	The Company conducted climate vulnerability assessments for major production bases and upgraded key facilities with flood and water-inundation protection measures. It prepared and regularly updated dedicated emergency response plans for extreme weather, organized cross-departmental emergency drills, and stockpiled necessary emergency supplies.
	Chronic physical risks	Under the scenario of global temperature rise by 2°C , sustained increases in average temperatures may reduce cooling system efficiency and cause a sharp rise in summer electricity demand. The risk of water scarcity would also increase, affecting production stability.	This may cause increased electricity and energy loads, higher operating costs, and even impacts on production stability.	The Company deepened "digital + lean" energy management, promoted water-saving technologies, and advanced energy recycling and substitution.

Forging low-carbon steel

The Company integrated carbon reduction responsibilities into the core of its production and operations, deployed frontier low-carbon technologies, and built a "zero-carbon value chain and intelligence chain" that encompassed green energy, low-carbon products, carbonmarket trading, and carbon intelligence. From processes and production to certification and rating, the Company continuously developed low-carbon steel, enhancing brand competitiveness through green manufacturing and transforming carbon constraints into market advantages and green brand value.

Feedstock stage 01

Use of alkaline pellet ore

We continued the use of 4 million tons of alkaline pellet ore, achieving an average pellet ratio of 33% and improving the iron ore feed grade.

Smelting stage 02

Green steel process

We charged scrap into both blast furnaces and converters, raising the scrap ratio in the traditional BF-BOF long-route process to 40% and reducing product carbon emissions by over 30%.

Green hydrogen metallurgy

The 10,000-ton green electricity and green hydrogen project of Bayuquan Branch has achieved the whole process of throughput, and has stably produced green near-zero carbon direct reduced iron products with a metallization rate of 95%, successfully realizing the leap from laboratory research and development to pilot testing. The Bayuquan coke oven gas-to-LNG with co-produced hydrogen project reached production targets, cumulatively producing 110,000 tons of LNG and 4.3 million cubic meters of by-product hydrogen, achieving clean and efficient resource utilization.

Development and use of green electricity

We advanced photovoltaic project construction. Chaoyang Iron & Steel's Phase II photovoltaic power plant (6.8 MW) was grid°connected, bringing total installed capacity to 12.2 MW with an annual power generation of 15 million kWh. Two 135MW generator units at the Anshan Headquarters have been connected to the grid for power generation, and the 80MW photovoltaic power generation project has been completed; the main project of the 3MW photovoltaic power generation project of the Bayuquan Branch has been finished.

Product stage 03

Producing "green steel" products

Using a high-scrap-ratio steel feedstock combined with 100% green electricity in the steelmaking process, the Company produced low-carbon steel products, including bake-hardening and high-strength steels, and supplied them for the first time to customers such as FAW-Volkswagen. In addition, green steel cord products with 100% scrap content were delivered to customers such as Haicheng Zhengchang, with all performance indicators meeting requirements.

Conducting "green" certifications

The Company published two EPD reports that cover continuously hot-dip zinc and zinc-alloy coated steel sheets and strips, as well as hot-rolled steel sheets and strips. It also completed CBAM carbon footprint accounting for exported products such as cold-rolled steel, silicon steel, and wire rods, providing data support for compliance with international green-trade regulations. Additionally, the Company participated in the Green Partner Evaluation jointly conducted by FAW-Volkswagen and China Automotive Technology and Research Center, achieving a five-star rating.

Management stage 04

Developing a "green platform"

The Product Carbon Smart Management Platform, developed by the Company using independently controllable technologies, has been put into operation at three of the Company's bases. The platform enables functions such as automatic data collection and modeling, accurate carbon footprint accounting across the entire process, and CBAM carbon footprint accounting for exported products, and has successfully passed third-party certification.

Market stage 05

Complete the implementation of carbon quotas in the first year

Actively integrating into the national carbon market system, the Company completed system account opening for its three bases in the national carbon market and the 2024 carbon accounting, and fulfilled the first year's carbon quota compliance obligation.The Company low-carbon investment decisions are mainly based on national carbon market quota compliance requirements and energy-saving and carbon-reduction policy guidance.

Major breakthrough

The green-power, green-hydrogen pilot line for fluidized bed hydrogen metallurgy achieves full-process integration

In August 2025, the green-power, green-hydrogen pilot line for fluidized bed hydrogen metallurgy achieved full-process integration, stably producing green, near-zero-carbon directreduced iron products. The pilot line's required green electricity is supplied by wind turbine units at Bayuquan Steel Branch. The project produces green hydrogen using advanced alkaline water-electrolysis technology. The short process has thoroughly restructured the production chain, replacing traditional blast furnace carbon reduction ironmaking and resolving carbon emission issues. This transition from "carbon metallurgy" to "hydrogen metallurgy" opens a new pathway for the steel industry to achieve its dual-carbon goals, accelerate transformation and upgrades, and promote high-quality development.

green-power, green-hydrogen pilot line for fluidized bed hydrogen metallurgy

Indicator	2023	2024	2025
Total amount of greenhouse gas emissions: direct (Scope 1) emissions (ton of carbon dioxide equivalent)	52,246,448	48,413,619	48,534,570
Total amount of greenhouse gas emissions: indirect (Scope 2) emissions (ton of carbon dioxide equivalent)	3,181,357	3,258,062	2,500,410
Total amount of greenhouse gas emissions (tons of carbon dioxide equivalent)	55,427,807	51,671,681	51,034,980
Greenhouse gas emission intensity (ton per ton of steel)	2.07	2.03	2.03

The Company's greenhouse gas emission accounting follows the *General Rules for Accounting and Reporting of Greenhouse Gas Emissions from Industrial Enterprises* GB/T 32150, and refers to the *Guidelines for Accounting and Reporting of Greenhouse Gas Emissions from Enterprises-Steel Industry* CETS-AG-03.01-VO1-2024. Scope 1 emissions mainly come from fossil fuel combustion and industrial production processes; Scope 2 emissions are indirect emissions from purchased electricity and heat. The emissions in scope 3 are not included in the Company's annual quantitative statistics.

Case

Angang Steel's rails win a "pass" to the European market with green credentials

In April 2025, Angang Steel's high-end rails successfully obtained certification under the stringent EU Technical Specifications for Interoperability (TSI), marking international highstandard recognition of its green manufacturing system and product quality. This "pass" is not only a technical breakthrough but also a key outcome of the Company's implementation of its green transformation strategy. It enables the Company's green, high-efficiency rails to enter the European market and directly support the low-carbon upgrade of global rail transport, converting sustainable development advantages into international competitiveness.

European standard series steel rails for export

2025

Carbon emissions per 10,000 yuan of output value were **5.32** tons of carbon dioxide equivalent, a **2.6%** decrease from 2024.

Renewable energy generation totaled **8.72** million kWh.

The Headquarters consumed **680** million kWh of green power; purchased certified green power amounted to **125** million kWh.

Bayuquan Steel Branch became the first A-grade enterprise for full-process environmental performance in Liaoning Province and within Ansteel Group.

Bayuquan Steel Branch, Chaoyang Iron & Steel, and the Headquarters have all passed the energy efficiency benchmark demonstration acceptance conducted by China Iron and Steel Association.

01 Steady, Long-Term Progress: Strengthening the Foundation of Governance

As the core bearer of the eldest son of the People's Republic of China and a significant participant in the capital markets, Angang Steel regarded excellent corporate governance as the bedrock of steady, long-term development and the source of value creation. The company abided by domestic and international capital market rules and continuously enhanced a modern corporate governance system centered on the board of directors, with clear responsibilities and effective checks and balances. Through scientific strategic decision-making, transparent investor communications, robust compliance and risk controls, and focused value creation, we are committed to safeguarding the rights and interests of all shareholders, uniting development efforts, and strengthening the governance foundation for sustainable development.

Our outcomes

Conducted 7 corporate governance training sessions

Held 12 investor engagement events

Scientific and efficient governance

The Company improved the modern corporate governance mechanism characterized by statutory and transparent allocation of powers and responsibilities, coordinated operation, and effective checks and balances. In strict accordance with the *Company Law, Securities Law*, and the listing rules of both Shenzhen and Hong Kong markets, the Company established a governance structure and internal control system in which the shareholders' meeting, the board of directors, and management have a scientific division of responsibilities, fulfill their respective duties, and exercise effective checks and balances. This ensures the Company's steady, long-term development along the path of rule-based and market-oriented governance.

Scientific and standardized board operation

As the core of corporate governance, the Board of Directors strictly adhered to the *Rules of Procedure for Board Meetings* and fully performed its roles in setting strategy, making decisions, and preventing risks. In 2025, the Company completed the board re-election in compliance with laws and regulations, further optimized the structure of specialized committees, and ensured the Board's sustained and stable operation. The Board and its specialized committees diligently discharged their duties and, during the year, reviewed a series of proposals, including ESG information disclosure, the annual internal control evaluation, and revisions to rules and regulations, thereby ensuring steady, effective corporate governance.

Continuously improve institutional system

Anchored by the *Articles of Association*, the Company continuously refined its governance system. In 2025, in active response to new regulatory requirements such as the updated *Company Law*, the company abolished the Board of Supervisors and repealed the Rules of Procedure for Meetings of the Board of Supervisors. The Audit and Risk Committee of the Board of Directors assumed the corresponding supervisory functions, streamlining the governance structure and improving supervisory efficiency. Additionally, the Company revised core policies, including the *Information Disclosure Management Measures*, the *Related Party Transaction Management Measures*, and the *Investor Relations Management System*, providing more rigorous safeguards for strategic decision-making and compliant operations.

Transparent and candid investor relations

The Company maintained close communication with investors through diversified channels. We convened annual and interim results briefings and participated in collective investor meetings for listed subsidiaries of Ansteel. At the annual results briefing, the chairman, the board secretary, independent directors and other management representatives engaged directly with institutional analysts to hold candid discussions on operating performance, digitalization progress, industry development trends, upstream and downstream value chain dynamics, and the Company's overall strategic planning and deployment. The meeting was livestreamed during the whole process to ensure minority investors' rights to participate and to be informed. At the interim results briefing, the general manager, the board secretary, independent directors and other management members interacted with investors via a web-based Q&A format. The Board Secretary also held indepth discussions with representatives from dozens of investment institutions, including Changjiang Securities, CITIC Securities, and China Asset Management, at the Ansteel collective listedcompany investor forum, elaborating on the Company's pursuit of high-end, intelligent, and green development. This routine, high-quality engagement has materially strengthened the capital market's understanding of and confidence in the Company's intrinsic value.

2025

Held **8** board meetings

Convened **4** shareholders' meetings

Conducted **7** corporategovernance training sessions

Organized **12** investor engagement events

Upholding Business Ethics

Integrity and compliance are the indispensable lifeline of corporate operations. The Company is committed to fostering a clean and upright business environment across the entire value chain to strengthen core competitiveness, ensure long-term sustainability, and ultimately achieve win-win outcomes with stakeholders.

01 Building a compliance system

Actively integrating into Ansteel's "three verticals and one horizontal" rule-of-law framework, the Company is committed to establishing a penetrated compliance and risk control system. In 2025, in accordance with new regulatory requirements, the Company revised core policies such as the Related Party Transaction Management Measures and reviewed and approved the annual internal control evaluation plan, continuously strengthening the institutional foundation for compliance management.

02 Advancing anticorruption construction

Adhering to a zero-tolerance stance to fortify the anti-corruption defense line, the Company has strengthened an environment of "deterred, prevented, and disinclined" corruption through diversified educational approaches. In 2025, the Company rigorously investigated and disclosed one commercial bribery case and disciplined the personnel involved in accordance with regulations, while conducting targeted rectification and institutional review. The Company organized warning education conferences, screened thematic documentaries, and published 14 "Discipline Classroom" feature articles to deliver multi-dimensional disciplinary education. Ahead of major holidays, integrity reminders were issued via the Company's official account. In 2025, the Company carried out 1,113 integrity education activities, issued 1,619 reminders, and organized 778 inspections, continuously fostering a clean and upright corporate environment. The Company has established a whistleblowing hotline (6726784) and a clear whistleblower protection mechanism, strictly prohibiting retaliation. Reported leads are reviewed in accordance with the principles of centralized responsibility and tiered management, and the handling results are linked to the performance assessment of management personnel and the evaluation of suppliers.

03 Cobuilding business ethics

The Company extended business ethics requirements across upstream and downstream supply chain partners, practicing responsible procurement. By implementing supplier admission assessments, incorporating integrity clauses in contracts, and conducting compliance training, the Company guided partners to jointly uphold business ethics. In key areas such as procurement and sales, the Company promoted the *signing of Integrity and Honest Cooperation Agreements* and explored the establishment of a supplier "blacklist" mechanism to reinforce the anti-corruption defense line from the source of business.

Deepening state-owned enterprise reform

As a state-controlled listed company, the Company took a pioneering and exploratory approach to deepening corporate reform. With the concrete objective of building a "dynamic enterprise," it continued to advance institutional and managerial innovations to fully unleash the creative potential of its organization and talent, converting reform momentum into a sustained driving force for high-quality development.

Establishing a market-oriented incentive system

The Company fully implemented term-based appointments and contract-based management for executive team members. We reduced the scale of accounting units and designed a differentiated compensation allocation mechanism tightly linked to performance contribution, aligning employee remuneration with corporate results and individual performance to fully stimulate the initiative and creativity of micro-level actors.

Continuing to deepen "Chaoyang Iron & Steel Reform 3.0"

As the spearhead of internal reform, Chaoyang Iron & Steel has entered a phase of deepening and enhancement. The company is working to develop it into a base with flexible and efficient mechanisms and leading cost competitiveness, while exploring replicable and scalable new experience and paradigms of systematic reform.

Driving the digital intelligence transformation of traditional businesses

Guided by the deep integration of technology and operations, the Company promoted a systemic reshaping of traditional operating systems. It digitally empowered business processes, intelligently transformed management models, and pursued market-oriented value creation, and embedded digital intelligence technologies across core value chain functions, including procurement, production, logistics, and marketing, to drive cross-departmental and cross-base collaborative operations and business model innovation.

Case Chaoyang Iron & Steel Reform 3.0—Forging "world-class" competitiveness through systemic transformation

Facing new industry challenges, Chaoyang Iron & Steel resolutely regarded deepened reform as the "decisive move" for survival and development, and comprehensively launched "Reform 3.0" with the goal of building a world-class steelmaking base. The core of this reform lies in the systemic reshaping of organization and mechanisms, aimed at stimulating the intrinsic motivation of every micro unit. The reform centered on creating an ultra-flattened "company-directly-managed operating area" model, substantially compressing management layers and driving the transfer of management focus and specialized technical capabilities directly to the production frontline. At the same time, market-oriented incentive and talent mobility mechanisms that are strongly linked to performance were established to truly enable "management to be promoted or demoted, personnel to enter or exit, and compensation to rise or fall." A series of measures precisely targeted radical cost reduction and efficiency improvement, significantly reducing perton steel costs and greatly enhancing resource allocation efficiency, thereby fully demonstrating the powerful driving effect of reform on strengthening corporate core competitiveness and operational resilience.

Chaoyang Iron & Steel

02 Pursuing Green Development: Expanding Pathways to Sustainability

Angang Steel resolutely implemented the national ecological strategy and firmly advanced an ecology-first, green development pathway. We are actively building a green manufacturing system featuring high technological content, low resource consumption, and minimal environmental pollution. By shouldering the heavy responsibility of building green cities with robust guarantees, we vigorously advanced the circular economy to benefit the environment and paint a greener future, and contribute Ansteel's strength to building a beautiful China where humanity and nature coexist in harmony.

Our outcomes

Environmental protection expenditure: 5.033 billion yuan

Water reuse rate: 98.55%

Comprehensive energy consumption per 10,000 yuan of industrial output value: year-on-year decrease of 4%

Environmental Protection System

The Company pursued harmonious coexistence between its operations and the environment. By embedding environmental requirements throughout its value chain, it established a comprehensive, multi-tiered green operations system to set an industry benchmark for the green transition.

Increasing environmental investment

The Company continued to scale up capital allocated to environmental protection. By establishing a dedicated environmental fund, we provided solid financial backing for key environmental projects and technology innovation, injecting momentum into our comprehensive green transformation.

Setting measurable green commitments

The Company translated environmental responsibilities into measurable, traceable and accountable actions. It linked aggregate environmental targets to the performance of production units and individuals. Monthly and quarterly tracking and early-warning mechanisms were implemented to ensure our green commitments are realized.

The Company's three bases are located in areas with relatively abundant water resources, and the main sources of water are self-supplied water sources and municipal water supply. There is currently no shortage of water.

2025

Environmental protection expenditure: **5.033** billion yuan

Number of major environmental incidents: **0**

Number of environmental violations: **0**

Chaoyang Iron & Steel was upgraded to an **A-grade** in environmental performance

Indicator	Target	Progress
Implementation rate of "Three Simultaneousness" principle for environmental protection in construction projects	100%	100%
Compliance disposal rate of hazardous waste	100%	100%
Safe usage rate of radioactive sources	100%	100%
Major environmental incidents	0	0
Sulfur dioxide emissions	⩽ 7,125 tons	4,360.6 tons
Emissions of COD	⩽ 70 tons	51.39 tons
Nitrogen oxide emissions	⩽ 17,730 tons	13,971.26 tons
Emissions of particulate matters	⩽ 4,516 tons	3,657.18 tons
Comprehensive energy consumption per 10,000 yuan of output value	⩽ 1.98 tons of standard coal per 10,000 yuan	1.89 tons of standard coal per 10,000 yuan

Energy

By 2026, we aim to achieve a 1% reduction in comprehensive energy consumption per 10,000 yuan of output value compared with that in 2025.

By 2030, we aim to achieve a 3% reduction in comprehensive energy consumption per 10,000 yuan of output value compared with that in 2025, with the overall energy consumption reaching the advanced level in the industry.

We will make significant improvements in overall energy efficiency and employee energy conservation and work to become a benchmark in the industry.

Water resources

short-term goal: We aim to save 0.5 million tons of water.

Medium-term goal: We aim to save 2 million tons of water.

Long-term goal: We aim to save 5 million tons of water.

Strengthening green management

The Company treated environmental compliance as the lifeline of its green development. Through five coordinated dimensions, namely institutional standardization, routine supervision, risk prevention and control, rigorous implementation, and company-wide participation, we have established a closed-loop environmental governance system underpinned by the rule of law, robust systems, and collective governance.

Institutional standardization

We issued compilations including *Typical Cases in Ecological and Environmental Management*, the *Environmental Compliance Handbook*, and the *Super-emissions Management Code of Conduct*. We revised 27 operating procedures and work standards to reinforce awareness of environmental legal red lines.

Routine supervision

We continuously strengthened environmental oversight by organizing targeted inspections of environmental facility operations, solid waste management and visible pollution sources. All identified issues have been rectified, further enhancing our environmental supervision capabilities.

Risk prevention and control

We updated the *Emergency Response Plan and Environmental Risk Assessment Report* to more thoroughly identify hazardous materials and evaluate environmental risks. By strengthening risk management across the value chain, including assessments for bulk solid waste utilization, we have built a comprehensive risk prevention and control network.

Rigorous implementation

We completed environmental acceptance for commissioned projects in accordance with plans. The implementation rate of "Three Simultaneousness" principle for environmental protection in construction projects was implemented at a 100% compliance rate.

Company-wide participation

We delivered specialized training on enforcement priorities, pollutant discharge permits, emergency response to sudden pollution incidents, VOC leak detection and remediation, and radiation management. We organized unit-level contests focused on pollutant reduction, ran company-wide practical emergency drills, and fostered broad participation that builds motivation and capability for environmental governance.

Clean Production

Against the backdrop of a nationwide green transition, the Company anchored its efforts on rigorous emissions management and embedded clean production principles across the entire manufacturing process. By optimizing processes and upgrading equipment, we pursued clean manufacturing as the primary route to minimizing pollutant discharge.

Ultralow emissions

We invested 224 million yuan to implement 11 new standard coking projects. Chaoyang Iron's Steel's full-process ultra-low emissions were publicly recognized by the China Iron & Steel Association (CISA) and upgraded to an A-grade environmental performer in Liaoning Province. The Headquarters' full-process ultra-low emissions were also publicly acknowledged by CISA.

Wastewater management

Adopting a systematic approach to water stewardship, we invested 200 million yuan and approved five water treatment projects, including resource recovery for phenol cyanide wastewater in the Angang Chemical Technology's East Area, a new centralized treated wastewater deep treatment and reuse facility at the Energy and Power Complex, membrane upgrades at the desalination station in the western power plant, and membrane upgrades at the soft water station. These measures reduce fresh water intake at the source and lower pollutant discharges.

Solid waste management

At the three bases, informatization upgrades for hazardous waste management were completed, and electronic pump scales and related equipment were linked to government platforms to enable fully traceable hazardouswaste management. With an investment of 22.49 million yuan, we established harmless treatment facilities for chemical technology recycling units 1–3 and a western tar residue recovery project. After implementation, tar residue moisture content was not higher than 20%, and odor pollution was eliminated.

Soil remediation

We completed the closure of the East Anshan desulfurization ash landfill. Key soil pollution control units completed scheduled hazard inspections and self-monitoring. Routine contamination control was in place, and monitored factors showed no deterioration trend.

Noise control

The new No. 4 TRT unit and the primary sintering noise mitigation project were completed, improving local acoustic conditions. Boundary noise assessments were completed, and mitigation targets were defined. And the western plant's boundary noise control project has been approved and is under implementation.

Green logistics

We issued the *Clean Transportation Management Measures* to promote modal shift in transport. In 2025, container throughput increased by more than 15% year-on-year. Bow balls and western area water slag shipments were fully made by rail. We introduced green packaging by replacing steel plates and medium-density plates used for cold-rolled coil packaging with recyclable, waterproof plastic steel materials. We also deployed 20 domestically first-used CN-10AH hybrid diesel-electric locomotives at company, which reduces comprehensive energy consumption by over 30% and cuts carbon emissions by 40% compared with conventional diesel locomotives.

Bayuquan Steel Branch New-energy Locomotive Handover Ceremony

2025

Total hazardous waste: **382,300** tons, hazardous waste intensity: **0.015** tons per ton of steel

Total nonhazardous waste: **150,000** tons, nonhazardous waste intensity: **0.0059** tons per ton of steel

Intensive resource utilization

Adhering to the principle of "conservation first, efficiency-driven," the Company is committed to improving resource use efficiency and building a circular economy. We have comprehensively strengthened conservation and recycling of key resources such as water and energy to systematically reduce resource intensity and environmental impact.

Extreme Energy-Efficiency Upgrades

Through systematic technological upgrades and precision metering improvements, we drove our production bases to industry-leading energy performance, significantly increasing energy self-sufficiency and utilization efficiency. These measures have delivered substantial energy savings, carbon dioxide emission reductions and economic benefits, turning green development into a core competitive advantage.

2025

Investment in energy saving and emission reduction: **24.15** million yuan

Total direct and indirect energy consumption: **14,166,140** tons of standard coal

Comprehensive energy consumption per 10,000 yuan of industrial output value: **1.89**, with a year-on-year decrease of **4%**

Comprehensive energy consumption per ton of steel: **562.6** kg standard coal/ton

Extreme energy-efficiency acceptance

We completed extreme energy-efficiency acceptance at the Bayuquan Base, Chaoyang Base and the Headquarters. All three bases met CISA's benchmark levels. Proportions of capacity meeting the standard are as follows: iron, 54.3%, steel, 87.9% and coking, 80.6%. Overall capacity compliance substantially exceeded national requirements. Bayuquan's three process lines all met standards and have been designated a demonstration plant.

Commissioned power-generation units

The Chaoyang Base's 100 MW generator unit entered stable operation in 2025, increasing generation by 165 million kWh yearonyear. At the Headquarters, two 135 MW high-efficiency coal gas generator units were commissioned at the end of June and August 2025, respectively, further enhancing energy self-sufficiency.

Energy-saving retrofit projects

We completed 11 energy-saving and carbon reduction projects, including converter efficiency upgrades and a 135 MW ultra-critical generator unit, reducing energy consumption by 351,900 tons of standard coal and carbon dioxide emissions by 976,000 tons, and generating annual economic benefits of 420 million yuan.

Metering equipment upgrades

We invested 28 million yuan in phases to install extensive high-precision metering equipment across process and equipment levels to support fine-grained energy management.

Case **Coal gas consumption per unit achieved a record low**

A specialized task force at the Thick Plate Factory of Angang Steel targeted issues including large temperature deviations, slow air-fuel ratio response, and high coal gas consumption. The team comprehensively reviewed furnace designs, special steel process parameters, maintenance control modes and steel-grade priorities, and implemented intelligent combustion control upgrades for heating furnaces. In trial operation, gas consumption per unit fell by approximately 12% year-on-year in July 2025, achieving a record low.

Resource Recycling

We laid out an integrated circular value chain for water and raw fuel resources. By investing in a series of water-treatment and energy-recovery projects, we converted process wastewater, exhaust and waste heat into reusable resources, improving resource efficiency and process energy performance while jointly increasing economic and ecological returns.

The Company currently does not independently track the total amount of packaging materials, focusing instead on promoting green packaging through material substitution and recycling. By 2025, the proportion of plastic end cap packaging materials used has increased to 15%.

Closed-loop water reuse

We invested 195 million yuan and approved four water treatment projects: phenol cyanide wastewater recycling in Angang Chemical Technology's East Area, a new deep treatment and reuse facility for reclaimed water at the central energy plant, membrane upgrades at the desalination station in the western power plant, and membrane upgrades at the soft water station. These projects enabled water recycling and reuse.

High-efficiency utilization

We implemented projects to recover converter gas and steam and reuse hot gases, optimized production processes to shorten smelting time, reduced energy and raw fuel consumption during smelting, and improved utilization rates to lower fuel ratios, achieving high-quality, high-efficiency resource use.

Recycling and resale

We established the *Recycled Resources Management Measures* to standardize recycling business processes, classify materials by type and grade, and strengthen management of metal materials such as stainless and alloy steels. This promoted remelting and processing of reusable materials and expanded external sales. Recycled resource sales reached 1.607 million tons in 2025.

2025

Iron ore consumption: **1,667** kg per ton of crude iron; blast furnace fuel ratio: **537** kg per ton of crude iron; scrap input to steelmaking: **1,104** kg per ton of steel

Total water consumption: **92,487,534** tons; Water consumption per ton of steel: **3.54** tons/ton; water reuse rate: **98.55%**

Water slag recovered: **9.46** million tons; steel tailings recovered: **1.486** million tons; total scrap steel received: **2.0478** million tons

Green city

The Company strived to shape the image of a modern industrial factory site by extending ecological protection concepts from factory-level environmental control into everyday office operations. We are building garden-style factories, nurturing an enterprise-wide ecological culture, and transforming production bases into ecological spaces that coexist harmoniously with their surroundings.

Greener office practices

The Company integrated green and low-carbon principles into daily operations by promoting paperless workflows and duplex printing to reduce paper use. We installed energy-efficient lighting and water-saving fixtures in offices. We also encouraged staff to practice waste sorting and resource-conserving habits. Ongoing internal campaigns have made green office practices a routine behavior among employees.

Greener, garden-style factories

The Company continued factory greening and ecological restoration. In 2025, we invested 6.87 million yuan in dedicated landscaping funds and launched factory beautification campaigns, tree-planting and afforestation activities to improve local microclimates, reduce dust and raise overall environmental quality.

More open ecological culture

Building on internal ecological improvements and raised employee awareness, we organized environmental outreach tied to events such as World Earth Day and World Environment Day, engaged with local schools to raise environmental awareness among youth, and fulfilled our corporate civic responsibility in environmental education.

A better urban environment

As a responsible corporate citizen, the Company proactively took on the duty of advancing urban cleanliness. Following a "five in-place" principle, namely sound environmental planning, clear responsibilities, secured retrofit funding, practical renovation plans and effective safeguards, we conducted targeted, scientific and law-based pollution control. Through ultra-low emission retrofits, industrial wastewater treatment, "zero-waste enterprise" initiatives and noise control, we revitalized traditional heavy-industry zones with new green vitality. These efforts have helped Anshan achieve national Grade II air quality standards for four consecutive years and sustained improvements in water quality for seven consecutive years.

03 Value Co-creation: Pooling Collective Strengths

Angang Steel always integrated corporate development with local livelihoods and regional collaboration. Acting as the chain leader in the industrial chain, we drove a win-win ecosystem; with a people-centered mindset, we fostered employee development; and by leveraging our resource advantages, we empowered regional growth. Through comprehensive initiatives, such as partnering with stakeholders, ensuring urban heating supply, and supporting rural revitalization, Angang Steel demonstrated responsibility through concrete actions, created shared value through cooperative frameworks, and continually advanced in step with the times, the city and its people, exemplifying the role and strength of a modern state-owned enterprise.

Our outcomes

Provided heating for 12 million square meters in Anshan

Invested 16.5 million yuan in paired assistance

Local procurement ratio: 44.9%

Partner win-win

The Company is committed to growing alongside its partners by delivering high-quality products, deepening collaborative services, and building a responsible supply chain. Together, we have strengthened the resilience and competitiveness of the industrial chain and co-created long-term, stable and sustainable shared value.

Delivering dependable quality

The Company embedded a "zero-defect" mindset into the Company's DNA by implementing a comprehensive, end-to-end, organization-wide lean quality management system. This ensured precise control at every stage from raw materials to finished products, enabling us to deliver consistently reliable quality that creates value for customers.

2025

The Headquarters' overall finished steel yield improved by **0.22%** year-on-year

System-oriented governance

- We focused audits on core areas such as raw material and fuel management and process discipline to ensure quality requirements were solidly implemented at the frontline.
- We have established a full-process quality inspection system covering raw material receiving, production processes, and finished product dispatch, and developed the *Risk Assessment and Emergency Planning Management Procedure*. In the event of product quality issues, the *Nonconforming Product Management Procedure* is activated for traceability, isolation, and disposition. For products already delivered, investigation and analysis are conducted to determine accountability, and, if necessary, a product recall procedure is initiated. In 2025, the Company recorded no product recalls due to safety or health reasons.

Collective governance

- We provided quality awareness and skills training, including IATF 16,949 management awareness and SPC and PFMEA tool application, covering more than 170 participants to raise quality literacy and practical capability.
- We promoted the "Five-Small" program (small suggestions, small improvements, small problem-solving projects, small inventions, small creations), solicited broad rationalization proposals and quality papers, and stimulated staff-driven innovation so that quality improvement reached every role.

Technology-driven

- We conducted end-to-end process reviews and focused technical problemsolving across product lines to drive physical quality improvements through technical breakthroughs.
- We advanced smart operations and bigdata applications, deployed realtime SPC monitoring, and explored AI for quality prediction and process optimization to accelerate the transformation toward digital intelligence in quality management.
- We led and participated in the development and revision of international standards. The ISO 4997 *Cold-reduced carbon steel sheet of structural quality*, which we led, has been published and implemented, marking a new breakthrough in international standards for China's automotive and home appliance steel sectors.

Customer orientation

- We maintained proactive customer engagement and a rapid response mechanism for quality claims to meet market needs precisely and enhance customer experience.
- We applied internally the principle "the downstream process is also a customer" through inter-process visits and collaboration to strengthen mutual quality assurance, improve internal process efficiency and ensure product consistency.

Delivering high-quality service

Adhering to the principles of customer first, collaborative interaction, data-driven intelligence and continuous improvement, the Company built an efficient, precise and consistent end-to-end service system that speaks with one voice for the same customer. It operated a threetier service model that begins with customer needs and closes on customer satisfaction, pursuing deep partnerships with clients to co-create value and grow together.

Governance and procedures

- We established formal policies such as the *Customer Classification and Service Strategy Management Measures* to standardize service standards, processes and records, ensuring smooth information flow and efficient, customer-focused service.
- We built an efficient, collaborative account management system for core strategic customers by forming a "three-in-one" service team that delivered rapid responses and elevated our service competitiveness and overall capability.
- We strictly complied with laws and regulations, including the *Consumer Protection Law and the Advertising Law*, and disclosed products' technical, quality and functional information accurately and transparently to customers.

End-to-end response

- From pre-sales needs identification and product recommendation to in-process delivery tracking, usage monitoring and post-sales dispute resolution and continuous improvement, we provided dedicated customer touchpoints and a three-tier service team to rapidly meet customers' QCDDS (quality, cost, delivery, durability, and service) requirements. In 2025, non-logistics dispute resolution averaged 3.7 days; logistics dispute resolution time was reduced to 12.49 days.

Digital intelligence empowerment

- We enhanced a fully digital customer service platform with intelligent tools for rapid issue response, real-time information sharing, closed-loop tracking and monthly performance analysis.

Survey-driven improvement

- We commissioned third-party customer-satisfaction surveys to capture user experiences, suggestions and specific needs, then translated findings into improvement plans. We addressed each area of dissatisfaction with targeted corrective actions and feedback to raise customer satisfaction.

The Company instituted customer information management systems, upgraded data encryption technologies, implemented multi-factor authentication, strictly controlled data access permissions, and provided information security training to enhance employees' confidentiality awareness. Regular security audits were also conducted to identify and remediate potential risks promptly to safeguard customer privacy. In 2025, there were no customer privacy breaches.

The Company hosted the "Ansteel: Northern Leader in Pre-painted Steel" customer exchange in Shenyang, drawing 100+ customers from 50+ companies for shared development

Responsibility honors

- ★ The Company was awarded titles such as “Excellent Supplier” by CIMC Containers, “Outstanding Partner” by Haier Smart Home and “Strategic Partner” by Midea Group.
- ★ The Company received twice an “Excellent” rating for engineering construction from the PipeChina Construction Project Management Branch.

Building a responsible supply chain

The Company has established a sound, responsible supply chain management system and continuously improved policies such as the *Procurement and Supply Chain Management Measures* and the *Supplier Management Measures*. It promoted transparent, smart and green procurement, optimized supplier access, evaluation and exit mechanisms, thereby strengthening the security and stability of our supply chain.

We conducted systematic risk identification, assessment and control for equipment, materials and raw fuel procurement, identifying seven major risks for equipment and materials procurement and 12 major risks for raw fuel procurement. For potential disruption risks in the equipment and materials supply chain, we developed dedicated emergency response plans that specify the emergency organization and handling procedures, enhancing prevention and response capabilities to safeguard supply chain continuity.

Responsible procurement

Transparent procurement

- With the goals of “transparency, cost reduction, safety and efficiency,” we adopted open tendering and established stable procurement channels with reliable, quality suppliers to secure supply stability.
- We organized all suppliers to sign an *Integrity Cooperation Agreement*, firmly opposed corruption, monopolistic practices, and other forms of unfair competition, enforced strict sanctions for misconduct, and required suppliers to operate in full compliance with laws and regulations.
- For bulk raw material purchases, we organized suppliers to sign a *Letter of Non-Affiliation Commitment* to reduce procurement risk.

Smart procurement

- We implemented a supplier collaboration platform and an integrated smart operations control system to digitize the full procurement lifecycle and improve procurement efficiency.
- We developed five intelligent application scenarios and deployed nine low-code platforms to enhance procurement quality and efficiency.

Green procurement

- We prioritized low-sulfur and green raw materials and provided green procurement channels for ultra-low-emission upgrades and energy-saving materials.
- We preferred equipment, spare parts and materials that support energy saving and emissions reduction, actively promoted new energy-efficient technologies and adopted LED lighting to lower consumption and carbon at the production end.
- We prioritized near-site procurement and required suppliers to use new-energy vehicles or transport meeting China V emission standards (or higher) to reduce logistics-related emissions.

Supplier management

Admission

- Following the principles of “strict admission, appropriate quantity, classification-based authorization, dynamic management, and survival of the fittest”, the Company defined clear admission requirements and processes, publicly disclosed the procurement needs to attract qualified suppliers and continuously optimized its supplier base.
- The Company implemented standardized management of admission criteria and conducted rigorous admission reviews. It included ISO 14001 Environmental Management System certification as a supplier admission requirement, and incorporated environmental, occupational health and safety, and packaging-recovery requirements into supplier assessments.
- The Company optimized access thresholds and treated enterprises of different sizes equally, selected suppliers according to unified access standards set out in governing documents. In 2025, it had no overdue payments to small and medium-sized enterprise (SME) suppliers.

Evaluations

- The Company combined annual and routine evaluations, second-party audits, and on-site visits to assess responsibility performance. It communicated environmental and compliance expectations directly. For example, it conveyed environmental and compliance requirements face-to-face. For example, it required magnesite mining companies to phase out traditional kilns and implemented dynamic supplier management.
- The Company assessed suppliers’ performance quality, environmental protection, safety, and social responsibility, requiring them to provide proof that their manufacturing, transportation, and storage practices meet environmental standards. It incorporated the use of environmentally friendly products and services, as well as workplace health and safety at production sites, into its supplier social responsibility evaluation system as the supplier assessment criteria.

Exit

- For non-compliant suppliers, the Company implemented measures such as warnings, fines, contract termination, and disqualification. It strictly managed the graylist and blacklist, placing suppliers that violated work safety bans on the blacklist and fully removing them. Additionally, it also phased out suppliers with inactive contracts, low engagement, or low dependency. In 2025, a total of eight non-compliant suppliers were punished.

Improvement

- The Company strengthened business guidance, evaluation, and inspections in terms of the institutional system, management mechanism, and safety training. It used the WeChat applet for the safety management of the interested parties, enabling online safety training and exams to help the stakeholders improve their independent safety management capabilities.
- The Company held technical exchanges and new product promotions that cover new materials, technologies and emissions reduction solutions to accelerate suppliers’ green transition.
- The Company supported six core suppliers in participating in external ESG ratings to improve their ESG management.
- The Company encouraged suppliers to develop green and low-carbon products and services.

2025

Total number of suppliers: 2,063	Nnumber of suppliers in Liaoning Province: 926	Local procurement ratio: 44.9%	Number of suppliers visited: 94
Completed occupational health, safety, and environmental management system audits for 240 suppliers	Procurement cost reduction: 1,621,145,400 yuan	Number of suppliers that conducted environmental impact assessments: 26	

Case **Optimizing coal and ore mix to improve cost effectiveness**

The Company focused on cost performance analysis and optimization of coal and ore mix structures. While steadily improving coke and sinter quality and ensuring stable, efficient blast furnace operation, we continuously optimized incoming materials (coking coal, pulverized coal for injection, imported ores, coke, etc.). Through changes in coal blending, we reduced the proportion of high-priced coking coal by 11.5%, achieving efficient substitution with lower-cost coal types. In the ore blending process, we introduced diversified non-mainstream ores, lowering ore procurement costs by 7.9 yuan per ton. Through substitution across multiple material categories, coal, ores, alloys, and scrap steel, we introduced additional higher cost-effective materials that generated replacement savings of 640 million yuan. These measures significantly enhanced supply chain resilience and cost control in the face of market volatility.

Employee growth

Adhering to the principle of sharing growth with employees, the Company made efforts to build and improve a platform system that supports employees' value realization. We fully protected employees' lawful rights and interests, carefully cared for their work and life, and enabled employees to continuously increase their sense of fulfillment, happiness, and belonging as the company developed, together writing a new chapter of corporate vitality and shared progress.

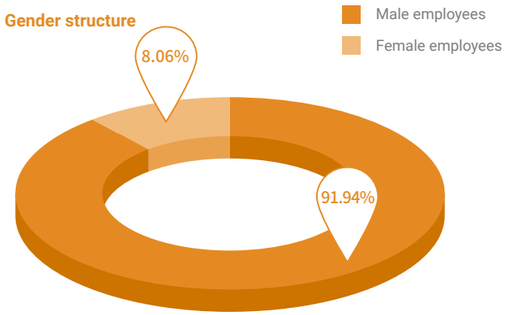
Protection of employee rights and interests

The company strictly complied with national laws and regulations, including the *Labor Law* and the *Labor Contract Law*, and implemented internal employment rules such as the *Labor Contract Management Measures*. We protected employee rights and interests in areas including human rights, compensation and benefits, and participatory management, and provided an inclusive, open platform for their career development.

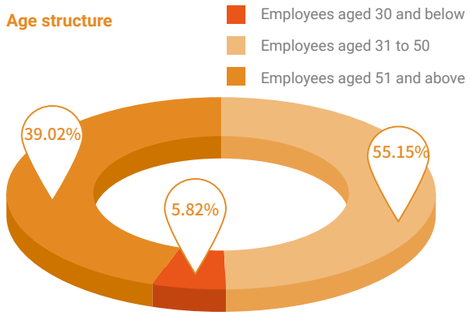
Protection of human rights

The Company adheres to the principles of equal employment and equal pay for equal work, strictly implements fair, just, and open recruitment and employment systems, and strictly prohibits the use of child labor and any form of forced labor. During the recruitment process, it rigorously carries out procedures such as verification of identity documents and academic credentials to ensure that applicants meet the statutory age requirements. All labor contracts clearly define the rights and obligations of both parties, and any form of forced labor, withholding of certificates, or collection of deposits is strictly prohibited. If any violation is found, the Company will immediately launch an investigation and handle it in accordance with the law. We safeguarded employees' personal privacy and adopted a zero-tolerance stance toward any form of employment discrimination based on gender, region, ethnicity, education, religion, or other characteristics. We fully implemented the *Special Collective Agreement on the Protection of Female Employees' Rights and Interests* and strictly observed regulations on work prohibited for female employees to ensure the lawful rights of women. We are committed to fostering an inclusive, equitable, and open environment for career development. In 2025, no incidents of child labor or forced labor were reported in the Company.

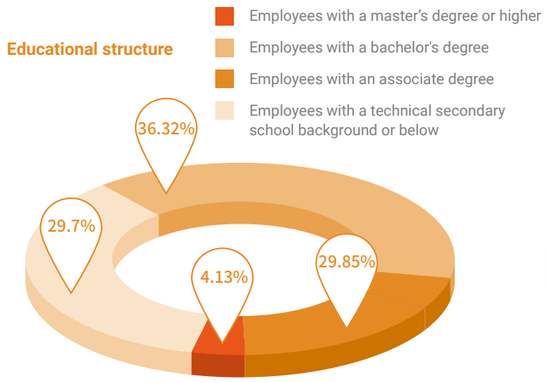
Gender structure



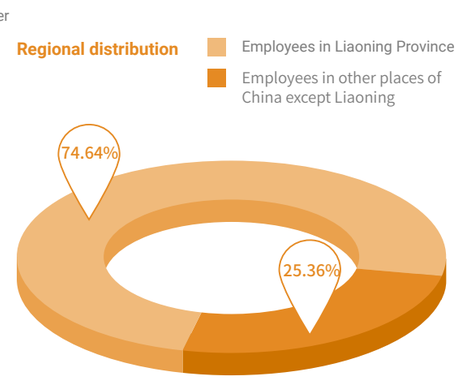
Age structure



Educational structure



Regional distribution



2025

Total employees*:	Number of new hires:	Proportion of female managers:	Labor contract signing rate:
23,990	709	4.18%	100%

Employee turnover rate by gender

Female employees	Male employees
0.0375%	0.3168%

Employee turnover rate by age group

Employees aged 30 and below	Employees aged 31–50	Employees aged 50 and above
0.1459%	0.1584%	0.0500%

* During the reporting period, the Company had no part-time employees; all employees were full-time.

Compensation and benefits

The Company established a compensation and benefits system that equally emphasizes fairness and incentives. While safeguarding internal equity and strengthening value creation, the Company ensured employees receive statutory benefits as well as a diverse range of non-statutory benefits, effectively stimulating intrinsic organizational motivation and the vitality of talent.

2025

Social insurance coverage rate: 100%

Establishing a fair distribution system

Based on a reasonable total wage budget, we implemented differential allocation adjustments according to factors such as the difficulty of production and operations and contributions to performance. We strictly implemented policies that tilt compensation toward frontline employees and provided income support for employees facing financial hardship, thereby promoting fairness in internal distribution.

Improving incentive and restraint mechanisms

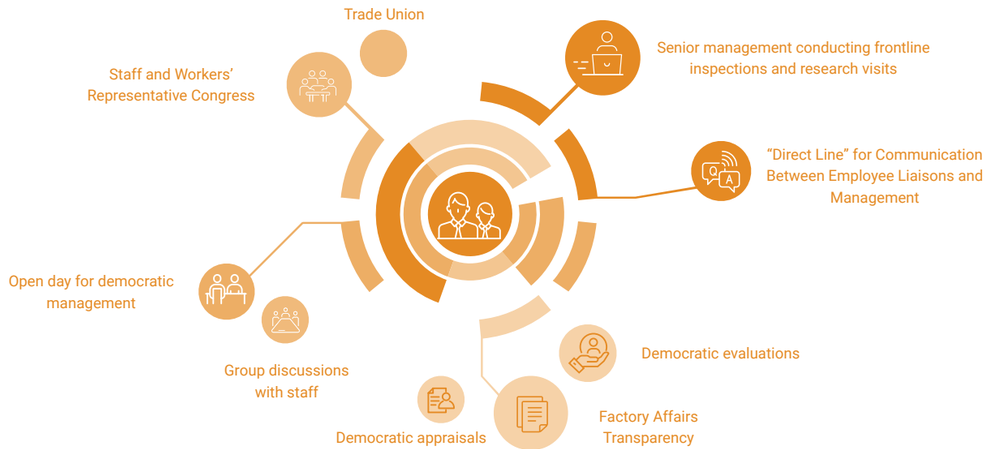
We safeguarded the income of production and service personnel, strengthened salary management for employees on annual salary contracts, and implemented a market-oriented incentive mechanism for management teams characterized by rewarding excellence and penalizing poor performance. These measures effectively stimulated the teams' motivation to take initiative.

Building a Diverse Benefits System

On the foundation of legally making full contributions to the statutory social insurance and housing fund for all employees and ensuring employees' lawful entitlement to statutory holidays, we implemented an enterprise annuity plan and developed an "enterprise relief liability insurance." This established an integrated four-tier medical protection system-basic medical insurance, excess-coverage medical insurance, company supplementary medical insurance, and medical relief funds-to alleviate employees' medical-related concerns.

Democratic Management

The Company focused on building harmonious and stable labor relations and maintained open communication channels, such as the Staff and Workers' Representative Congress, Trade Union, and on-site visits by leadership teams. It established a *Checklist for Supervising and Implementing Employee Liaison Officers' Suggestions and Proposals* system and formed a team of 57 employee liaison officers covering 36 units, including frontline workers, technical professionals, and stakeholder representatives. This team widely solicited and facilitated implementation of solutions to employees' and the Company's urgent and difficult issues. At the same time, the Company promoted transparency in factory affairs and supervised the standardized performance of collective contracts in areas such as employment and compensation, thereby effectively ensuring the exercise of democratic rights.



2025

Senior management conducted **43** on-site frontline inspections and research visits

A total of **271** suggestions and proposals were adopted and responded to

The employee satisfaction in democratic appraisals exceeded **90%**

The rate of democratic evaluations at grassroots units reached **100%**

Occupational health and safety

The Company consistently upheld a "safety first" principle and systematically strengthened the construction of its safety management system. It rigorously enforced critical measures, including fire safety, hazard identification and remediation, and employee occupational health protection, to reinforce the defenses for work safety and workplace health, thereby consolidating the foundation for the Company's safe and sustainable development.

Consolidating the foundation of safety

- We revised core policies such as the *Work Safety Responsibility System* and the *Measures for the Management of Work Safety and Fire Incidents*, and refined safety responsibilities and duty checklists for each position. Through quantified performance assessments and strict implementation of the "one case per maintenance/inspection/repair" procedure, safety responsibilities were firmly assigned from principal leaders down to frontline positions.
- We improved the emergency response organization and contingency plan system, and established a four-tier emergency response mechanism.

Focusing on risk prevention and control

- We implemented a "monthly theme" safety diagnostic program to carry out targeted inspections of gas systems, major hazard sources, and other risks across internal and external plant areas. We compiled the criteria for identifying significant accident hazards into a handbook and provided training to all employees.
- With a focus on stakeholder management and critical areas such as gas installations, we carried out end-to-end remediation for each identified issue, and implemented upgraded controls for hazardous operations to ensure risks remain under control.

Enhancing firefighting capabilities

- The Company carried out the "One Theme per Month, One Special Initiative per Month" campaign and a focused fire safety rectification drive. It focused on key fire prevention areas, construction and maintenance sites, process-related fire prevention and control, and other critical links to improve the management level of automatic fire protection facilities.
- The Company strengthened the whole-process and full-chain control of hot work operations, and regularly conducted fire readiness duties and live firefighting and rescue drills.

Protecting employee health

- We established annual occupational health work and monitoring plans to achieve comprehensive prevention and control of occupational disease hazards.
- For all new, modified, and expanded projects, we strictly enforced the "three simultaneousness" review for occupational disease protection facilities.
- We provided personal protective and firstaid equipment in accordance with standards and required each unit to conduct occupational hazard risk assessments and current-condition evaluations.

Responsibility honors

★ The D-shift crane crew in the operations area of Cold Rolling Mill Branch No. 4 of Angang Steel was awarded the title of "Safety Standardization Model Team for Steel Enterprises" by the China Machinery, Metallurgy and Building Materials Workers Technical Association.

Fire drill

2025

Safety management investment: **141.27** million yuan

Safety training coverage: **278,528** person-times

Units conducted **609** fire emergency drills and revised or improved **151** emergency response plans

Health and safety protection investment: **150.10** million yuan

Occupational health and safety training coverage rate: **100%**

Completion rate for occupational health examinations and occupational hazard factor testing: **100%**

Organized occupational health examinations for **5,233** employees in hightemperature posts

Invested **30.8508** million yuan to procure **2,812,787** sets of personal protective equipment and critical-post rescue and first-aid devices

Strengthening and optimizing the talent pool

Anchored to the "talent-driven enterprise" strategy, the Company established multiple development pathways and practical competition platforms. It advanced talent selection, recruitment, and development at high standards through stratified and categorized approaches, aiming to fully showcase employees' capabilities and to drive high-quality development through talent.

Opening clear career development pathways

The Company continuously refined its management measures for hierarchical talent sequences, promoted and recruited various types of outstanding talent, thus ensuring unobstructed pathways for employee growth to expand development opportunities. These efforts effectively stimulated the organization's intrinsic motivation and gathered core momentum for the Company's long-term development.

Talent promotion

Thirty-six cadres were promoted or further deployed to key positions. Seven leading scientific and technological talents, 25 scientific and technological backbones, and 83 young scientific and technological talents were selected.

Talent recruitment

In line with Ansteel's "Energy Accumulation Action" deployment, the Company newly recruited 829 individuals, including recent graduates and experienced skilled workers, providing strong support for human resource optimization and the Company's future development.

Developing high-caliber talent

The Company established a "1+5+N" training system that focuses on building key talent pipelines-including young managers, senior-level professionals, and scientific and technical personnel-and steadily implements its annual employee training plan. Through diversified measures such as talentpool reserves, job-rotation assignments, and targeted talent development programs, it comprehensively cultivated backbone personnel across various fields, thereby solidifying the talent foundation for the Company's high-quality development.

Management talent

We conducted "three-in-one" research and promptly incorporated outstanding young managers into the "1123" talent pool. It selected top young managers to attend training courses, reinforced multi-platform job rotation opportunities and timely appointments, and consolidated the foundation of its management talent. In 2025, 20 outstanding young managers were promoted or further deployed.

Senior/high-endtalent

We focused on developing core technical personnel who combine research capabilities with practical experience to ensure the stable operation of its postdoctoral research stations and strengthen talent competitiveness.

Scientific and technological Talent

We implemented the "313" scientific and technological talent development program to cultivate technical talent at all levels. It promoted young technical personnel to frontline production for on-the-job learning, facilitating their transition from temporary plant assignments to formal plant appointments and promoting deeper integration of research and production.

Specialized Talent

Through internal training, elective instructional programs, and focused special projects, we developed talent in key areas such as international practices, dual-carbon initiatives, digitalization, lean management, and energy management to enhance employees' comprehensive competencies.

25 key lean practitioners participated in the Company's Intermediate Lean Engineer training and talent assessment course, as well as the Phase I Lean Digital Talent Advancement program. All have passed the Intermediate Lean Engineer examination and received the Ministry of Industry and Information Technology's Intermediate Lean Engineer competency certification

2025

Employee training expenditure: **15.581** million yuan

Total employee training sessions (cumulative): **42,668**

Proportion of young managers born in or after 1983 ("post-83"): **23.99%**

Case **Conducting labor and skills competitions**

The Company established a dual-track competition system driven by both labor contests and skills competitions. Labor contests focus on cost reduction and efficiency improvement, while skills competitions align with the needs of industrial workforce development and innovation. These initiatives encourage employees to train through competition and learn through contest participation, thereby driving performance improvement and building a high-quality workforce. In 2025, the Company organized nine company-level labor contests and 89 grassroots-level competitions, which continuously optimized key performance indicators. The Bayuquan Steel Branch and the Blast Furnace Department received national benchmarking awards in energy saving and consumption reduction competitions-Champion Furnace and Excellence Furnace, respectively. The Company also organized employee skills competitions covering 12 trades and 901 participants, hosted the metal rolling category of Ansteel's "Elite Competition," and achieved first-place finishes in multiple competitions at the Liaoning provincial and Anshan municipal levels.

Employee care

The Company consistently prioritized employee welfare and, focusing on staff needs, carried out the "I Do Practical Things for the People" initiative. It widely organized a diverse range of popular fitness and cultural sports activities, using tangible, practical measures to convey the Company's care and commitment to employees. By ensuring that the benefits of development reach all staff, these efforts contributed to a continual rise in employees' sense of well-being.

2025

Assistance for employees in need

Visits to employees in difficulty: **6,997** person-times

Relief payments disbursed: **3.3184** million yuan

Funds secured from the Liaoning Provincial Federation of Trade Unions' "Warmth" program: **2** million yuan

Educational assistance disbursed for children of employees in difficulty: **142,000** yuan

Caring for female employees

The compliance rate for the special collective agreement protecting female employees' rights and interests reached **100%**

The Company organized screenings for the two major cancers for **2,329** female employees

The Company purchased Ankang insurance for all female employees. In 2025, the Company handled insurance claims for **6** female employees

Supporting frontline and stakeholder employees

The Company completed **27** company-level key livelihood projects by focusing on the needs of frontline and stakeholder personnel

It renovated **297** facilities, including operating rooms and lounges

More than **11,600** employees and stakeholder personnel benefited

The Company continued the "Sending Coolness in Summer and Warmth in Winter" campaign, providing care visits to **19,400** frontline employees

Mass Fitness Activities

Hosted a table tennis competition

Hosted a football tournament

Hosted a badminton tournament

Hosted a recreational soft volleyball competition

Tangible Acts of Care

Renovated and refreshed bathrooms

Launched "Sending Collness" activities

Urban development

The Company got deeply integrated into the broader framework of local development. Leveraging its industrial capabilities to empower the upgrading and quality improvement of the local economy, it provided robust guarantees for public heating as a basic livelihood service and fulfilled its social responsibility through diverse philanthropic initiatives. The Company continuously built a new integrated development model in which government and enterprise act with unified purpose, development moves in the same direction, and public welfare is mutually supported, demonstrating the role of a central enterprise in fostering enterprise-local symbiosis and community prosperity.

Enterprise-locality shared prosperity

Adhering to a development philosophy of enterprise-locality integration, the Company leveraged its industrial strengths and its responsibilities as a central enterprise to collaboratively pursue sustainable development with governments and local small- and medium-sized enterprises (SMEs). Through innovative cooperation mechanisms and support for local SMEs, the Company promoted coordinated industrial chain development and regional coconstruction to achieve mutual growth and shared prosperity.

Case **Exploring a new "value co-creation" model between railways and steelmakers**

The Company and the Shenyang Railway Bureau established a new cooperative mechanism characterized by "mutual value creation and pragmatic efficiency," implementing measures to deepen industrial chain collaboration and optimize transportation models. These efforts have elevated logistics management from singledimension cost control to full-chain value co-creation, providing a new benchmark for railway-steel industry collaboration. In 2025, the initiative achieved cumulative logistics cost reductions of 68 million yuan.

- The two parties signed Northeast China's first *Logistics General Contracting Agreement*, pioneering a "general-contract cooperation + mutual empowerment" model that created a win-win cycle of "lower costs for steel mills and increased volume for railways."
- They jointly introduced an integrated "bureau-station-enterprise" operational model and a service matrix of "customized transportation products," which significantly improved operational efficiency and reduced transportation costs. The number of transshipment occurrences decreased from 8 to 2, and the delivery lead time was reduced from 15 days to 5 days.
- The established "railway-enterprise interconnectivity" information platform achieved 73 functional collaborations with the Shenyang Railway Bureau across six major business domains, enabling minutelevel data synchronization and intelligent logistics management.

Case **Supporting local SMEs and deepening the "Double-Anshan" integration**

The Company and the Anshan Municipal Government are working hand in hand to accelerate the "Double-Anshan" integrated development. By prioritizing local procurement and providing targeted training in areas such as equipment, technology, and packaging, the Company supported the growth of local SMEs, effectively enhancing the localization of industrial and supply chain support. It actively built upstream-downstream cooperation mechanisms, and promoted the formation of a regional industrial ecosystem closed loop, thereby injecting sustained momentum into the high-quality development of the local economy.

Public heating

The Company has consistently placed safeguarding people's livelihoods as a top priority. By fully leveraging industrial waste heat resources, the Company undertook the supply of heating for 12 million square meters in Anshan, converting the "heat of steel" into a livelihood-warming "temperature" for thousands of households. This effort not only embodied the Company's commitment to green and low-carbon development but also vividly demonstrated its people-centered sense of responsibility, making it a key force in protecting public warmth during winter.

In preparing for the 2025 winter heating season, the Company made advanced, comprehensive plans and focused on critical areas such as pipeline inspections and equipment maintenance. Through thorough cleaning, inspection, and servicing, it systematically eliminated risks and materially improved the stability and reliability of the heating system. During the heating period, it strictly enforced a 24-hour duty system, closely monitored operational status, and dynamically adjusted heating parameters to ensure a high-quality, continuous heat supply.

Heating System Monitoring

Public welfare and charity projects

The Company actively mobilized young employees to engage in public welfare undertakings. It launched the youth "Inheriting Lei Feng's Spirit-Supporting the 'Enterprise with High Performance in Five Aspects' with Youthful Energy" themed practice campaign. Effectively leveraging the vitality of young volunteers, the Company organized youth volunteers to provide assistance and donations to employees and community members in need and to carry out community service initiatives. These activities encouraged employees to internalize Lei Feng's spirit and express it through practical action, thereby continuing the Lei Feng tradition in the new era.

2025

Number of volunteers in volunteer activities: **10,937** persons

Accumulated duration of volunteer service: **24,318** hours

Number of volunteers: **3,941** persons

Case **Liu Kepeng, a post-90s employee, went to Shenyang to donate hematopoietic stem cells, passing on the light of life**

As a central SOE inheriting the spirit of Lei Feng, Angang Steel has always integrated the fulfillment of social responsibility into the lifeblood of its corporate development. Through Party and League organizations as well as the Guo Mingyi Volunteer Team, the company encourages its employees to actively participate in public welfare activities, achieving the mutual fulfillment of personal values and corporate missions. Liu Kepeng, an employee of the Chemical Technology Company, is a typical example among them. He joined the China Marrow Donor Program in 2022, and upon receiving a notice of a successful match in August 2025, he honored his promise without hesitation and completed the hematopoietic stem cell donation, becoming the 39th donor in Anshan City and the 15th donor in the Anshan area of Angang Group. Liu Kepeng's kind act is not only the realization of personal value but also a vivid reflection of the enterprise inheriting the red gene and fulfilling social responsibility, demonstrating the precious qualities and sense of responsibility of the staff of central SOEs in the new era.

Angang Steel Company and the Red Cross Society of Anshan City awarded an honorary certificate to Liu Kepeng

2025

More than **970** person-times participated in the voluntary blood donation campaign

The cumulative blood donation volume reaches **295,000** milliliters

Rural revitalization

The Company consistently regarded paired assistance as a core responsibility and a mission of the times, consciously integrating itself into the national development agenda. It studied and deployed practical measures that leverage its steelmaking capabilities to help consolidate and expand the achievements of poverty alleviation and to ensure a seamless linkage with rural revitalization. Building on its development advantages and concentrating efforts on key areas, such as targeted support for distinctive local industries, the Company comprehensively assisted beneficiary regions in achieving sustainable, high-quality development. Through concrete actions, the Company embodied the mission of a central enterprise and contributed Ansteel's strength in writing a new chapter in comprehensive rural revitalization.

Responsibility honors

★ The initiative "With Care, Affection and Effort: Supporting the Pamir Plateau Yak Industry on Its Path to Brand-driven Prosperity" was recognized as a model case in the *CMG Rural Revitalization Observational Report* at the inaugural Rural Revitalization forum hosted by China Media Group (CMG).

2025

The Company invested **16.5** million yuan for paired assistance

It introduced external funds amounting to **81.2028** million yuan

It dispatched **5** technical and management staff for paired assistance

It cumulatively trained more than **1,295** grassroots managers, leaders in rural revitalization, and technical staff

It purchased assistance products worth **19.186** million yuan and provided assistance in selling products worth **6.4507** million yuan

It provided paired assistance to one county and one village (Tashkurgan Tajik Autonomous County in Xinjiang and Shangtao Village in Chaoyang, Liaoning), benefiting over **42,000** residents of Tashkurgan County

Creating **17** new jobs

Benefiting **74** people in Shangtao Village

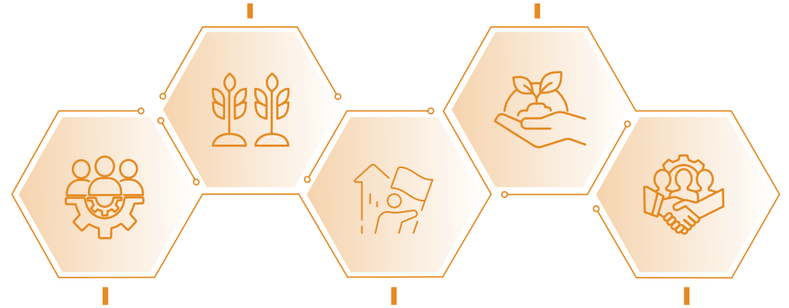
Supporting Five Major Revitalization Initiatives

Supporting industrial revitalization

The Company supported Taxkorgan Tajik Autonomous County's development of specialty crops such as flowers, forestry fruits, and highland barley, helping nearly 3,000 farmers and nomads increase their employment and incomes. It participated in central SOE consumption support programs, purchasing specialty agricultural products worth 19.186 million yuan and 4,000 sets of Xinjiang workwear totaling 430,800 yuan.

Supporting ecological revitalization

The Company improved and de-silted 200 mu (approximately 1.33 hectares) of arable land at Taxkorgan Tajik Autonomous County resettlement sites to facilitate the construction of high-standard farmland, and funded drainage infrastructure in Shangtao Village to strengthen disaster prevention capacity.



Supporting talent revitalization

The Company equipped boarding primary schools and Shenta Middle School in Taxkorgan Tajik Autonomous County with water heaters and washing machines, improving the living conditions of approximately 3,510 students.

Supporting cultural revitalization

The Company implemented a new-media equipment procurement project for Taxkorgan Tajik Autonomous County's integrated media center to enhance rural revitalization content production and distribution.

Supporting organizational revitalization

The Company implemented a digitalization program for Taxkorgan Tajik Autonomous County's cadre and personnel management, advancing intelligent management of personnel files and improving the efficiency of digital governance.

Improving Basic Infrastructure

Strengthening and upgrading the rural power grid

The Company carried out the power infrastructure improvement project in Kukexiluge Township to relieve regional electricity shortages.

Enhancing elderly care services

The Company upgraded equipment and facilities at Hongqi Community's home-based elderly care center to expand daytime services for seniors and provide a model for county-level elderly care.

Improving healthcare services

The Company upgraded service functions at the Medical, Rehabilitation and Elderly Care Center of the People's Hospital of Taxkorgan Tajik Autonomous County to address gaps in the county's integrated "medical + rehabilitation + elderly care" healthcare offerings.

Outlook for the 15th Five-Year Plan Period: Innovating Intelligently for the Future

At the starting point of a new round of development cycle, Angang Steel will always uphold Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. It will thoroughly study and implement the guiding principles of the 20th National Congress of the Communist Party of China (CPC), all plenary sessions of the 20th CPC Central Committee, and the Central Economic Work Conference. It will continue to further translate into practice the important directives delivered by General Secretary Xi Jinping during his inspections in Liaoning and at Bensteel, part of Ansteel Group. Strengthening its improving operational momentum, Angang Steel will resolutely advance the construction of "an enterprise with high performance in five aspects," thoroughly implement the "1345" development strategy, and firmly pursue of high-end, intelligent, and green development, while systematically planning a sustainable development blueprint for the next five years.

On the path toward high-end development, we will place scientific and technological innovation at the core as the primary driving force, align our efforts with major national strategies and high-end market demand, and continuously optimize our product portfolio. We will vigorously develop high-end products with high technological content, high added value, and high performance, to transition from "scale leadership" to "quality leadership." By delivering more globally pioneering products that serve national strategic needs, we will build an irreplaceable "Ansteel" brand.

In the course of intelligent upgrading, we will fully embrace the digital revolution by deeply integrating next-generation information technologies with production and operations. We will accelerate the formation of a new intelligent manufacturing model that covers the entire production process, all dimensions of management, and the full product life cycle, enabling the Company to move from "manufacturing" to "intelligent manufacturing" and reshape its core competitiveness.

In terms of green transformation, we will adhere to an ecology-first and green-development approach and courageously shoulder the "dual-carbon" mission. Low-carbon development will be treated as a core corporate strategy, with concentrated efforts to reduce carbon at the source, cut emissions during processes, enhance energy conservation and emissions reduction, and promote resource circularity. We will advance green manufacturing and build green factories to achieve coordinated economic and environmental benefits, striving to become a global leader in green, low-carbon steel.

Looking toward the 15th Five-Year Plan period, Angang Steel will continue to deeply embed sustainable development into corporate governance and every link of the value chain. The Company will not only pursue outstanding operational performance but also commit to creating comprehensive value that is environmentally friendly, socially harmonious, and shared with employees and communities. Through tangible results in high-quality development, Angang Steel will make new and greater contributions to building Ansteel into a world-class enterprise with stronger international influence. Bearing the responsibility of the eldest son of the People's Republic of China, it will offer Ansteel's solid contribution to Chinese modernization.

ESG Performance Sheet

Dimension	Indicator	2023	2024	2025
Environment (E)	Total energy consumption (ton standard coal)	15,282,414	14,280,700	14,166,140
	Energy consumption intensity (ton per ton of steel)	0.572	0.561	0.562
	Comprehensive energy consumption per 10,000 yuan of industrial output value (ton standard coal per 10,000 yuan)	2.05	1.97	1.89
	Yearonyear decrease in comprehensive energy consumption per 10,000 yuan of industrial output value (%)	/	3.8	4
	Total water consumption (ton)	86,041,676	81,981,245	92,487,534
	Water consumption per ton of steel (ton per ton of steel)	3.23	3.22*	3.54
	Total nitrogen oxides (NO_x) emissions (ton)	22,349.6	18,484.2	13,971.26
	Total sulfur dioxide emissions (ton)	7,564.2	6,040.8	4,360.6
	Total particulate matter emissions (ton)	10,952.7	5,018	3,657.18
	Emissions of COD (ton)	50.9	49.42	51.39
	Total hazardous waste (ton)	0	287,000	382,300
	Hazardous waste intensity (ton per ton of steel)	0	0.011	0.015
	Total nonhazardous waste (ton)	146,000	146,000	150,000
	Nonhazardous waste intensity (ton per ton of steel)	0.00830	0.0057	0.0059
	Greenhouse gas emissions (ton of carbon dioxide equivalent)	55,427,807	51,671,681	51,034,980
	Greenhouse gas emission intensity (ton per ton of steel)	2.07	2.03	2.03
	Water reuse rate (%)	98.34	98.59	98.55
Social (S)	R&D expenditure ('0,000 yuan)	285,209.8	397,208.94	383,744
	Number of invention patent applications (Nos)	741	831	947
	Number of invention patents granted (Nos)	521	540	404
	Number of valid patents (Nos)	3,811	4,059	4,158
	Number of new granted patents (Nos)	523	548	559
	Product pass rate (%)	99.3	99.3	99.37
	Product recall rate for safety and health reasons (%)	0	0	0
	Customer satisfaction score (point)	93.13	93.84	93.91
	Number of complaints about products and services (Nos)	1,636	1,733	1,191
	Percentage of complaints resolved (%)	97	100	100
	Local procurement rate (%)	27.39	41.71	44.5
	Safety management investment ('0,000 yuan)	17,211.98	17,264	14,127
	Health & safety protection investment ('0,000 yuan)	16,541	16,284	15,010
	Number of people covered by safety training (person)	213,190	208,492	278,528
	Safety training coverage (%)	100	100	100
Social (S)	Total recordable injury frequency rate (TRIFR) (occurrence per million working hours)	0	0	0.04
	Major accident frequency (occurrences per million working hours)	0	0	0
	Severity rate of injuries (%)	0	0	0.01
	Workrelated fatalities per year (persons) in the most recent three years	0	0	1
	Workrelated fatality rate in the most recent three years (%)	0	0	0.04
	Injury rate per thousand employees (‰)	0	0.03	0.085
	Number of workdays lost due to workrelated incidents (day)	0	65	7,105
	Total number of employees (person)	26,964	25,028	23,990
	Number of new hires (person)	141	272	709
	Proportion of female managers (%)	4.29	4.31	4.18
	Employee turnover rate (%)	1.6	0.89	0.35
	Employee satisfaction score (point)	4.1	4.5	4.16
	Collective bargaining agreement compliance rate (%)	100	100	100
	Labor contract signing rate (%)	100	100	100
	Social insurance coverage rate (%)	100	100	100
	Occupational health check coverage rate (%)	100	100	100
	Coverage of training to employees (%)	100	100	100
	Coverage of training to female employees (%)	100	100	100
	Coverage of training to male employees (%)	100	100	100
	Coverage of training to senior managers (%)	100	100	100
	Coverage of training to middle managers	100	100	100
	Coverage of training to ordinary employees (%)	100	100	100
	Average training hours per employee (hours)	66.1	66.3	66.5
	Per capita training time of female employee (hour)	66.1	66.3	66.5
	Per capita training time of employees (hour)	66.1	66.3	66.5
	Per capita training time of senior managers (hour)	110	110	110
	Per capita training time of middle managers (hour)	90	90	90
	Per capita training time of ordinary managers (hour)	48	48	48
	Investment in paired assistance ('0,000 yuan)	1,640.1	1,650	1,650
	Volunteer service participation (person-times)	9,775	9,855	10,937
	Total volunteer service hours (hours)	11,730	20,124	24,318
Governance (G)	Total assets (billion yuan)	97.014	100.578	96.047
	Corporate governance training sessions (times)	5	5	7
	Investor engagement activities (times)	16	15	12

* The 2024 water consumption per ton of steel in this report has been corrected to 3.22 ton per ton of steel. This figure was previously diclosed as 1.91 ton per ton of steel in the previously released report and has been revised following a recalculation.

Indicator Index

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Indicators Content		Page number
A1 Emissions		
General Disclosure	The policies, and compliance with relevant laws and regulations that have asignificant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	49-50
A1.1	The types of emissions and respective emissions data.	49, 75
A1.2	[Repealed 1 January 2025]	/
A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	52, 75
A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	52, 75
A1.5	Description of measures to mitigate emissions and results achieved.	49-50
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	51-52
A2 Use of Resource		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	52-53
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (calculated in kWh) and intensity (e.g. per unit of production volume, per facility).	52, 75
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	53

Indicators Content		Page number
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	49-53
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.	50, 53
A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	53
A3 Environment and Natural Resources		
General Disclosure	Policies for minimising the issuer's significant impact on the environment and natural resources.	53-54
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	53-54
A4 Climate Change		
General Disclosure	[Repealed 1 January 2025]	/
A4.1	[Repealed 1 January 2025]	/
B1 Employment		
General Disclosure	The policies, and 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.	61-68
B1.1	Total workforce by gender, employment type, age group and geographical region.	61-62
B1.2	Employee turnover rate by gender, age group and geographical region.	62
B2 Health and Safety		
General Disclosure	The policies, and 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.	63-64
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	76
B2.2	Lost days due to work injury.	76
B2.3	Describe the adopted occupational health and safety measures, as well as relevant implementation and monitoring.	63-64
B3 Development and Training		
General Disclosure	Policies on improving employees'knowledge and skills for discharging duties at work. Description of training activities. Training refers to occupational training, including internal and external courses paid by the employer.	65-67
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	76
B3.2	The average training hours completed per employee by gender and employee category.	76
B4 Labour Standard		
General Disclosure	The policies, and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	61
B4.1	Description of measures to review employment practices to avoid child and forced labour.	61
B4.2	Description of steps taken to eliminate such practices when discovered.	61
B5 Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	59

Indicators Content		Page number
B5.1	Number of suppliers by geographical region.	60
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	60
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	59
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	60
B6 Product Responsibility		
General Disclosure	The policies, and 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. Description of consumer data protection and privacy policies, how they are implemented and monitored.	57-58
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	76
B6.2	Number of products and service related complaints received and how they are dealt with.	60, 76
B6.3	Description of practices relating to observing and protecting intellectual property rights.	/
B6.4	Description of quality assurance process and recall procedures.	60
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	58
B7 Anti-corruption		
General Disclosure	The policies, and compliance with relevant laws and regulations that have a significant impact on the issuer relating to the prevention of bribery, extortion, fraud and money laundering.	44
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.	44
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	44
B7.3	Description of anti-corruption training provided to directors and staff.	44
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 community interests.	69-72
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture and sport).	69-72
B8.2	Resources contributed (e.g. money or time) to the focus area.	69-72

Feedback Form

Dear readers,

Thank you for reading this report! We would like to listen to and adopt your opinions and suggestions about this report, for the purpose of providing an important basis for improving the quality of our CSR&ESG report.

Please put a mark of √ for what you have chosen.

Q: Do you think the report has highlighted the Company's work and impacts on the economy, society and environment?

☐ Yes ☐ Not bad ☐ No

Q: Do you think the information and indicators disclosed in this report are clear, accurate and complete?

☐ Yes ☐ Not bad ☐ No

Q: Do you think this report is formulated with the appropriate contents and format for reading?

☐ Yes ☐ Not bad ☐ No

Open questions:

Which parts in this report are you mostly interested in?

_____

Which information that you want to know is not included in this report?

_____

What are your suggestions on our future release of CSR report?

_____

Would you please tell us something about you?

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