



# 北京城建设计发展集团股份有限公司

BEIJING URBAN CONSTRUCTION DESIGN & DEVELOPMENT GROUP CO., LIMITED

(A joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code: 1599

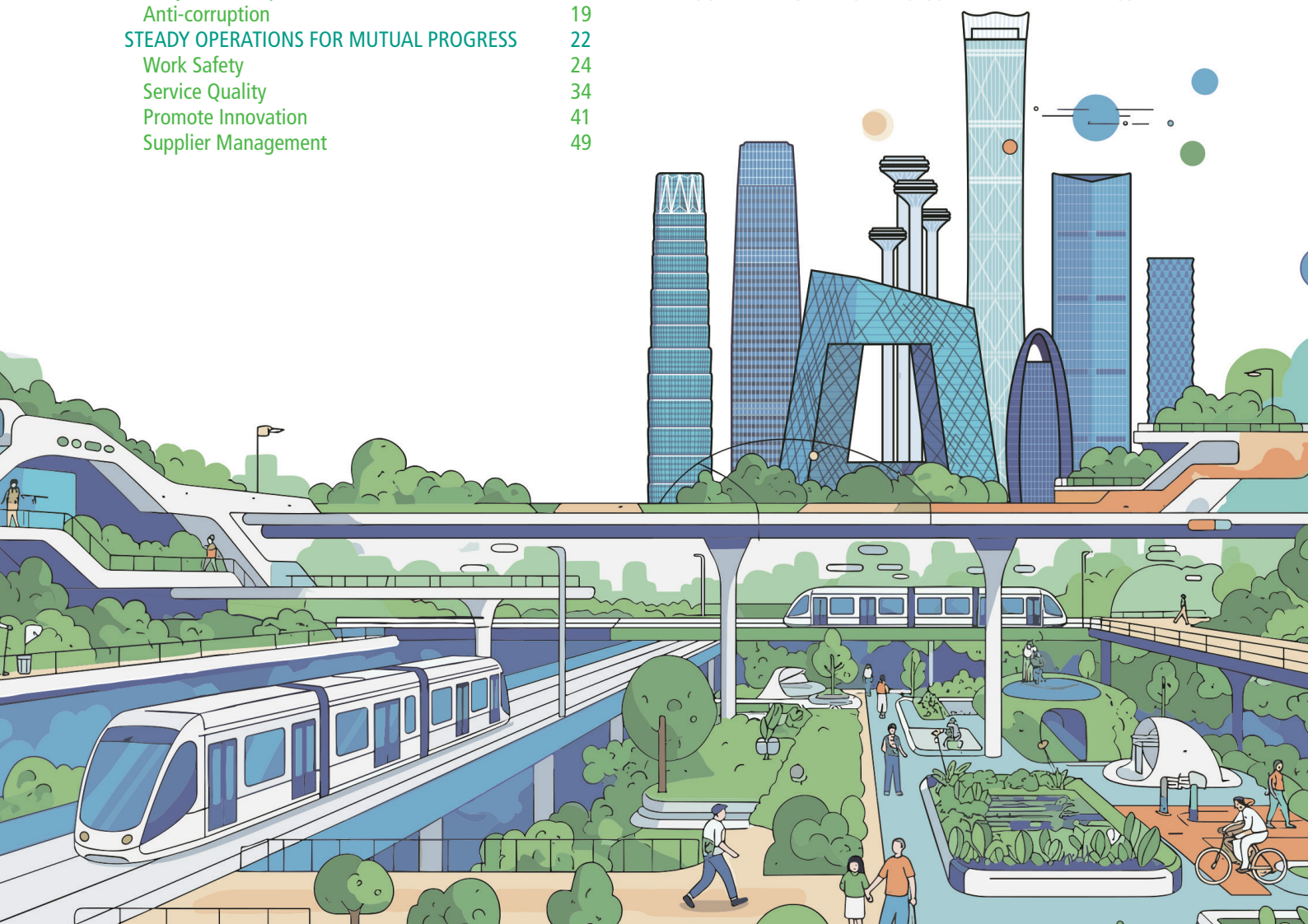
# 2025

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



# CONTENTS

<b>ABOUT THIS REPORT</b>	2	<b>PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES</b>	54
Objective of the Report	2	Talent Management	55
Scope of the Report	2	Craftsmanship	66
Preparation Basis	2	<b>GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY</b>	69
Report Description	2	Environmental Protection Goals	71
Response to the ESG Reporting Principles of the Stock Exchange	3	Climate Change	72
<b>STATEMENT OF THE BOARD OF DIRECTORS</b>	4	Green Office	82
<b>MESSAGE FROM THE MANAGEMENT</b>	5	Green Construction	86
<b>GROUP PROFILE</b>	7	Environmental Education	89
Group Profile	7	Environmental Performance	90
Corporate Culture	8	<b>GIVING BACK TO THE COMMUNITY THROUGH CHARITABLE UNDERTAKINGS</b>	95
Social Recognition and Awards in ESG Field	8	Rural Revitalization	96
<b>SUSTAINABILITY MANAGEMENT</b>	9	Provide Disaster Relief and Help the Needy	97
ESG Strategic Goals	9	<b>[FEATURE] GREEN AND LOW-CARBON MANAGEMENT: DRIVING CARBON REDUCTION AND EFFICIENCY ENHANCEMENT ACROSS THE FULL LIFECYCLE OF URBAN RAIL AND URBAN INFRASTRUCTURE THROUGH TECHNOLOGICAL INNOVATION</b>	99
ESG Management Structure	9	<b>ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE</b>	103
Communication with Stakeholders	10		
Assessment of Material Issues	12		
<b>CONSOLIDATE THE FUNDAMENTALS, LEAD WITH GOOD GOVERNANCE</b>	15		
Corporate Governance	16		
Board Diversity Development	16		
Risk Management and Compliance Control	17		
Party Leadership	17		
Anti-corruption	19		
<b>STEADY OPERATIONS FOR MUTUAL PROGRESS</b>	22		
Work Safety	24		
Service Quality	34		
Promote Innovation	41		
Supplier Management	49		



# ABOUT THIS REPORT

## Objective of the Report

As the tenth Environmental, Social and Governance (“ESG”) Report released by Beijing Urban Construction Design & Development Group Co., Limited (hereinafter referred to as “UCD”), this report is to provide UCD’s environmental, social and governance performance during 2025, and to respond to ESG-related issues which stakeholders are concerned about. This report should be read in conjunction with the “Corporate Governance Report” section of the annual report for the year, so that all stakeholders are able to fully understand UCD’s sustainable development strategy, measures and relevant performance.

## Scope of the Report

This report covers UCD and its member companies (hereinafter collectively referred to as the “Group” or “we”): Beijing Urban Construction Exploration & Surveying Design Research Institute Co., Ltd. (北京城建勘测設計研究院有限公司; hereinafter referred to as the “Exploration & Surveying Institute”), Beijing Urban Rail Transit Construction Engineering Co., Ltd. (北京城建軌道交通建設工程有限公司; hereinafter referred to as the “Rail Company”) and Beijing Institute of Residential Building Design & Research Co., Ltd. (北京市住宅建築設計研究院有限公司; hereinafter referred to as the “Residential Institute”). Specific statistical scope of some environmental data will be illustrated in the “Environmental Performance” section.

Unless otherwise indicated, the reporting period is from 1 January 2025 to 31 December 2025 (hereinafter referred to as the “Reporting Period”).

## Preparation Basis

This report is prepared by the Group in compliance with the Environmental, Social and Governance Reporting Code (hereinafter referred to as the “Code”) set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited published by The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”). The compliance with the Environmental, Social and Governance Reporting Code is summarized in the “Annex: the Environmental, Social and Governance Reporting Code”. This report has complied with all “comply or explain” provisions set out in the Code and has been prepared in accordance with the four reporting principles of the Code: materiality, quantitative, balance and consistency.

## Report Description

This report is published in Traditional Chinese and English. In the event of any ambiguity in the content of the report, the Traditional Chinese version shall prevail. The electronic version of the report can be read and downloaded through the Group’s official website and the website of the Hong Kong Stock Exchange.

The data of this report is generated from the online platform system adopted by the Group or by manual sorting. This report adopts Renminbi as the measurement currency.

## Response to the ESG Reporting Principles of the Stock Exchange

### Materiality

This report identifies material ESG issues based on the procedure for assessing systemically important issues, which involves identifying major stakeholders, identifying ESG issues related to the Group, inviting major stakeholders to participate in the assessment, and determining material ESG issues. Please refer to the section headed "Assessment of Material Issues" for details of the assessment procedure and outcome of material issues.

### Quantitative

This report discloses key performance indicators (hereinafter referred to as "KPIs") on environmental and social performance, the standards, methods, assumptions, and calculation tools used to measure the KPIs, as well as the sources of transforming factors employed, so as to optimally assess our environmental and social performance during the Reporting Period.

### Balance

This report gives a fair and true picture of our ESG performance in 2025, providing readers with a basis for accurate decision-making or judgment.

### Consistency

Unless otherwise stated, the KPIs in this report adopt statistical methods consistent with those adopted in previous reporting periods to improve the comparability of environmental and social performance results.

## STATEMENT OF THE BOARD OF DIRECTORS

The board of directors (the “Board”) assumes the overall responsibility for the ESG strategy (including climate change-related matters) and reporting matters of the Group acts as the highest responsible and decision-making body of the Group. The Group assesses and determines ESG risks, climate risks and opportunities to ensure the stable operation of the risk control and internal control systems. The Board has set up an ESG working group, which is responsible for the implementation, supervision, reporting and continuous improvement of ESG issues, and regularly reporting to the Board on the commitments and performance of key ESG issues to facilitate the normal conduction of the Group’s ESG work and ensure that the Group’s ESG philosophy is fully implemented.

In order to control the impact of ESG risks, climate risks and opportunities in a timely and effective manner, the Group regularly conducts assessments on material ESG issues based on the external social and economic macro environment and the Group’s development strategy, taking into account the Group’s own characteristics, and reports them to the Board for review. Material issues related to ESG risks, climate risks and opportunities of the Group discussed and identified by the Board will be incorporated into the Group’s overall strategy as the focus of ESG work, and the management level and performance of the issues will be continuously improved.

The Group will continue to optimize the mechanism for the Board to participate in ESG work and consider formulating ESG objectives in key areas such as pollutant discharge, energy consumption management, water resource consumption management, carbon emission, occupational health and safety and product quality, so as to incorporate ESG management performance into daily operation goals and fully promote the Group’s ESG governance work.

This report discloses in detail the progress and effectiveness of UCD’s ESG work in 2025 and has been reviewed and approved by the Board. The Board and all directors of UCD guarantee that this report is free of any false records, misleading statements or major omissions, and are individually and jointly liable for the authenticity, accuracy and completeness of the content hereof.

## MESSAGE FROM THE MANAGEMENT

2025 marked a crucial year for the successful conclusion of the 14<sup>th</sup> Five-Year Plan and the planning of the 15<sup>th</sup> Five-Year Plan. It also witnessed the overall planning of high-quality development and high-level safety, and further promotion of green low-carbon transformation and high-quality urban construction. General Secretary Xi Jinping stressed that we should seek progress while maintaining stability, promote stability through progress, and establish the new before abolishing the old, safeguarding and improving people's livelihoods through development, and promoting Chinese-style modernization with new quality productive forces. As an integrated urban construction service provider dedicated to serving the national strategy and deepening the capital development, following Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, UCD sticks to the country's most fundamental interests, bravely shoulders the mission of the times, deeply integrates the ESG concept into its corporate strategy, operation management, and the development of the whole industrial chain. In the complex and severe internal and external environment, it strives to maintain stability amid difficulties and achieve progress while maintaining stability, and writes a new chapter of high-quality and sustainable development with practical achievements.

In the past year, in the face of a complex and volatile market environment, intense industry competition and multiple risks and challenges, the entire group made concerted efforts to overcome difficulties, fully implemented the work arrangements of the municipal government and the municipal state-owned assets supervision and administration commission, and adhered to maintaining stable growth, improving efficiency, preventing risks and promoting transformation, successfully accomplishing all the goals and tasks of the "14<sup>th</sup> Five-Year Plan", and continuously enhancing its core competitiveness, industrial influence and sustainable development ability. We firmly believe that the long-term development of an enterprise cannot be achieved without sticking to environmental responsibility, fulfilling social responsibilities, and enhancing governance efficiency. In 2025, the Group, guided by the ESG system building, set ESG strategic goals at the group level, and coordinated development and safety, benefits and responsibility, innovation and stability. It achieved solid results in safeguarding the safety bottom line, promoting green transformation, adhering to innovation-driven development, protecting employees' rights and interests, and serving social livelihoods, and demonstrated its responsibility and commitment through concrete actions.

**We keep a solid foundation for stable development by adhering to the safety bottom line.** Safety is the prerequisite for development, and stability is the foundation for prosperity. In 2025, the Group deeply implemented General Secretary Xi Jinping's important discourse on safety production, and fully carried out the Three-Year Action Plan for Radically Addressing the Safety Production Issues. Adhering to the principle of "every employee taking responsibility under the Party leadership", the Group has established a comprehensive safety production responsibility system, closely monitored key projects, new businesses, new processes, and remote, small and scattered projects, strengthened the double prevention mechanism integrating classified risk control and hidden hazard investigation and governance, and fully promoted intelligence security and safety enhancement through technology, which continuously enhances the modernization of our safety production governance system and governance capabilities.

**Driven by innovation, we strengthen the driving force for sustainable development.** Innovation is the primary driving force for development and also the core support for ESG sustainable development. In 2025, based on the primary business and responsibility of urban construction, the Group focused on the key fields such as rail transit, urban renewal, green and low-carbon development, and smart construction, continuously enhanced technological innovation and achievement transformation, and improved the design refinement, engineering excellence and industrial modernization. As an industry leader, we actively participate in the formulation of industry standards, promote breakthroughs in key technology and the implementation of new quality productive forces, and enhance industrial upgrade through innovation.

## MESSAGE FROM THE MANAGEMENT (Continued)

**Deeply rooted in the people-oriented concept, we pool the strength for unity and progress.** Talents are the most precious wealth of an enterprise, and employees are the core force for sustainable development. Always adhering to the “talent first, people-oriented” principle, the Group strictly safeguards the legitimate rights and interests of employees, guarantees fairness, inclusiveness and non-discrimination in employment, and establishes a professional platform for fair growth and diversified development of employees. We also continuously improve the remuneration and welfare, training and cultivation, care and support system, and enhance employees’ sense of belonging, sense of happiness and cohesion through measures such as assistance for employees in difficulty, mental care and cultural development. Committed to exercising strict governance over the Party, we persevere in rectifying conduct and discipline, improve the mechanism for preventing and controlling corruption risks, and firmly build ideological and institutional defenses against corruption. We have fostered a clean and upright political environment and development atmosphere that encourages people to work hard and achieve success, providing a solid guarantee for the healthy development of the enterprise.

**We are committed to fulfilling our green mission and promoting low-carbon transformation and development.** Thoroughly implementing the national “dual carbon” strategy and the requirements of ecological civilization construction, the Group integrates the green and low-carbon concept throughout the whole process of design, construction, operation, and management, strengthens source control, carbon reduction in the production process, and end-of-pipe treatment, and continuously promotes green construction, green office and green building, striving to minimize resource consumption and environmental impact. We actively provide service for the construction of a garden city in the capital, urban renewal, and the upgrading of underground pipelines, facilitate the construction of a livable, resilient, and smart city with green technology and ecological solutions, and implement the concept of “lucid waters and lush mountains are invaluable assets”, demonstrating the role of state-owned enterprises in promoting the green transformation of the industry.

**Bravely shouldering social responsibilities and serving the nation’s overall development.** As a state-owned enterprise in the capital, the Group remains pursuing its original mission, proactively serves national strategies, the development of the capital’s “four centers” function, and the needs of public livelihood. We advance key projects and livelihood projects with high quality, fulfilling our contractual responsibilities with top-tier standards. We actively engage in social causes such as rural revitalization, public welfare, and community services, solidly carrying out activities like paired-up assistance and charitable contributions, and steadily promoting common prosperity. We uphold integrity-driven operations and compliance management, protect the legitimate rights and interests of our partners, actively foster a harmonious and win-win industrial ecosystem, and serve society and give back to the people through our commitment to responsibility.

The year 2026 marks the opening year of the “15th Five-Year Plan” and a critical year for the Group to accelerate its transformation and upgrading as well as improve quality and efficiency. On this new journey, opportunities and challenges coexist, as do responsibilities and missions. The Group will continue to uphold the ESG concept of sustainable development, adhere to the principle of pursuing progress while ensuring stability and improving quality and efficiency, coordinate development and safety, and focus on market expansion, industrial upgrading, management innovation, risk prevention and control, green and low-carbon development, and livelihood protection. We will advance the comprehensive enhancement of environmental, social, and governance capabilities with higher standards and more concrete measures.

## Group Profile

Beijing Urban Construction Design & Development Group Co., Limited (01599.HK) is a technology-based engineering company that provides professional services for urban construction, with business coverage on urban rail transit, integrated transportation hubs, underground space development, industrial and civil buildings, municipal projects, urban planning, etc. With a complete industrial chain integrating design consulting, engineering construction, investment and financing, science and technology industrialization, real estate and cultural tourism, as well as operation and management, UCD provides customers with professional full-services.

Founded in 1958, the Group was established to provide survey and design services for China's first metro line, Beijing Metro Line 1. It was listed on the Hong Kong Stock Exchange in July 2014. The Company is one of the earliest survey and design companies established in China and has the comprehensive grade-A qualification, the highest qualification in China's survey and design industry.

The Group is the main formulator of the national design specifications for urban rail transit industry in China, having led the development of 23 national and industry standards and specifications, and participated in the compilation of over 60 national and industry standards and specifications. The Group is a driving force behind technological innovation in China's urban rail transit industry, holding 14 government-recognized innovation platforms, including the National Engineering Research Center for the Green and Safe Construction Technology of Urban Rail Transit. It has achieved nearly 800 provincial and ministerial-level scientific and technological achievements, over 700 patents, and more than 400 software copyrights, with numerous innovative technologies reaching internationally leading standards.

The Group has an expert team of the best in the industry, led by academicians of the Chinese Academy of Engineering, 3 National Engineering Survey and Design Masters, hundreds of professor-level senior engineers, to serve the whole process of urban rail transit engineering in all professional fields.

The Group has established business presence in nearly 70 cities in China with branches in more than 50 cities, and has extended its presence to overseas markets such as Russia, Vietnam, Kazakhstan, Columbia and Angola.

Over the past 67 years, the Group has consistently pursued its corporate mission of "Design the City, Build the Future", completing numerous landmark projects that have attracted global attention. It has received many prestigious honors, including the National Award for Technological Invention, the Luban Prize, and the FIDIC Award, earning widespread recognition from the government, clients, and society. The Company is committed to becoming a design-led comprehensive urban construction service provider, promoting the organic integration and sustainable development of people, cities, and the environment.

## GROUP PROFILE (Continued)

### Corporate Culture



### Social Recognition and Awards in ESG Field

The Group actively promotes ESG practices to enhance its core competitiveness for sustainable development.

The Group's ESG practice cases were selected for the Beijing State-owned Assets Supervision and Administration Commission (SASAC) ESG Blue Book for two consecutive years (2024 and 2025). In 2025, the case titled "Implementing Policy Orientation with Prefabricated Interior Decoration, Empowering a New Path for Urban Green Development" was selected as one of the "Top Ten Cases" in the Beijing SASAC's "Beijing State-owned Enterprises Environmental, Social and Governance (ESG) Blue Book (2025)". This recognition reflects the deep integration of ESG concepts with corporate strategy and provides a replicable practical pathway for the green transformation of the construction industry.

In 2025, the China Association of Metros served as the lead compiler, with Beijing Urban Construction Design & Development Group Co., Limited and Nanjing Metro Group Co., Ltd. collaborating to complete the first systematic ESG practice panoramic map for China's urban rail transit industry — the China Urban Rail Transit Sustainable Development (ESG) Report (2025). This report embodies the collective wisdom and consensus of the industry, providing a practical guide for urban rail transit enterprises and contributing to the development of China's ESG system.

In the future, the Group will continue to uphold its role as a state-owned enterprise, further strengthen its ESG management system, and leverage more pragmatic, innovative, and high-quality practices to contribute to advancing high-quality and sustainable development across the industry.

# SUSTAINABILITY MANAGEMENT

UCD has always integrated the concept of sustainable development into its corporate strategy. By continuously optimizing the governance structure, deepening communication and cooperation with stakeholders, accurately identifying and giving priority to key sustainable development issues, the Group has comprehensively enhanced its management capabilities and practical achievements in the field of sustainable development, thus achieving synergy and win-win results between enterprise development and social value and environmental benefits.

## ESG Strategic Goals

The Group is committed to deeply integrating sustainable development into its corporate strategy and operations, continuously optimizing its ESG governance system, and co-creating value with stakeholders. It strives to achieve a harmonious and synergistic balance between fulfilling responsibilities and enhancing corporate performance, thereby solidifying the core competitiveness for long-term development.

The Group has established ESG strategic planning goals. By 2030, it aims to build a comprehensive governance and management framework encompassing institutional systems, organizational development, quantitative indicators, and data management, driving the comprehensive integration of ESG into company operations and growth. The Group is dedicated to entering the industry's leading tier in mainstream ESG ratings, actively participating in the development of industry standards, and guiding the enterprise toward a sustainable and high-quality future.

## ESG Management Structure

The Group strictly complies with applicable laws and regulations such as the Company Law and the Listing Rules of the Hong Kong Stock Exchange. In accordance with the latest policy requirements of the Hong Kong Stock Exchange, it systematically promotes the construction of the ESG system. By optimizing the governance structure, the effectiveness of the Board in performing its duties has been significantly enhanced, solidifying the foundation for compliant operations and sustainable development.

In the design of the ESG governance mechanism, the Group adopts a three-level coordinated management structure comprising decision-making, management and execution levels to ensure the orderly advancement and effective implementation of ESG work:

## SUSTAINABILITY MANAGEMENT (Continued)

### Decision-making Level

The Board, as the highest decision-making body for ESG affairs, exercises the power of making ESG strategic decisions. It is fully responsible for assessing and identifying ESG risks, climate risks and opportunities, guides the ESG working group on work planning and coordination to ensure the stable operation of the Group's risk management and internal control systems, and bears full responsibility for the Group's ESG strategy and reporting.

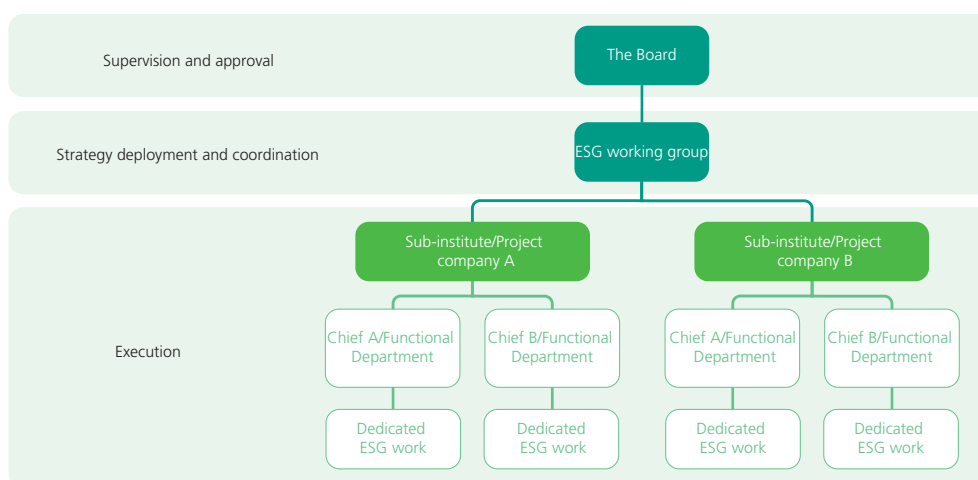
### Management Level

The ESG working group takes the lead in strategic planning, execution supervision and overall coordination. It is responsible for reporting to the Board about the work progress on environmental, social and governance, implements the ESG management strategy and countermeasures formulated by the Board, supervises the implementation of work by various execution units, and promotes continuous improvement in ESG work.

### Execution Level

Each branch, subsidiary and project company carries out ESG issue management and practical work in light of the characteristics of the industry. By deeply embedding ESG elements into the project operation, daily management and business expansion, we have achieved the implementation of the concept of sustainable development in each business link.

By deeply embedding ESG elements into the strategic decision-making, project operation and performance assessment systems, the Group has achieved a deep integration of the concept of sustainable development with the Company's daily operations, fostering synergy between ESG management and business growth.









ESG Governance Structure of UCD

## Communication with Stakeholders

The Group attaches great importance to stakeholder participation and continuously improves its social responsibility communication mechanism. Through systematic information disclosure on company operations and effective channels opened for communication with stakeholders, we understand and respond to the expectations and demands of stakeholders, and accept the supervision of the Group by stakeholders. In 2025, we disclosed information with respect to the Group's environmental, social and governance aspects to the public, and regularly disclosed to the public the practical results of the Group's fulfillment of social responsibility. We convened three general meetings in total, participated in/organized nine investor communication conferences, and disclosed more than 60 pieces of information to the public.

## SUSTAINABILITY MANAGEMENT (Continued)

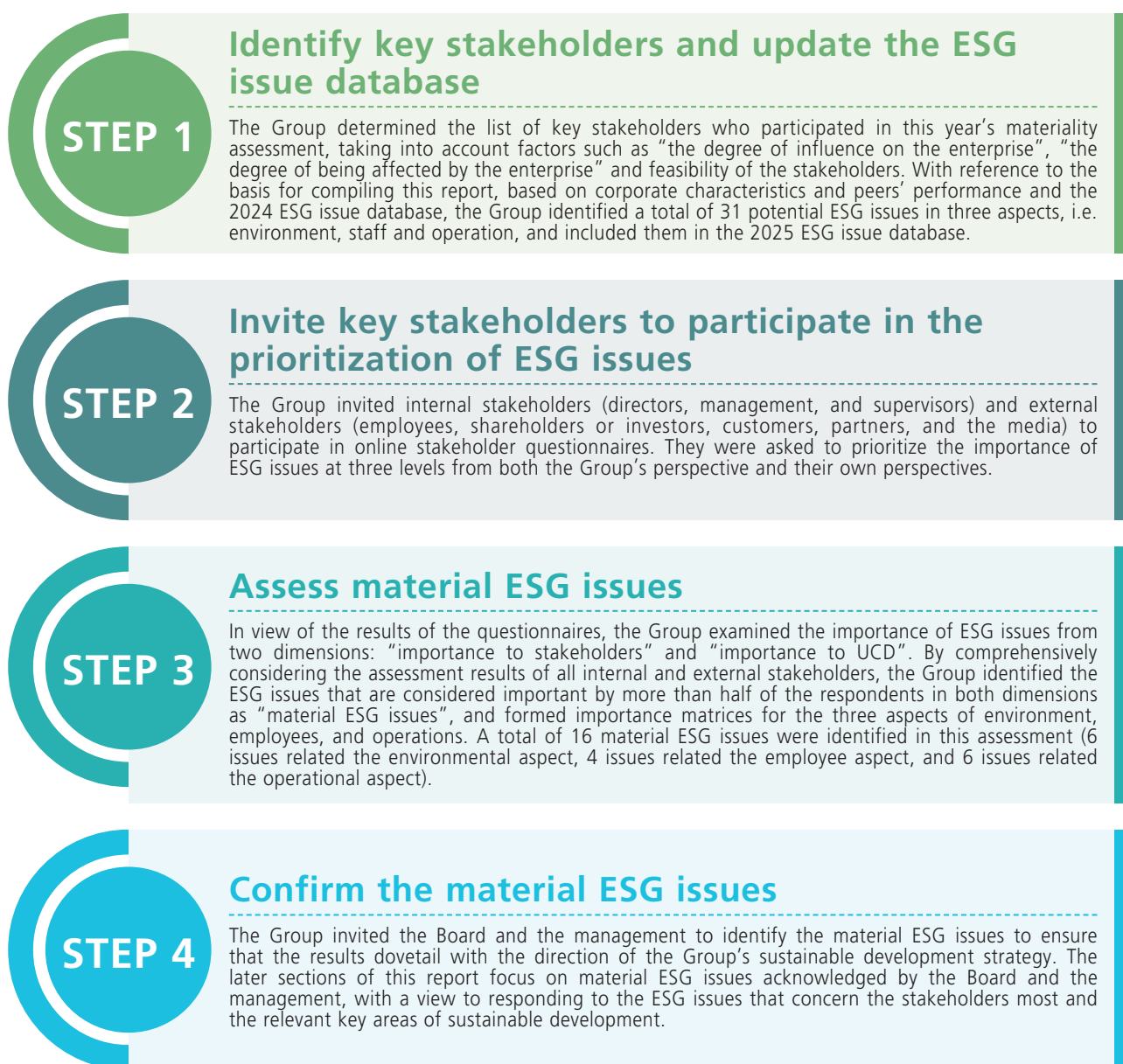
Stakeholders	Requirements and Expectations	Responses
 <p><b>Government</b></p>	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations</li> <li>• Payment of taxes</li> <li>• Support for economic development</li> </ul>	<ul style="list-style-type: none"> <li>• Operation in compliance with relevant laws and regulations</li> <li>• Payment of taxes in compliance with relevant regulations</li> </ul>
 <p><b>Investors</b></p>	<ul style="list-style-type: none"> <li>• Return on investment</li> <li>• Growth of business and earnings</li> <li>• Risk management</li> <li>• Information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>• Transparent and regular disclosure of information</li> <li>• General investor meetings</li> <li>• Investor summits</li> <li>• Roadshows</li> </ul>
 <p><b>Customers</b></p>	<ul style="list-style-type: none"> <li>• Provision of high-quality products and services</li> <li>• Satisfaction of customers' diversified needs</li> <li>• Creation of value for customers</li> </ul>	<ul style="list-style-type: none"> <li>• Assurance of service quality</li> <li>• Protection of customer information</li> <li>• Survey of customer satisfaction</li> </ul>
 <p><b>Employees</b></p>	<ul style="list-style-type: none"> <li>• Employee interests</li> <li>• Training and development</li> <li>• Occupational safety and health</li> <li>• Work and life balance</li> </ul>	<ul style="list-style-type: none"> <li>• Provision of competitive and good remuneration and benefits</li> <li>• Provision of various career development paths</li> <li>• Improvement of employee training system</li> </ul>
 <p><b>Partners</b></p>	<ul style="list-style-type: none"> <li>• Open, fair and equitable purchases</li> <li>• Compliance with contracts</li> </ul>	<ul style="list-style-type: none"> <li>• Execution of contracts</li> <li>• Open tendering</li> </ul>
 <p><b>Community and the public</b></p>	<ul style="list-style-type: none"> <li>• Community development</li> <li>• Public welfare undertakings</li> </ul>	<ul style="list-style-type: none"> <li>• Assistance in community construction</li> <li>• Participation in public welfare undertakings and charities</li> <li>• Regular organization of volunteer activities</li> </ul>

## SUSTAINABILITY MANAGEMENT (Continued)

### Assessment of Material Issues

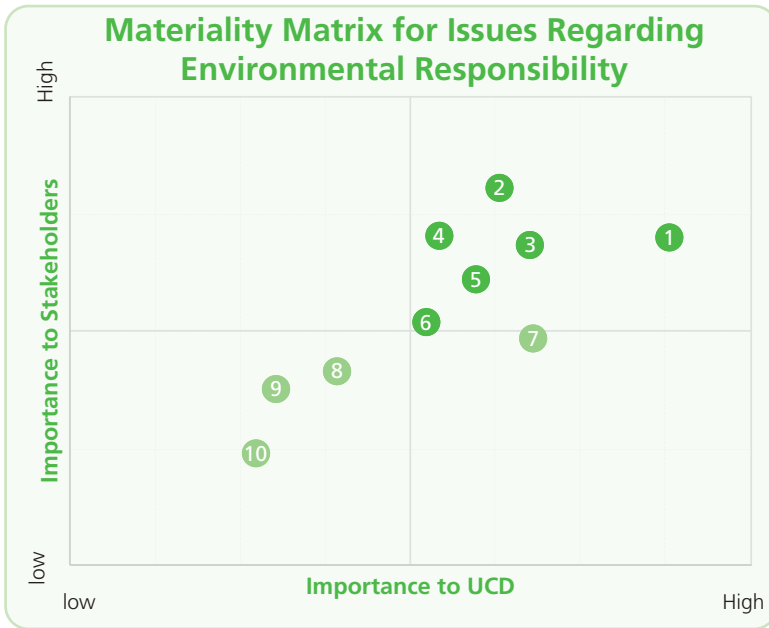
By integrating Group's strategic planning with social responsibility management, UCD conducted a materiality assessment based on domestic and international ESG (Environmental, Social, and Governance) disclosure frameworks within the industry, through extensive questionnaire surveys to prioritize ESG material issues involving stakeholders such as the government, shareholders, employees, and customers. This serves as a crucial reference for the disclosure on the ESG report for the year.

The materiality assessment process is as follows:

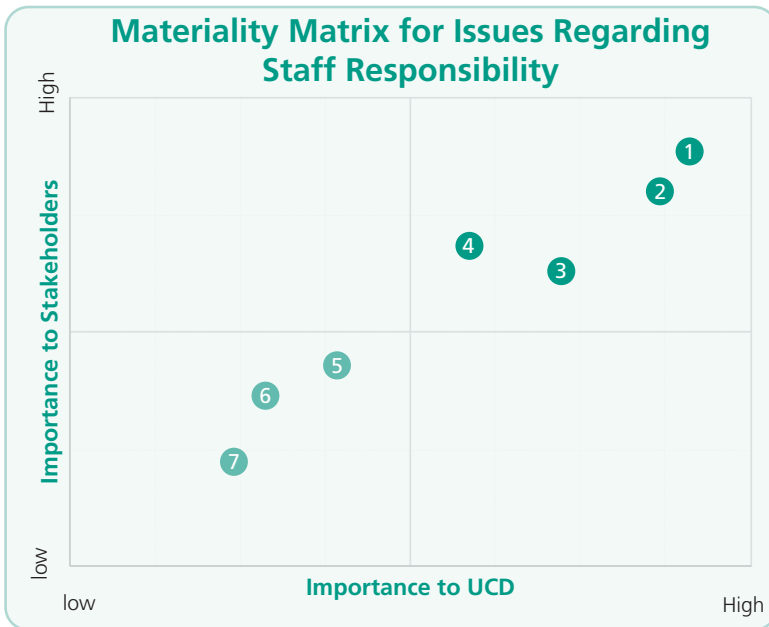


## SUSTAINABILITY MANAGEMENT (Continued)

Through the assessment, the following is the materiality matrix for this year in the three aspects, namely environment, staff and operation.

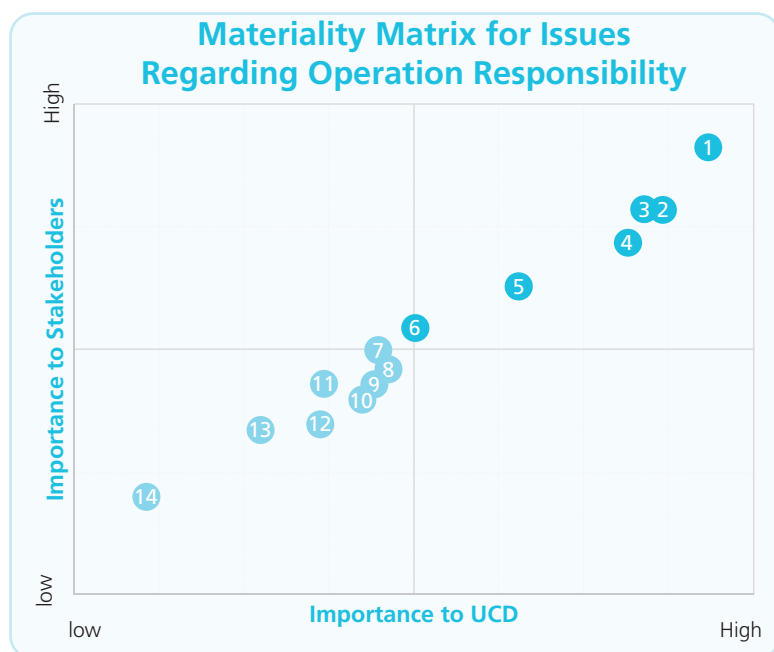


- ① Management of energy utilization
- ② Discharge and management of pollutants
- ③ Management of water resources utilization
- ④ Discharge and management of waste
- ⑤ Green office policy management
- ⑥ Discharge and management of greenhouse gases
- ⑦ Green construction policy management
- ⑧ Climate change response policy and measures
- ⑨ Biodiversity and environmental protection
- ⑩ Participation in and donation to environmental protection activities



- ① Protection of staff interests
- ② Management of staff health and safety
- ③ Staff training and career development
- ④ Policy of staff benefits
- ⑤ Diversity and equal opportunities
- ⑥ Prohibition of child labor and forced labor
- ⑦ Rural revitalization and regional coordinated development

## SUSTAINABILITY MANAGEMENT (Continued)



- ① Work safety
- ② Service quality
- ③ Project quality
- ④ Technological innovation
- ⑤ Protection of intellectual property
- ⑥ Protection of customer privacy
- ⑦ Selection and management of suppliers
- ⑧ Standardization of bidding and tendering process
- ⑨ Environmental risk management of supply chain
- ⑩ Anti-corruption (anti-bribery, extortion, fraud, money laundering, etc.)
- ⑪ Fair competition
- ⑫ Social risk management of supply chain
- ⑬ Communication with stakeholders
- ⑭ Community investment (e.g., education and healthcare improvement, poverty alleviation, etc.)

Based on the important matters of sustainable development of the Group, we identified 16 material issues through the analysis on the matrix of material issues with specific orders as follows (ranked according to the materiality of the issues, from high to low):

Environment Responsibility		Staff Responsibility		Operation Responsibility	
1	Management of energy utilization	1	Protection of staff interests	1	Work safety
2	Discharge and management of pollutants	2	Management of staff health and safety	2	Service quality
3	Management of water resource utilization	3	Staff training and career development	3	Project quality
4	Discharge and management of waste	4	Policy of staff benefits	4	Technological innovation
5	Green office policy management			5	Protection of intellectual property
6	Discharge and management of greenhouse gas			6	Protection of customer privacy

# CONSOLIDATE THE FUNDAMENTALS, LEAD WITH GOOD GOVERNANCE

Corporate Governance	16
Board Diversity Development	16
Risk Management and Compliance Control	17
Party Leadership	17
Anti-corruption	19

General ESG issues addressed in this section are as follows:

Anti-corruption (anti-bribery, extortion, fraud, money laundering, etc.)

SDGs addressed in this section are as follows:



# CONSOLIDATE THE FUNDAMENTALS, LEAD WITH GOOD GOVERNANCE

## Corporate Governance

Beijing Urban Construction Design & Development Group Co., Limited (UCD) strictly abides by all applicable laws and regulations, including the *Company Law of the People's Republic of China* 《中華人民共和國公司法》 and the *Hong Kong Stock Exchange Listing Rules* 《上市規則》 and fully fulfills the responsibilities and obligations outlined in its *Articles of Association* 《公司章程》, the *Rules of Procedure for the General Meeting of Beijing Urban Construction Design & Development Group Co., Limited* 《股東大會議事規則》, and the *Rules of Procedure for the Board of Directors of Beijing Urban Construction Design & Development Group Co., Limited* 《董事會議事規則》, ensuring standardized operations. The Group continuously refines its *Articles of Association* 《公司章程》 and has established a governance structure with clearly defined roles, responsibilities, and standardized processes. Through institutional safeguards, the Group regulates its operations and enhances internal control and monitoring capabilities via the coordinated functioning of the General Meeting of Shareholders, the Board of Directors, its specialized committees, and senior management. These efforts aim to elevate corporate governance standards and create stable, long-term value for shareholders, clients, employees, and other stakeholders.

The Board of Directors has established four specialized committees: the Nomination Committee, the Remuneration and Assessment Committee, the Audit and Risk Committee, and the Strategy and Investment Committee. Each committee operates under clearly defined responsibilities and procedures, providing recommendations and advice to the Board on matters within their respective areas of focus.

## Board Diversity Development

UCD values the Board diversity and has established the *Board Diversity Policy* 《董事會成員多元化政策》 to select Board candidates based on a range of diversity areas, including but not limited to skills, knowledge, experience, gender and educational background. This approach ensures that the Board possesses comprehensive professional capabilities and diverse perspectives in decision-making, while meeting the non-executive director requirements under the Hong Kong Listing Rules.

## CONSOLIDATE THE FUNDAMENTALS, LEAD WITH GOOD GOVERNANCE (Continued)

As of the end of the Reporting Period in 2025, the Board of the Group consisted of 12 directors in total, including 4 independent non-executive directors and 1 female director. At least one of the independent non-executive directors has obtained a professional qualification in finance and other directors have extensive experience in different industries, including law, economics, finance, accounting, management, engineering, and fields related to the Group's business. This diverse expertise provides comprehensive professional support for the Group's strategic decision-making, risk management, and sustainable development.

### Risk Management and Compliance Control

Scientific and effective risk management and internal controls are essential safeguards for achieving long-term business growth and sustainable development. The Group consistently prioritizes risk prevention and control, establishing an internal control, compliance, and risk management system that meets the requirements of state-owned asset supervision and listed company regulations. Guided by risk prevention, driven by the internal control system, and grounded in compliant operations, the Group has built a comprehensive enterprise risk management framework.

The Group continuously refines and dynamically adjusts its risk, internal control, and compliance management systems. By strictly aligning with fundamental elements such as internal environment, risk assessment, control activities, information and communication, and internal supervision, the Group has established a coordinated management structure encompassing leadership bodies, responsible departments, management institutions, and clearly defined duties. This ensures full-process coverage of risk control, effectively mitigates various operational and management risks, guarantees compliant and stable operations, and solidifies the foundation for sustainable development.

### Party Leadership

The Group adheres to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and fully leverages its political and organizational strengths of high-quality Party building to underpin high-quality development. Focusing on the development of the industrial chain, the Group has advanced the integration of Party leadership into corporate governance in a systematic, standardised and scientific manner. Led by Party building, the Group has strengthened its governance foundation, enhanced compliance management and fostered collective development momentum, effectively translating the advantages of Party building into governance effectiveness, and demonstrating the responsibilities and accountability of a state-owned enterprise.

## CONSOLIDATE THE FUNDAMENTALS, LEAD WITH GOOD GOVERNANCE (Continued)

### Strengthening theoretical foundation and ideological foundation

The Group has continuously strengthened ideological foundations by conducting in-depth thematic education initiatives, including studies on Party history and Party discipline. Taking Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as a primary political task, the Group has institutionalised the “first agenda” learning mechanism and Party committee central group study sessions. Members of the leadership team have delivered thematic Party lectures. At the grassroots level, Party organisations conducted a total of 431 collective study sessions and 191 seminars, covering over 4,600 employee participations, thereby reinforcing confidence in development, enhancing compliance awareness, and consolidating a shared commitment to the Group’s high-quality development.

### Upholding Party leadership and fulfilling the responsibilities of a state-owned enterprise

The Group has firmly aligned with the strategic direction of state-owned enterprise development, embedding Party leadership throughout the entire corporate governance process. It has actively fulfilled its social responsibilities by advancing rural revitalisation through consumption-based assistance, contributing RMB2.2 million in support funds. In addition, the Group donated HKD3.0 million to support disaster relief efforts in Hong Kong, and promptly provided emergency assistance to disaster-affected areas in Miyun and Pinggu, efficiently completing post-disaster road and bridge survey and restoration tasks. These actions demonstrate the Group’s commitment to fulfilling its mission as a state-owned enterprise and contributing to social harmony and development.

### Consolidating governance foundation through grassroots strengthening

The Group has achieved full coverage of Party organisations and cultivated distinctive Party-building brands. Grassroots Party organisations have been strengthened as robust pillars supporting corporate governance and compliant operations. Party members have been encouraged to play a pioneer and exemplary role in major projects, compliance management and risk prevention, thereby promoting deep integration between Party-building initiatives and business operations and generating strong synergies for the Group’s steady development.

### Focusing on supervision and discipline enforcement to fortify the compliance line

The Group has intensified political supervision and targeted rectification efforts, conducting supervisory inspections in relation to inspection rectifications and major projects. By applying the “four forms” of oversight, the Group has strengthened routine supervision. It has also organised “Integrity Education Month” initiatives and advanced the standardisation of discipline inspection and supervision work, fostering a culture of integrity, self-discipline and compliant operations, and providing robust disciplinary assurance for sound corporate governance.

## Anti-corruption

The Group consistently upholds the principle of integrity and probity throughout its internal management and external cooperation. Under the theme of the “Year for Standardization, Rule of Law and Formalization of Discipline Inspection and Supervision Work”, the Group has established a comprehensive, multi-tiered, and normalized system of integrity building and anti-corruption accountability. By adopting a rigorous approach and implementing concrete measures to strengthen supervision, enforcement of discipline, and accountability, the Group has advanced the integrated approach of ensuring officials “do not dare to be corrupt, cannot be corrupt, and do not wish to be corrupt”, thereby strengthening the integrity safeguards for high-quality development.

To continuously improve the integrity building and anti-corruption accountability system, the Group’s Discipline Inspection Commission, under the dual leadership of the Discipline Inspection Commission of Urban Construction Group and the Company’s Party Committee, focuses on its primary responsibilities and refines integrity control requirements. It contributed to the enhancement of institutional frameworks such as the *Rules of Work of the Disciplinary Committee of Design & Development Group Co., Limited* (《設計發展集團股份有限公司紀委會工作規則》), clarifying key anti-corruption tasks and implementation standards. Concurrently, it promoted the signing of *Integrity Commitment Letters* by all employees, reinforcing anti-corruption responsibilities at all levels, resolutely eliminating any form of bribery, and guiding all employees to strengthen their ideological commitment to integrity in their work. These efforts aim to embed the principle of integrity into all aspects of the Company’s development.

The Group continues to refine its integrity building governance structure by rigorously implementing the principal responsibility of the Party Committee for full and strict governance of the Party, the supervisory responsibility of the Discipline Inspection Commission, the primary responsibility of the Party Committee Secretary, and “one position with dual responsibilities (一崗雙責)” of leadership team members. By enhancing the coordinated effect of the “four responsibilities coordination (四責協同)”, the Group has built a cohesive force for integrity. The coordination mechanism for Party conduct, integrity and anti-corruption work has been effectively leveraged, with collaboration among functional departments including Party affairs, operations management, and safety and engineering. Internal supervisory resources have been integrated, and various tools – such as whistleblowing mechanisms, cadre appointment oversight, duty reporting with integrity declarations, financial, legal and audit supervision – have been utilised in a coordinated manner to strengthen integrity risk prevention and control, achieving resource sharing and improved supervisory effectiveness.

**During the Reporting Period, the Group has strictly complied with the following laws and regulations related to preventing bribery, extortion, fraud and money laundering:**

*Criminal Law of the People’s Republic of China* (《中華人民共和國刑法》)

*Anti-unfair Competition Law of the People’s Republic of China* (《中華人民共和國反不正當競爭法》)

*Company Law of the People’s Republic of China* (《中華人民共和國公司法》)

*Implementation Regulations of the Supervision Law of the People’s Republic of China* (《中華人民共和國監察法實施條例》) and other national laws and regulations

## CONSOLIDATE THE FUNDAMENTALS, LEAD WITH GOOD GOVERNANCE (Continued)

In terms of integrity risk management, the Group has maintained a stringent approach by closely monitoring key power-operation processes and critical areas. Through a sound supervision framework, rigorous implementation standards and routine inspection mechanisms, the Group has effectively prevented and deterred violations of laws and discipline. As at the end of the Reporting Period, no incidents of corruption, extortion, fraud or money laundering were identified within the Group, demonstrating the effectiveness of its integrity initiatives and fostering a clean and disciplined operating environment.

The Group has implemented targeted and tiered integrity education and anti-corruption training programmes focusing on key areas and critical processes, reinforcing integrity awareness among employees. In 2025, leveraging educational initiatives on the spirit of the Central Eight-Point Regulation spirit, Party organisations at all levels conducted discipline and legal education activities, including organising Party members and cadres to watch warning education films and visit integrity education bases. During the Reporting Period, the Secretary of the Discipline Inspection Commission delivered thematic lectures at various units, including Residential Institute and Architecture Institute, using typical cases as practical teaching materials. Middle-level Party member leaders were organised to attend warning education conferences, with real-life cases serving as cautionary lessons. In addition, the Group introduced an “Integrity First Lesson” for new employees to instil compliance awareness from the outset. Supported by the Group’s “Integrity Education Month”, a series of activities, including calligraphy, painting and photography exhibitions on integrity, knowledge competitions, and integrity-themed family letters, were organised. Employees also participated in online knowledge quizzes, attended touring exhibitions at project sites, and contributed to the establishment of “Integrity Culture Walls” at key project locations, thereby fostering a strong culture of integrity and ethical conduct.



Case:

### The Group Deepens Targeted Supervision to Strengthen Integrity Safeguards in Key Areas

In 2025, the Group’s Discipline Inspection Committee thoroughly implemented the requirements set by the Group’s Discipline Inspection Committee, focusing on key areas such as misconduct and corruption issues affecting the public, irregular dining and entertainment expenses, “reliance on the enterprise for personal gain,” and prominent issues in the tendering and bidding process. It carried out targeted rectification initiatives and special supervision and inspection in an effective and orderly manner. On a monthly basis, reports on supervision over misconduct and corruption issues affecting the public were submitted. Comprehensive inspections were conducted on irregular dining and entertainment practices at self-operated hotels, internal staff canteens, and project site canteens. In addition, the Group’s Discipline Inspection Committee, in coordination with relevant departments, organized the declaration of business interests for newly promoted cadres and new employees engaging in commercial activities. It also conducted spot checks on the self-inspection of tendering and bidding practices at subsidiaries such as the Rail Company and the Exploration & Surveying Institute. These efforts effectively mitigated integrity risks in key areas and promoted the in-depth and effective implementation of targeted supervision.

## CONSOLIDATE THE FUNDAMENTALS, LEAD WITH GOOD GOVERNANCE (Continued)



Case:

### The Group Strengthens Routine Supervision to Safeguard Clean Project Development

To ensure the orderly advancement of key tasks, the Group focused on project construction and work safety, carrying out supervision and inspection of projects both within and outside Beijing, thereby continuously supporting the development of clean and compliant projects. All ongoing projects entered into Integrity Co-construction Agreements with relevant parties, including project owners, supervision units, main contractors and subcontractors, to further consolidate integrity responsibilities among all stakeholders and guide compliant professional conduct. Meanwhile, the Group closely monitored critical periods such as major holidays by issuing pre-holiday reminders and supervision notices. It conducted interviews with personnel in key positions, including vehicle management, financial management, and human resources, and carried out on-site inspections, thereby safeguarding the Company's integrity image through effective routine supervision.

Focusing on key areas and critical processes, the Group conducts anti-corruption training on an annual basis to foster a clean and upright operating environment. In 2025, the anti-corruption participation rate of directors, management and all staff of the Group Headquarters, as well as its subordinate institutions including the Exploration & Surveying Institute and Residential Institute, has reached 100%. Among them, the total number of director participants is 12 person-times.

Looking ahead, the Group will continue to refine its whistleblowing mechanisms, optimize case handling procedures, strengthen confidentiality measures, and encourage all employees to participate in building a culture of integrity, thereby jointly safeguarding a clean and compliant business environment. At the same time, the Group will further enhance integrity risk prevention and control, innovate in integrity training approaches, improve its supervision system, and reinforce its compliance management framework. These efforts will promote the deep integration of integrity initiatives with the Group's high-quality development and provide a solid disciplinary foundation for its sustainable development.

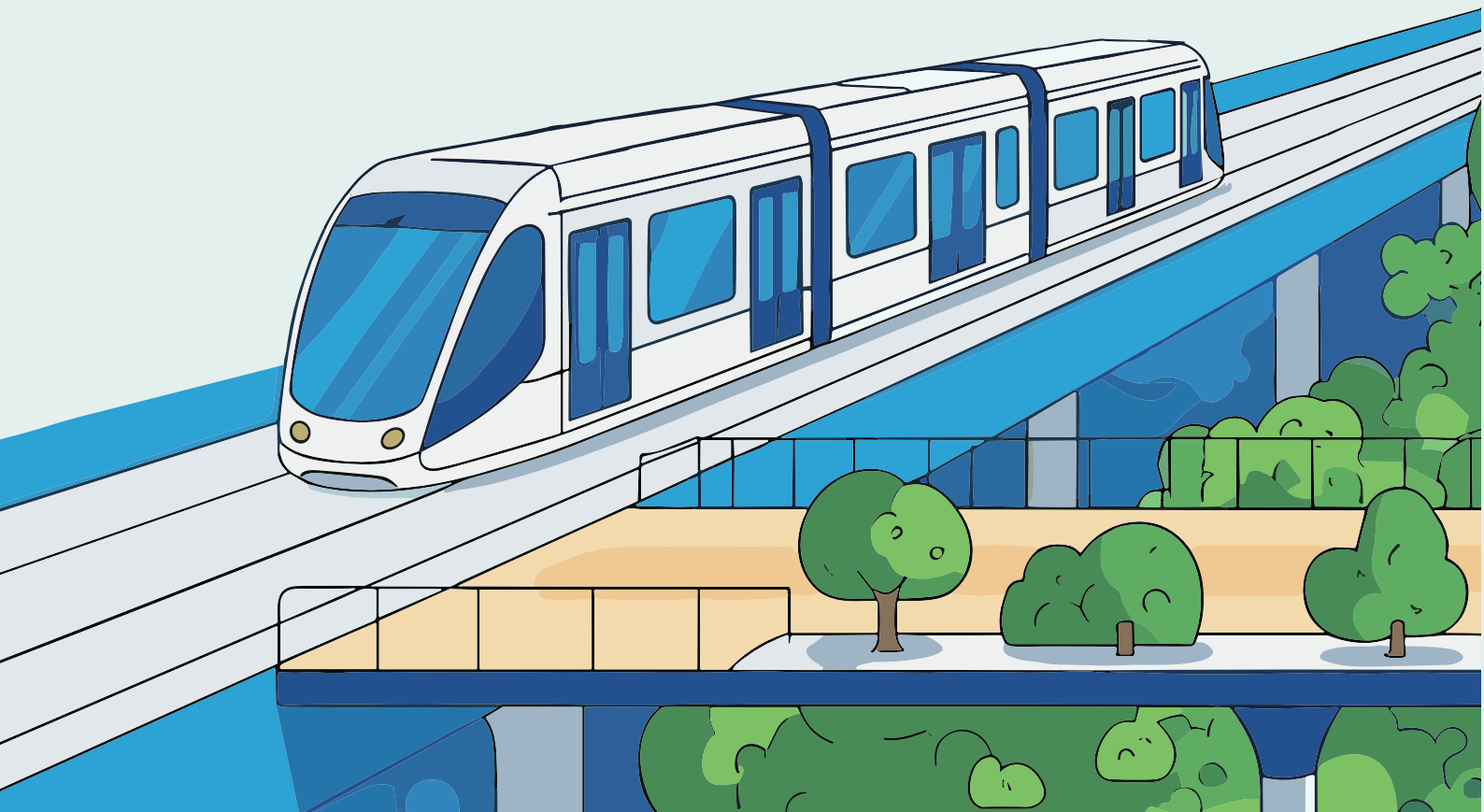
# STEADY OPERATIONS FOR MUTUAL PROGRESS

Work Safety	24
Service Quality	34
Promote Innovation	41
Supplier Management	49

## Material ESG issues addressed in this section are as follows:

Work safety	Service quality
Project quality	Technological innovation
Protection of intellectual property	Protection of customer privacy
Management of staff health and safety	Staff training and career development

## Sustainable Development Goals addressed in this section are as follows:



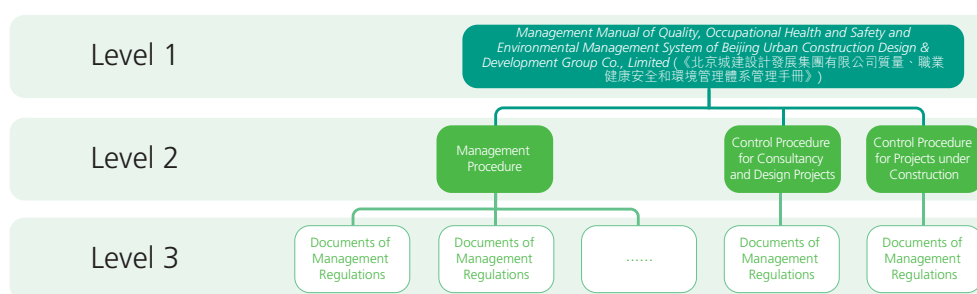
## STEADY OPERATIONS FOR MUTUAL PROGRESS

UCD always follows the management philosophy of “Scientific Management, Superb Quality, Sustained Improvement, Satisfied Clients” and comprehensively implements the QHSE management systems. We continue to improve the safety management mechanism and supplier management system. Through scientific and technological innovation for promotion of the industry development, we are committed to providing customers with more comprehensive, higher quality products and services, thereby steadily advancing the high-quality and sustainable development of the Company.

The Group strictly complies with relevant national standard requirements on the engineering quality, environmental management and occupational health and safety, including the *Quality Management Systems – Requirements* 《質量管理體系要求》(GB/T 19001-2016), the *Environmental Management Systems – Requirements with guidance for use* 《環境管理體系要求及使用指南》(GB/T 24001-2016), the *Occupational Health and Safety Management Systems – Requirements with guidance for use* 《職業健康安全管理体系要求及使用指南》(GB/T 45001-2020), the *Code for Quality Management of Engineering Construction Enterprises* 《工程建設施工企業質量管理規範》(GB/T 50430-2017) and other standards. On such basis, the Group formulated and improved the Health, Safety, and Environmental Management System Manual, governing documents, operation procedures, and relevant regulations, thereby establishing a closed-loop management system. For 2025, the Group achieved the full cover of the ISO 45001, ISO 14001 and ISO 9001 system certification with certification rate of 100%.

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

To foster a strong quality culture and ensure the effective implementation of management systems, the Group has established a systematic and standardized Quality, Health, Safety and Environment (“QHSE”) management framework tailored to its operational characteristics, with QHSE at its core. Through a three-tier standardized management approach, the Group ensures comprehensive oversight without blind spots or gaps. The system documentation is structured into three levels. The first level comprises overarching documents, which set out the Group’s vision, QHSE policies and objectives, and define management principles and core requirements. The second level consists of supporting documents that facilitate the effective implementation of the management manuals. The third level includes procedural documents, which further specify work procedures and operational standards for each position. Guided by documents at all levels, the Group’s management of quality, health, safety and environment is carried out in an orderly and efficient manner.



Document structure of QHSE system of UCD

## Work Safety

Adhering to the work safety policy of “safety first, prevention in priority and comprehensive management (安全第一、預防為主、綜合治理)”, UCD sets “zero accidents, zero fire incidents, and zero fatalities” as its core annual safety objectives. The Company continues to strengthen its safety management system, rigorously fulfills its primary responsibility for work safety, enhances risk management and preventive control mechanisms, and advances the development of a strong safety culture. Through these efforts, it comprehensively improves employees’ safety awareness and performance of duties, thereby establishing a solid safeguard for the Company’s safe and stable operations.

**During the Reporting Period, the Group has strictly complied with the following laws and regulations related to providing a safe working environment and protecting employees from occupational hazards:**

*Safety Production Law of the People’s Republic of China* 《中華人民共和國安全生產法》

*Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases* 《中華人民共和國職業病防治法》

*Construction Law of the People’s Republic of China* 《中華人民共和國建築法》

*Labor Law of the People’s Republic of China* 《中華人民共和國勞動法》

*Construction Safety Management Regulations* 《建設工程安全管理條例》

*Regulations on the Reporting, Investigation and Handling of Production Safety Accidents* 《生產安全事故報告和調查處理條例》 and other national laws and regulations

## WORK SAFETY SYSTEM BUILDING

UCD strictly abides by the *Safety Production the Law of the People's Republic of China* 《中華人民共和國安全生產法》, the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* 《中華人民共和國職業病防治法》, the *Construction Safety Management Regulations* 《建設工程安全管理條例》 and other laws and regulations, and fully implements work safety management in accordance with the *Measures of Beijing Urban Construction Design & Development Group Co., Limited on Work Safety Incident Reporting, Investigation and Disposition* 《北京城建設計發展集團股份有限公司生產安全事故報告和調查處理辦法》, the *Construction Work Safety Operation Procedures* 《建築工程施工安全操作規程》 and other regulations and systems that are internally formulated. In 2025, the Group focused on improving and implementing systems. It revised the *Measures for Rewards and Penalties for Work Safety* 《安全生產獎罰辦法》, and newly issued three systems: *Several Provisions on the Safety Management of Hot Work in Crowded Places* 《人員密集場所動火作業安全管理若干規定》, *Work Safety Supervision and Reporting System* 《安全生產監督舉報制度》, and *Safety Management System for Confined Space Operations* 《有限空間作業安全管理制度》. Meanwhile, it issued documents such as the *Safe Production Month Activity Program* 《安全生產月活動方案》 and the *Firefighting Publicity Month Activity Program* 《消防宣傳月活動方案》, which clarified the priorities and activity requirements for annual work safety, providing solid institutional support for the orderly development of various work safety initiatives.

### The Group's Major Management Policies about Work Safety (including but not limited to):

*Measures of Beijing Urban Construction Design & Development Group Co., Limited on Work Safety Incident Reporting, Investigation and Disposition* 《北京城建設計發展集團股份有限公司生產安全事故報告和調查處理辦法》

*Work Safety Education and Training System of Beijing Urban Construction Design & Development Group Co., Limited* 《北京城建設計發展集團股份有限公司安全生產教育和培訓制度》

*Catalog of Construction Safety Operation Procedures of Beijing Urban Construction Design & Development Group Co., Limited* 《北京城建設計發展集團股份有限公司施工安全操作規程目錄》

*Emergency Rescue Plan for Work Safety Accidents of Beijing Urban Construction Design & Development Group Co., Limited* 《北京城建設計發展集團股份有限公司生產安全事故應急救援預案》

*Work Safety Accountability System of Beijing Urban Construction Design & Development Group Co., Limited* 《北京城建設計發展集團股份有限公司全員安全生產責任制》

*Construction Safety Risk Grading Management and Hidden Trouble Investigation and Governance System of Beijing Urban Construction Design & Development Group Co., Limited* 《北京城建設計發展集團股份有限公司施工安全風險分級管控和隱患排查治理制度》

*Measures of Beijing Urban Construction Design & Development Group Co., Limited on Reward and Punishment for Work Safety and Green Construction* 《北京城建設計發展集團股份有限公司安全生產和綠色施工獎懲辦法》

*Management System of Beijing Urban Construction Design & Development Group Co., Limited on Temporary Housing and Facilities at the Construction Site* 《北京城建設計發展集團股份有限公司建設工程施工現場臨時用房、設置管理制度》

*Disclosure and Notification System of Beijing Urban Construction Design & Development Group Co., Limited on Major Hazardous Sources* 《北京城建設計發展集團股份有限公司重大危險源公示、告知制度》

*Safety Management System of Beijing Urban Construction Design & Development Group Co., Limited on Confined Space Operations* 《北京城建設計發展集團股份有限公司有限空間作業安全管理制度》

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

As a pivotal year in the three-year campaign to tackle root causes of work safety risks, the Group strictly implemented the overall arrangements of the Municipal Work Safety Commission, the State-owned Assets Supervision and Administration Commission, the Municipal Commission of Housing and Urban-Rural Development, and the Group's internal deployment. Based on the Company's actual conditions, it formulated and implemented the Three-Year Action Plan for Tackling Root Causes of Work Safety Risks (2024-2026), and established a leading group for the three-year campaign to coordinate the implementation of relevant work across all subsidiaries and business divisions. Five core tasks were prioritized:

Improve the working mechanism of the Work Safety Committee, hold regular Work Safety Committee meetings quarterly, and coordinate the deployment of key work safety matters

Fully implement the requirement that full-time safety officers at construction sites wear work safety inspection recorders and standardize the completion of construction safety logs, so as to strengthen process control

Standardize the compliance management of work safety conditions, and achieve dynamic clearance of major hazards at engineering construction sites

Focus on key projects, deploy an AI-based video hazard identification system, and advance digital safety management and control

Carry out hidden danger investigation and remediation for confined space operations and special governance of various high-risk operations, so as to remedy shortcomings in safety management

To ensure the tiered implementation of work safety responsibilities, the Group, in light of the job duties of all employees and departmental functions, rigorously enforced the Work Safety Accountability System of Beijing Urban Construction Design & Development Group Co., Limited 《北京城建設計發展集團股份有限公司全員安全生產責任制》. It built a safety management system with the Board of Directors as the core, featuring full-staff participation, multi-level supervision, and dynamic rectification, so as to assign work safety responsibilities to each post and objectives to each individual, and integrate safety management deeply into the entire process of daily operations. In 2025, the Group innovated its management model by urging the Rail Construction Company to compile a Compilation of Accident Cases 《事故案例彙編》 and a safety comic book, and produce two safety promotion videos, strengthening the dissemination of safety concepts. The Group actively promoted the application of digital and intelligent safety management tools to improve the quality and efficiency of safety management and effectively establish a long-term mechanism for work safety.

In 2025, the Group continued to increase investment in work safety, providing solid support for various safety management initiatives, training and drills, equipment allocation and other work. No work safety accidents or fire incidents occurred throughout the year; the Group was not notified by government authorities or exposed by the media, maintaining an overall stable and controllable work safety situation, which effectively protected the life safety of employees and the property safety of the enterprise. As of the end of the reporting period, UCD had no cases of work-related injuries or fatalities among employees within three consecutive years, with the number of workdays lost due to work-related injuries remaining at zero.

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### SAFETY RISKS AND CONTROL

UCD has always regarded the prevention and resolution of major work safety risks as its core corporate responsibility and an important strategic measure to promote high-quality and high-level safety development of the industry. It strictly implemented the Construction Safety Risk Hierarchical Control and Hidden Danger Investigation and Management System of Beijing Urban Construction Design & Development Group Co., Limited, systematically built a dual-prevention system of risk hierarchical control and hidden danger investigation and management, deepened the work safety risk prevention and control mechanism, resolved major risks at the source, and resolutely prevented major work safety accidents.

The Group continuously optimized the development of the “dual-control” system, with “list-based control and closed-loop management” as the core. It conducted systematic statistics on safety risks across all business segments on a monthly basis, focusing on sorting out high-risk operation links to form a dynamically updated risk list, accurately grasping the distribution and changing trends of major risks, and formulating targeted prevention and control measures. In 2025, the Group identified a total of 875 risks of various types, including 86 major risks, all of which were under full control. Meanwhile, focusing on the management of key projects, in the second half of the year, it targeted key projects such as the Lize Terminal Building project, Rail Transit Line 22 (Sections 05 and 02) and Line 1 Branch (Section 03). On the basis of monthly joint inspections, the Rail Construction Company was required to carry out a second round of inspections to strengthen precise control over key parts and nodes and enhance the intrinsic safety level.

Adhering to the principle of “full coverage, zero tolerance and effectiveness”, the Group carried out regular project safety risk inspections. By combining regular inspections with surprise checks, and joint company inspections with self-inspections by subordinate units, it comprehensively investigated potential safety hazards to ensure that major and relatively high risks remained under control. In 2025, the Group conducted a total of 79 joint work safety inspections, identified 537 hidden dangers, issued 91 rectification notices, achieving a 100% rectification rate. It also carried out special hidden danger investigation and management activities for work at height, confined space operations, fire safety and other fields, closely monitoring the whole process of hazard rectification to realize dynamic clearance of problems. In addition, to solidly prepare for the inspection by the Work Safety Commission of the State Council, the Group coordinated and organized special inspections on major hidden dangers in September and October 2025, further consolidating safety responsibilities and identifying safety loopholes.

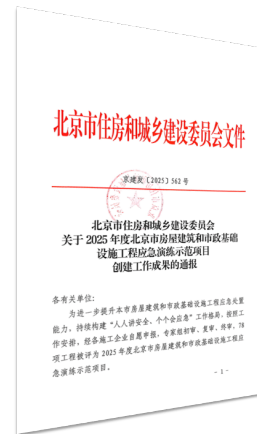
## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)



Case:

### Lot 04 of M101 Line Organised Municipal-level Comprehensive Emergency Drill

On 7 November 2025, the Group's Lot 04 of M101 Line successfully conducted the 2025 Comprehensive Emergency Drill organised by the Municipal Commission of Housing and Urban-Rural Development and was commended as a demonstration project for 2025 Beijing Municipal Housing Construction and Municipal Infrastructure Engineering Emergency Drill by the Beijing Municipal Commission of Housing and Urban-Rural Development. The drill fully demonstrated the Group's emergency response capabilities, command coordination and collaborative handling abilities, highlighting the Group's professional expertise in the field of emergency management. It further enhanced the Group's overall emergency management capabilities and industry influence.



Recognition as a “Demonstration Project for 2025 Beijing Municipal Housing Construction and Municipal Infrastructure Engineering Emergency Drill by the Beijing Municipal Commission of Housing and Urban-Rural Development”

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### SAFETY TRAINING AND EMERGENCY DRILL

In strict compliance with the *Work Safety Education and Training System of Beijing Urban Construction Design & Development Group Co., Limited* 《北京城建設計發展集團股份有限公司安全生產教育和培訓制度》 and based on the principle of “people-oriented, training in accordance with the law, and graded implementation”, UCD comprehensively performed its responsibility to conduct safety training and education for all employees. Focusing on the needs of employees at different levels, the Group carried out targeted and specialised training, striving to enhance the safety awareness, professional skills and emergency response capabilities of all employees. Such training covers laws and regulations on work safety, rules and policies on work safety and their operation procedures, post safety operation skills, prevention awareness of and emergency response to work safety accidents, as well as self-rescue and mutual rescue knowledge. The relevant personnel are ensured to be equipped with sufficient knowledge about work safety culture.

In 2025, the Group formulated a dedicated annual safety training plan to comprehensively advance the standardisation and normalisation of training, achieving a pre-employment training rate of 100% for new workers, a “one-on-one” education rate of 100% for special operation personnel and a coverage rate of 100% for VR experiential training. “Individual training file for each person” was established for all participants to ensure traceability and effectiveness of the training. During the year, the Group organised six company-level safety trainings with 584 participants; coordinated with BUCG to complete the annual safety training for enterprise heads, with 12 participants; collaborated with the human resources department to complete renewal training for safety management personnel certifications; and organised participation in 14 safety knowledge lectures (162 participants) and 39 sessions of the workers’ night school (over 8,000 participants), achieving full coverage of safety training for all employees without exception.



Case:

#### 2025 Annual Safety Management Performance Assessment

On 23 September 2025, the Group organised the safety management performance assessment for its projects in Beijing. A total of 13 safety managers of these projects participated in on-site hidden hazard identification and reporting presentations. A panel of professional industry safety experts was invited to evaluate their performance, fully demonstrating the professional competence and practical capabilities of the project safety managers and forming a foundation for establishing the safety management team.



The “Safety Management Performance On-site Assessment”

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)



Case:

### 2025 “Ankang Cup” Competition

On 3 July 2025, the 2025 “Ankang Cup” Job Skills Competition for Rail Transit Engineering was successfully held at the Lot 04 of M101 Line Project Department. The competition consisted of a written test on work safety hidden hazard identification at construction sites, a practical training on automated external defibrillator (AED) and a presentation on safety post skills, which further enhanced the professional skills of safety management personnel in rail transit engineering construction and fostered the culture of “comparing, learning, competing, catching up, helping, and surpassing”, promoting the construction and deepening of the enterprise’s safety culture.

#### Competition Events:

- Written test on work safety hidden hazard identification at construction sites
- Practical training on automated external defibrillator (AED)
- Presentation on safety post skills



The “Ankang Cup” Competition and the Award Ceremony

To further strengthen the implementation of emergency plan protection measures, the *Group formulated the Emergency Plan for Work Safety Accidents of the Company* 《公司生產安全事故應急預案》 and conducted regular emergency drills for unexpected incidents, demonstrating the principles of “practicality, specialization and coordination”, focusing on enhancing emergency response and collaborative handling capabilities during special periods and sensitive times, thereby continuously improving the emergency management system. In 2025, based on actual construction conditions and environmental risk characteristics, various projects of the Group organised a total of 56 emergency drills of various types, with 857 participants, involving typical scenarios such as fire prevention, flood control, collapse prevention and electric shock prevention. Issues identified during the drills were immediately addressed and rectified on-site, effectively enhancing the capability and coordination level of responding to emergencies at construction sites.

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

In addition, the Group carried out in-depth initiatives such as the “Work Safety Month (安全生產月)”, “Fire Prevention Month (消防宣傳月)”, “Safety Director Competition (安全總監比武大賽)” and “Post Skills Competition (崗位技能競賽)”, enriching the formats of safety education and promotion. In December 2025, the Group held the launch ceremony for the “100-Day Fire Prevention Safety Competition” and a fire drill observation event at the Lot 05 of Beijing Subway Line 22 Project. Leaders from relevant units, including the Rail Transit Detachment of the Beijing Municipal Fire Rescue Corps and the Supervision Station of the Chaoyang District Commission of Housing and Urban-Rural Development, were invited to attend, further enhancing fire safety awareness among all employees and building a fire safety management system characterised by “full participation, comprehensive coverage and whole-process control”. During the Reporting Period, the Group obtained multiple awards at the 14th Rail Transit Engineering Safety and Quality Month Post Skills Competition organised by the Beijing Municipal Commission of Housing and Urban-Rural Development, demonstrating the solid achievements of the Group’s safety management and training efforts.



The Launch Ceremony for the “100-Day Fire Prevention Safety Competition” and Fire Drill Observation Event

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### OCCUPATIONAL HEALTH AND SAFETY

The Group strictly abides by the *Labour Law of the People's Republic of China* 《中華人民共和國勞動法》, the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* 《中華人民共和國職業病防治法》, the *Management Regulations for Labor Protection Products of Employers* 《用人單位勞動防護用品管理規範》 and other related laws and regulations, adhering to conducting occupational health and safety management in accordance with laws and regulations. *Catalog of Work Safety Operation Procedures for the Company's Construction* 《公司施工安全操作規程目錄》 and the *Labor Protection Supply Management System of Beijing Urban Construction Design & Development Group Co., Limited* 《北京城建設計發展集團股份有限公司勞動防護用品管理制度》 were established, which set out clear requirements on the procedures of procurement, acceptance, storage, distribution, use, replacement and discard of labor protection supplies, to provide comprehensive protection for employees' occupational health and safety, and effectively safeguard the physical health and life safety of construction personnel. Among them, during the Reporting Period, the Exploration & Surveying Institute, a subsidiary entity, invested a total of RMB 4.86 million in work safety-related initiatives, focusing on key areas including the procurement of protective equipment, the deployment of safety facilities, the purchase of work safety liability insurance, and research on safety technologies.

The Group continues to increase investment in occupational health and safety. All subordinate units strictly implement the safety production expense guarantee system, rationally allocate safety protective equipment and safety facilities, and take out work safety liability insurance policies to ensure the full implementation of various protective measures and support the smooth progress of project production. Meanwhile, the Group comprehensively implements the Occupational Health Protection Action, strengthens supervision responsibilities and implements primary responsibilities, so as to create a cultural atmosphere of occupational health protection in which everyone can take action and everyone attaches importance to it. According to the various types of potential occupational diseases, the Group has formulated effective measures to prevent and control the hazards of occupational diseases, so as to earnestly protect the rights and interests of workers' occupational health, thereby creating a safe and healthy working environment for its employees.

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### Preventive Measures for Occupational Health Hazards

Types of potential occupational diseases	Workplace management and preventive measures	Personal equipment and precautions
Pneumoconiosis	Adopt wet operation method wherever possible, and use dust-reducing equipment when the operation conditions permit. Strengthen ventilation and dust removal measures.	Distribute dust masks to construction workers according to the operating environment and replace them regularly. Construction workers shall strictly adhere to the requirements for wearing them and receive regular occupational health examinations.
Occupational poisoning	For work sites that are prone to carbon monoxide poisoning and hydrogen sulfide poisoning (such as underground pipelines, cellars, etc.), the specifications for confined space operations shall be strictly implemented, and forced ventilation is required if toxic and harmful gases exceed the standard. Operation must not be started before the toxic and harmful gas content reaches the standard, while continuing to implement ventilation measures and arrange for dedicated personnel to conduct on-site monitoring.	Strictly implement safety operation regulations and work regularly in shifts, provide emergency rescue equipment, and ensure that operators are proficient in self-rescue and mutual aid skills.
Heatstroke	Arrange the working time reasonably to avoid working during the hottest parts of the day, ensure the supply of heatstroke prevention drinks and set up temporary shading facilities to improve the working environment.	Increase or decrease clothing according to the weather, ensure regular rest during high temperature operation, supplement salty drinks in time, and wear sunscreen when necessary.
Noise deafness	For strong noise equipment on the construction site, noise reduction measures such as full enclosure must be taken.	Wear suitable earplugs according to the noise level of the workplace, undergo regular occupational health examinations, and make timely adjustments to work assignments.

To effectively protect the occupational health and safety of the employees, the Group has established a sound occupational health and safety inspection mechanism and conducts quarterly inspections on the prevention and control of occupational diseases in various workplaces on a regular basis, as well as random checks on the workplace environment and the use of protective equipment by employees from time to time. Besides, the Group has promptly analysed the causes of the problems identified during the inspections, formulated rectification plans, clarified responsibilities and timelines for rectification, provided timely feedback on the progress of rectification to the relevant department, and continuously provided a safe and healthy working environment for employees.

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### Service Quality

Always adhering to the quality tenet of “Scientific Management, Superb Quality, Sustained Improvement, Satisfied Clients” and guided by customer demands, we are committed to comprehensively improving our full-chain capabilities in project positioning, product research and development, quality control and service management, and strive to build a professional and refined service system. The Group strictly abides by the *Construction Law of the People’s Republic of China* 《中華人民共和國建築法》, the *Advertising Law of the People’s Republic of China* 《中華人民共和國廣告法》, the *Civil Code of the People’s Republic of China* 《中華人民共和國民法典》 and other relevant laws and regulations, and in combination with the *Administrative Measures for Technology and Quality Management of Beijing Urban Rail Transit Construction Engineering Co., Ltd.* 《北京城建軌道交通建設工程有限公司技術質量管理辦法》 and other internal relevant systems, to establish a compliant and efficient service management framework. Based on the QHSE management system, the Group continues to improve its service processes and improves its service efficiency in various aspects, such as rail design, construction, survey as well as building construction, in order to ensure that it provides customers with high-quality, efficient and attentive excellent service experience and to support the Company in achieving its goal of high quality development.

### DESIGN AND CONSTRUCTION QUALITY

UCD has always regarded building high-quality engineering as its core corporate mission, and has been well aware that the engineering design and construction quality is not only related to the safety of lives and properties of users, but also directly determines the brand reputation and potential for sustainable development of the Company. Following the guidelines on quality control set out in the QHSE management system, the Group has established a quality inspection mechanism covering the entire project lifecycle and a scientific protection standard for product delivery based on procedural and institutional documents. The Group conducts all-round, end-to-end quality management for engineering design, engineering consulting and construction segment, ensuring that deliverables meet high standards and high-quality requirements.

The Group regularly convenes monthly quality coordination meetings and summary & analysis meetings to systematically report and conduct in-depth analysis on the progress, existing problems and improvement directions of key technical and quality work in the month. Meanwhile, the Group regularly organizes business training and skill assessments to continuously improve the professional competence and quality control ability of employees, so as to lay a solid foundation for building high-quality projects. In addition, the Group continuously carries out special technical and quality inspections at construction sites and the “Quality Month” project inspection, accurately identifies common problems at project sites and across the industry, which effectively avoids potential quality risks and ensures that the quality of engineering construction remains stable and controllable.

During the Reporting Period, the Group recorded no quality incidents, achieved a 100% design review rate and a 100% first-time acceptance rate for unit projects, and has successfully achieved the annual quality target. Meanwhile, the Residential Institute focused on improving design quality by regularly organizing special training on design quality, case seminars and other activities, continuously consolidating the professional foundation of designers and promoting the steady improvement of design quality.

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### Quality Control Procedure

Quality control procedure	Engineering design, engineering consulting segments	Construction segment
General management and control	<p>We executed process control, design drawing review, design quality release, post-design service, design change control procedures and other management procedures in accordance with the <i>Design Consulting Procedure Document</i> (《設計諮詢程序文件》). During the Reporting Period, the engineering design and engineering consulting segments put more efforts related to the signing of quality responsibility statement, internal audits on project quality and safety, and experts' presentations.</p>	<p>We implemented management on construction technology, construction quality and construction production in accordance with the <i>Construction Project Control Procedure Document</i> (《施工項目控制程序文件》), so as to ensure that all the above works have standardized quality standards, execution procedures, division of responsibilities and work records. In addition, the construction segment further improved general quality management and control by focusing on organizing activities such as quality oaths, site inspections, management exchanges, project observation, and excellence promotion and selection.</p>
Quality inspection	<p>Design quality is checked through random quality inspection of drawings of design projects and tour inspections of design projects on irregular basis, professional technical quality analysis report, external auditor's opinion and statistical analysis, and regular design quality meetings. For every issues identified in the course of quality supervision, we performed work in accordance with the <i>Rules on Management of Punishment Regarding Technical Quality of Design</i> (《設計技術質量處罰管理規定》).</p>	<p>Quality supervision of construction segment included project inspections, quality meetings and statistical analysis of information submitted. For every issues identified, we performed work in accordance with the <i>Rules on Management of Punishment Regarding Technical Quality of Construction</i> (《施工技術質量處罰管理辦法》).</p>
Product delivery	<p>We provide proper product protection, including necessary packaging to prevent damage to the documents in-transit, before delivering design products to customers, and ensure that the design products delivered to customers are complete and intact. Anti-magnetic, anti-scratch, anti-deformation, anti-damage and other measures are adopted for design documents delivered in electronic form.</p>	<p>Protection is provided for finished products and semi-finished products on construction sites. Each project department is responsible for the handling, storage, protection, and delivery of products and building materials, with appropriate measures adopted to prevent damages to products and raw materials, degradation of product quality or performance, and ensure product quality and safety meet the prescribed requirements.</p>

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### Awards of Design and Engineering Projects in 2025 (including but not limited to)

Segment	Type of Award	Name of Award	Number
Design segment	National Awards	National Excellent Engineering Survey and Design Industry Awards	3 First Prizes 4 Second Prizes 5 Third Prizes
		Beijing Excellent Engineering Consulting Achievements	2 Level I Achievements 4 Level II Achievements 5 Level III Achievements
	Municipal Awards	Beijing Excellent Engineering Survey and Design Achievement Evaluation	11 Level I Achievements 12 Level II Achievements 17 Level III Achievements
		Beijing Excellent Territorial Spatial Planning Award	1 Level I Achievement 2 Level II Achievements 3 Level III Achievements
Construction segment	Project Quality Awards	2025 Chongqing Golden Cup Award for Municipal Engineering, Chongqing Municipal Engineering Association	1
		2024 Three Gorges Cup High-Quality Structural Engineering Award, Chongqing Construction Engineering Quality Association	3
	Qualify Management Awards	Beijing High-Quality Installation Engineering Award for 2025	1
		Outstanding Quality Management Team Achievement Competition of National Municipal Engineering Construction by China Municipal Engineering Association for 2025	1 Class II Achievement 1 Class III Achievement
		Outstanding Achievements of QC Team Activities of Beijing Municipal Engineering Construction by Beijing Municipal Engineering Association for 2024	3 Class I Achievements 1 Class II Achievement

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### RANDOM CHECKS FOR SURVEY QUALITY

To ensure the survey quality of projects and consolidate the foundation for project implementation, Exploration & Surveying Institute has formulated relevant internal management systems such as the *Quality Inspection System* 《質量檢查制度》 and the *Risk Management Measures for Project Quality* 《工程質量風險管理辦法》, thereby forming a standardised and normalised survey quality control system. Exploration & Surveying Institute strictly carries out daily random checks for the quality of projects as directed by policies and conducts high-standard examination and acceptance of the data of the key projects. In response to the quality problems discovered, it timely issues rectification notices, specifying the rectification requirements, responsible parties, and completion deadline. It also supervises the implementation of rectification measures throughout the process to ensure closed-loop of rectification, thereby providing customers with high-quality and reliable survey products.

Concurrently, the Exploration & Surveying Institute proactively identifies potential quality risks and establishes a risk prevention and control mechanism. By conducting a comprehensive analysis of the survey quality throughout the year, it publishes an annual quality analysis report and implements targeted optimization of control measures to ensure the efficiency, high quality, and compliance of the survey and provide solid technical support for the smooth implementation of projects.

To further strengthen the control effectiveness of survey and design quality management system and ensure safety during construction and operation, the Group issued the *Notice on Strengthening the Control of Survey and Design Quality Management System to Ensure Safe Production* 《關於加強勘察設計質量管理體系管控保障安全生產的通知》, improving the quarterly internal audit mechanism for quality and safety during the Reporting Period. Based on the original annual three-system internal audit, the mechanism increases the frequency of inspections of survey and design units and projects to once every quarter. The internal audit focuses on management weaknesses that may lead to production safety accidents, and is uniformly organized by the Group and synchronously implemented by each production unit. The results of the quarterly internal audits throughout the year will be incorporated into the Group's internal audit conclusions on the three-system standard implementation to ensure the effectiveness and continuous improvement of the quality management system, and to promote the continuous quality enhancement of survey and design.

### QUALITY OF ARCHITECTURAL SPACE

The Group has continued to promote the enhancement of construction quality and continuously improved the quality management process of spatial design. With a focus on the practicality, comfort and environmental sustainability of its buildings, it strives to create architectural products that meet the demands of the times. The Residential Institute has established scientific and reliable construction systems with comprehensive and detailed technical standards for residential units, underground garages, structures, heating, ventilation, and air-conditioning to ensure that building quality is controllable.

During the design process, the Group has comprehensively taken into account the geographical location of the building, rationally utilized the surrounding natural resources, incorporated ergonomics and green building concepts into building design, and applied safe, energy-saving and environmentally friendly construction materials and equipment to improve the quality and user experience of the building in an all-round way, thereby creating a comfortable, healthy and environmentally friendly living environment for users, and practicing the concept of green development.

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)



Case:

### The Residential Institute garnered five prizes in the “Good House” design competition

The national “Good House” design competition, organised by the Ministry of Housing and Urban-Rural Development, has concluded. Under the theme of “Design for the People – Better Housing, Better Life”, the competition attracted numerous universities and design firms, with a total of 83 award-winning works selected. Beijing Institute of Residential Design, a subsidiary of the Group, delivered outstanding performance, with 5 works receiving awards, including 3 second-class prizes, 1 third-class prize, and 1 honourable mention. This underscores the Group’s professional expertise and industry influence in the field of “Good House” design.

The prize-winning works precisely align with the needs of the public and feature prominent highlights:

“Garden Residence • Future Home – Good House Adjacent to Beijing Expo Park” seamlessly integrates nature and technology to create an eco-friendly and livable home

“Youth Lifestyle Modules” explores a replicable design pathway for youth affordable rental housing



## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

“Home of Health Care” achieves age-friendly home renovation with minimal changes



“Yinxiang • New Life (印巷 • 新生)” combines the local culture of the Temple of Heaven to create high-quality relocation housing



“Boundless • Harmonious Living” addresses the spatial challenges of “three-generation households,” balancing privacy with flexibility



## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### CUSTOMER SERVICE

The Group always places customers at its core, striving to build an all-round, multi-level and efficient customer service system. By optimizing customer communication channels, strengthening privacy protection and promoting responsible marketing, the Group aims to continuously improve customer experience and customer satisfaction and loyalty. We have strictly complied with the system documents such as the *Rules on Customer Satisfaction Survey and Application* 《客戶滿意度調查及應用規定》 and the *Rules on Project Warranty Management* 《工程保修管理規定》 in the QHSE management system, organized regular visits to property owners to proactively listen to their needs and opinions, and established a closed-loop mechanism for customer feedback, thereby ensuring the timely response to and effective settlement of customer feedback.

At the same time, the Group has established local branches and conducted face-to-face communication with customers with the support of its expert team, in order to precisely understand the progress of projects, quickly solve key technical issues, and provide customers with efficient, professional and comprehensive service support to improve their cooperation experience.

With high regard for customer satisfaction improvement, the Group has formulated a systematic customer satisfaction survey mechanism. Under this mechanism, we require all subsidiaries and departments to regularly collect and report customer feedback information on current projects and business transactions, including praise, rewards, complaints and problems found during visits to property owners. By conducting customer service publicizing and skill trainings for employees through special meetings, thematic emails and other means, the Group aims to ensure that all employees can fully understand the significance of customer satisfaction surveys, so as to continuously improve the quality of our services and products. In 2025, the Group conducted comprehensive satisfaction surveys targeting various departments' ongoing projects and clients with whom we have business transactions. The surveys obtained a total of 14 awards for excellence and 45 letters of commendation, fully demonstrating the customers' high recognition and trust in the quality of the Group's services and products.

To continuously improve the response capability and handling efficiency to customer complaints, the Group has further optimized the customer complaint management system pursuant to the internal rules such as the *Customer Service Management Measures* 《顧客服務管理辦法》 and the *Customer Service Assessment Rules* 《顧客服務考核細則》. We have classified and graded complaints to comprehensively standardize the complaint handling process, standard and visits mechanism. In case of complaints or objections from customers, the Group has arranged special personnel to communicate with customers professionally in real time, and informed customers of the progress and preliminary handling methods of complaints within 24 hours, tracking the entire handling process. The Group prepares a detailed analysis report on customer complaints every six months, and urges relevant departments to formulate specific corrective and preventive measures according to the feedback issues from customers, so as to continuously improve customer service quality. During the Reporting Period, the Group strictly monitored the quality of customer services, neither the complaint hotline nor the complaint mailbox received any complaints, and the total number of customer complaints, quality-related complaints, service-related complaints and other complaints were all zero, indicating significant effectiveness in customer service.

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

To consolidate the Group's network security and effectively protect customers' personal information security, the Group strictly abides by related national laws and regulations and has formulated several systems including the *Confidential Work Management (Interim) Regulations* 《保密工作管理(暫行)規定》, the *Server Security Management System* 《服務器安全管理制度》, and the *Customer Privacy Protection Management Measures* 《客戶隱私保護管理辦法》. These systems clarify the boundary of information confidentiality, key confidential matters, document management and circulation rules, document clearance and filing process, conditions of information destruction, and informatization and file management rules to establish a comprehensive customer privacy protection system. Meanwhile, the Group further carried out privacy protection education activities and strictly reviewed the implementation of confidentiality work on a regular basis. Any employee who discloses customer or company information shall be accountable according to the severity of his/her behavior, so as to ensure that all employees can strictly abide by the confidentiality rules and create a secure and reliable service environment for customers.

Furthermore, the Group strictly abides by the *Advertising Law of the People's Republic of China* 《中華人民共和國廣告法》 and other laws and regulations related to business promotion compliance, and performs internal requirements such as the *Market Operation Management Measures* 《市場經營管理辦法》 and marketing control procedures to implement stringent control on the publicity of our design, consultancy and contracting business. The Group constantly optimizes quality control and quality testing procedures to ensure the authenticity, accuracy and completion of information provided to customers, and hence safeguard the legal rights and interests of customers, avoid the occurrence of misleading events and related events and build a corporate image of integrity operation.

## Promote Innovation

UCD regards technological innovation as a core driving force for sustainable development and an important engine for strengthening the core competitiveness of the Group. We are committed to driving innovation in products and services through technology, and have established a technology research institute as the body designated for the implementation of KY category subjects within scientific research system, so as to manage and integrate research and development (R&D) resources systematically, and coordinate efforts to facilitate the implementation of research projects, the translation of research outcomes and ultimately the development of an innovation system. We attach great importance to intellectual property protection and management, and actively participate in industry exchanges and academic activities, thus constantly realizing innovation achievements and providing tremendous impetus for the Group's high-quality development.

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### SCIENTIFIC AND TECHNOLOGICAL INNOVATION MANAGEMENT

To standardize the management of scientific and technological innovation and set foundation for the development of R&D, the Group has continuously enhanced scientific and technological innovation management systems. In particular, we published the *Administrative Measures for the Management of Funds of Scientific and Technological Innovation Projects (KY1, KY Category)* 《科技創新項目(KY1、KY類)經費管理辦法》 and prepared the *Administrative Measures for the Scientific and Technological Innovation of KY Category Projects* 《科技創新 KY 類項目管理辦法》 and *Regulations for the Management of Technology Innovation Platforms* 《科技創新平台管理規定》 while optimizing supporting systems such as the *Rules for the Establishment and Implementation of Science and Technology Innovation Projects* 《科技創新項目立項實施細則》 and the Implementation Rules of the *Company for the Offices of Well-known Experts* 《公司知名專家工作室實施細則》, so as to form a comprehensive, standardized, and refined scientific research management system. The Residential Institute consistently implements a development strategy based on scientific and technological innovation. Through internal independent R&D and external collaborative innovation, deepening collaboration with universities and alliance enterprises, the Residential Institute continuously enhances the research and development efforts, improves market sensitivity, and strengthens overall operational efficiency to ensure a leading position in the industry. Meanwhile, the Group proactively cultivates new businesses, facilitates the construction and improvement of a full-process service model driven by technological innovation, focuses on innovation in core areas such as track design, underground engineering, and green construction, and promotes the intelligent and green transformation of the industry, thereby injecting new impetus into sustainable development.

In 2025, the Group achieved significant breakthroughs in scientific and technological innovation, targeting the optimization of the scientific research system, the upgrading of compliance control, and tackling core technologies, thereby promoting the improvement of efficiency and quality in science and technology innovation management. The Group strictly implements the documents issued by the Company such as the *Notice on Adjusting the Responsibilities of the Technology Quality Department and the Technology Research Institute* 《關於調整技術質量部和技術研究院部門職責的通知》, the Meeting Minutes of the *Special Session on Standardized Management of KY Category Scientific Research Projects of the Company* 《公司 KY 類科研項目規範管理專題會會議紀要》, and the *Notice on Establishing and Improving a Research and Development Management System for High-Tech Enterprises Led by Technology* 《關於建立健全以科技為引領的高新企業研發管理體系的通知》, further clarifying the boundaries of scientific research management responsibilities, eliminating the phenomenon of “research for the sake of research, conducting research behind closed doors (為科研而科研、閉門搞科研)”, strictly controlling project establishment approval, and building a scientific and efficient scientific research control system. In terms of organisational structure, the Group further improves the four-level responsibility system of “overall control by the company headquarters, comprehensive management by scientific research administration units, R&D organization by production units, and specific execution by project teams”, achieving closed-loop management across the entire chain of the establishment, implementation, scheduling, completion, and transformation of R&D projects, providing a solid institutional guarantee for the high-quality development of the Group’s technological innovation.

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

The Group is deeply engaged in technological innovation within its core business sectors, including rail design, underground engineering, and intelligent operation and maintenance. We hold proprietary expertise in smart rail transit, eco-conscious construction methodologies, prefabricated rail transit technology, rail equipment and structural engineering, energy-efficient and low-carbon solutions for rail transit infrastructure, as well as integrated urban design services. Multiple innovations in these domains have reached the international leading technical benchmarks. Regarding smart rail transit, we deploy innovative technological applications including digital foundation platform for urban transport planning, the intelligent operation and maintenance platform based on big data and BIM technology, the intelligent fire-fighting technology, spatiotemporal interactive operation management systems for multi-scenario coordination, and the one-stop intelligent management and control centre. Notably, the technologies related to the digital foundation platform for urban transport planning have overcome core industry challenges, filling a gap in the domestic market for independently developed software platforms.

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### Progress of Key Scientific Research Projects of UCD in 2025

Project	Project Brief and Progress
Development and application of polyurethane elastomers for high dynamic load vibration and noise reduction	The Group, for the first time, undertook a task under the national key research and development program related to the rail profession as the lead unit, marking a significant milestone. Our research focuses on the amplitude-frequency variation mechanism and macroscopic mechanical properties of polyurethane components, aiming to regulate their vibration and noise reduction performance, controllable frequency range, and energy dissipation capacity. The anticipated outcomes will significantly promote the Group's continuous innovation in the field of vibration and noise reduction technology, enhancing our independent innovation capabilities and core competitiveness. To date, the core technology research and development and preliminary testing have been completed.
Research on the damage zone range of surrounding rock in subway tunnels and its support design method under multi-field coupling based on the modified Fenner solution	The Group, for the first time, led and independently secured funding from the Beijing Natural Science Foundation for General Program. Focusing on the construction of theoretical frameworks and breakthroughs in key technologies, we have completed the deepening of theoretical models. The expected outcomes will fill a domestic gap and further solidify the Group's industry position in the field of fundamental theoretical research. We have now entered the stage of organising results and publishing papers.
Key technology and equipment R&D for major risk prevention and control in urban rail transit operations	Focusing on technological research into integrated smart fire protection systems for stations, perimeter intrusion alarm systems, and urban rail flooding warning systems, we have completed theoretical research on risk prevention and control, developed prototypes of fire prevention and control equipment, and developed algorithms for foreign object intrusion and flooding prevention models. We have successfully completed the tendering process for 8 related projects, advancing the practical application of these technological achievements.
Research on the construction of multimodal large-scale models and causal inference technologies for urban rail transit	As a key scheduled project, we have completed the dimensional assessment and technical pathway design for a multi-modal large model for urban rail transit. A high-fidelity prototype design for the model evaluation platform has been implemented. We are currently conducting model training and optimisation, while simultaneously advancing the integration of the technology with practical business scenarios.
Research on data-driven intelligent assistant decision-making systems and safeguarding technologies for subway tunnel structural safety	The project has been successfully completed. Through defect analysis, reinforcement scheme design, and equipment development, an intelligent assistant decision-making system for subway tunnel structural safety has been established. This system effectively enhances the safety and durability of subway tunnel structures, providing technical support for the safety of rail transit operations.

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)



Case:

### The Group Led the Approved General Project of the Beijing Natural Science Foundation, Solidifying its Position in Fundamental Research

Urban transport planning is a crucial plan for coordinating the construction of various urban transport infrastructures. The core foundation for scientifically formulating and implementing urban transport plans is quantitative travel analysis. However, the field of digital decision-making for urban transport planning in China has long faced challenges, such as reliance on foreign professional software and an insufficient level of precision in big data applications. Therefore, developing an indigenous software platform for this field in China has become an urgent task. Supported by key national, local, and corporate technology projects, the Group collaborated with universities and technology companies to form a project team. After nearly a decade of effort, we have overcome a series of key technical challenges, including the integration and analysis of population information at the “individual building” scale, the verification of mobile location trajectories, the reconstruction of travel demand chains, and the construction of a foundational platform for managing spatial data assets. This has led to the development of a series of digital software solutions for urban transport planning.



Technical Effect Diagram of “Key Technologies and Applications for Constructing a Digital Foundation Platform for Urban Transport Planning”

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

In addition, the Group strictly abides by the Patent Law of the People's Republic of China 《中華人民共和國專利法》, the Regulations on the Implementation of the *Patent Law of the People's Republic of China* 《中華人民共和國專利法實施條例》, the *Copyright Law of the People's Republic of China* 《中華人民共和國著作權法》, the *Regulations on the Implementation of the Copyright Law of the People's Republic of China* 《中華人民共和國著作權法實施條例》 and other national laws and regulations. The *Intellectual Property Management Measures* 《知識產權管理辦法》 and other internal rules and regulations have been formulated to continuously strengthen the management of intellectual property rights. We standardise the processes for applying for, authorising, maintaining, and commercialising patents and software copyrights. This protects the legitimate rights and interests of the state, enterprises and individuals, and promotes the effective implementation of innovative achievements.

Indicator	Unit	Residential Institute	Rail Company	Exploration & Surveying Institute	The Institute	
Number of applications for invention patents and utility model patents in 2025	Number of applications for national invention patents and utility model appearance patents	Item	19	9	15	138
	Number of applications for software copyrights	Item	1	0	20	36
Number of patents granted in 2025, including invention patents and utility model patents	Number of patents granted	Item	3	11	40	134
	Number of software copyrights obtained	Item	1	0	20	34
Accumulative number of patents granted, including invention patents and utility model patents	Number of patents granted	Item	63	81	303	1,557
	Number of software copyrights obtained	Item	36	5	178	631

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### SCIENTIFIC AND TECHNOLOGICAL INNOVATION ACHIEVEMENTS

During the Reporting Period, the Group achieved fruitful results in the field of technological innovation. Relying on the professional expertise and innovative vitality of its R&D teams, it made significant progress in undertaking research projects, achieving excellence in innovation outcomes, and achieving technological breakthroughs, thereby contributing to the technological advancement of the industry. The Group strictly implemented a research project scheduling mechanism, tracking and managing 313 technology innovation projects (including 128 KY4 projects), of which over 110 were active projects under development. It convened 7 progress scheduling meetings for key projects and 3 special scheduling meetings for key provincial science and technology projects in Shandong, ensuring the orderly progress of all projects. During the year, no projects were terminated, 7 projects were completed, and the rapid commercialisation of innovative achievements was promoted.



Case:

#### **Key Technologies and Application for Operational Safety Situation Acquisition and Collaborative Emergency Response in Megacity Rail Transit Networks, Empowering Safe Operations and Maintenance**

The project “Key Technologies and Application for Operational Safety Situation Acquisition and Collaborative Emergency Response in Megacity Rail Transit Networks”, in which the Group participated in research and development, overcame key technical challenges such as high-precision comprehensive situation acquisition of key safety spaces in rail transit networks through multi-modal fusion, analysis and assessment of safety situations during high passenger flow, and efficient emergency response to unexpected incidents. It established an internationally advanced technological system and equipment suite. These achievements have been applied in the daily operations of the Beijing Rail Transit Command Center over the long term, providing rail transit support for major events such as the 70th Anniversary of the Founding of the People’s Republic of China and the Winter Olympics. The technology has been extended and applied to more than thirty cities including Guangzhou and Shenzhen, as well as international markets such as India and the United States, supporting China’s achievement of international leadership and independent controllability in this technological field. The project has yielded fruitful results, with 20 patents granted, 110 software copyrights obtained, and 7 high-level academic papers published. According to evaluations, the key technical indicators meet the International Electrotechnical Commission (IEC) safety standard SIL2 requirement, providing critical technological support for the digital transformation and intelligent upgrading of the rail transit industry.

In terms of undertaking scientific research projects, the Group has achieved significant breakthroughs. In addition to leading the approval of a general project of the Beijing Natural Science Foundation, the project “Development and Application of Polyurethane Elastomers for High-Dynamic Vibration and Noise Reduction” has become the first national key research and development program undertaking in the rail sector that the Group has led as the primary entity, signifying that the Group’s R&D capabilities in core rail technology fields have gained national recognition. Concurrently, the Group actively organized applications for various scientific research awards. In 2025, it received over 20 science and technology awards across various categories (including those won by its subsidiaries), covering awards such as the Urban Rail Transit Science and Technology Progress Award, the China Award for Science and Technology in Construction, and the Science and Technology Innovation Award of China Industry-University-Research Institute Collaboration Association, demonstrating the Group’s robust technological strength.

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### Key Scientific Research Awards of Beijing Urban Construction Design & Development Group in 2025 (Including but not limited to)

Name of the Achievement	Category of Award	Grade
Research and application of complete technologies for groundwater ecological protection throughout the entire process of rail transit construction	Urban Rail Transit Science and Technology Progress Award	Second Prize
Technology and application for intelligent online monitoring and maintenance of urban rail transit underground infrastructure status	Urban Rail Transit Science and Technology Progress Award	Second Prize
Research and application of BIM-based digital construction management for urban rail transit	Urban Rail Transit Science and Technology Progress Award	Second Prize
Research and application of complete technologies for leakage remediation in underground engineering	China Award for Science and Technology in Construction	Third Prize
Integration and application of key technologies for urban air terminal hubs	Science and Technology Innovation Award of China Industry-University-Research Institute Collaboration Association	Second Prize
Research, development, and industrialization of prefabricated track technology	Science and Technology Innovation Award of China Industry-University-Research Institute Collaboration Association	Third Prize
Innovation and application of geological and safety risk control technologies for rail transit in Nanning's complex strata	Science and Technology Progress Award of the Beijing Rail Transit Society	First Prize
Key technologies for high-precision construction of diaphragm walls and first-insertion steel tube columns in water-rich sandy cobble strata	Science and Technology Progress Award of the Beijing Rail Transit Society	First Prize
Key technologies and applications for digital rail transit construction	Science and Technology Progress Award of the Beijing Rail Transit Society	First Prize
Key technologies and applications for intelligent monitoring of urban rail transit safety protection zones	Science and Technology Progress Award of the Beijing Society of Surveying and Mapping	Special Prize

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### PROMOTION OF INDUSTRY EXCHANGES

UCD continues to deepen its industry-university-research cooperation, actively participates in the formulation of industry standards and academic exchanges, and fully promotes the high-quality development of the rail transit industry. In terms of standard construction, the Group, relying on the technology research institute and in collaboration with renowned expert studios, actively participated in the call for expressions of interest in the formulation of Beijing local standards, continuously advancing the preparation and revision of various standards, thereby contributing to the standardized development of the industry.

In 2025, the Group actively built communication and exhibition platforms, organized the external promotion of the Beijing Intelligent Construction Innovation Center, participated in the 16th International Infrastructure Investment and Construction Forum, and coordinated with industry authorities to complete tasks such as the rail transit yearbook and the annual survey and design statistics report, comprehensively showcasing the Group's technological innovation achievements and industry influence. Concurrently, the Group deepened cooperation with universities, research institutions, and industry enterprises to promote the sharing and transformation of technological achievements, thereby facilitating industry technology upgrades.

Regarding association cooperation, the Group continues to advance liaison and engagement with existing association platforms, fully leveraging cooperative association resources. It actively participates in various industry selections and exchange activities, consolidates industry resources, and continuously strengthens its industry influence in areas such as urban renewal, green buildings, and rail transit.

### Supplier Management

UCD recognizes that suppliers are a core component of the Group's supply chain system, and that their management level directly impacts the quality of the Group's long-term development and the security and stability of its supply chain. The Group consistently adheres to the supplier management principles of compliance, efficiency, green practices, and collaboration, continuously refines its supplier management system and strengthens control over the entire supply chain process. These efforts aim to comprehensively enhance the safety, reliability, and sustainability of the supply chain, achieving synergistic development and shared value with its suppliers.

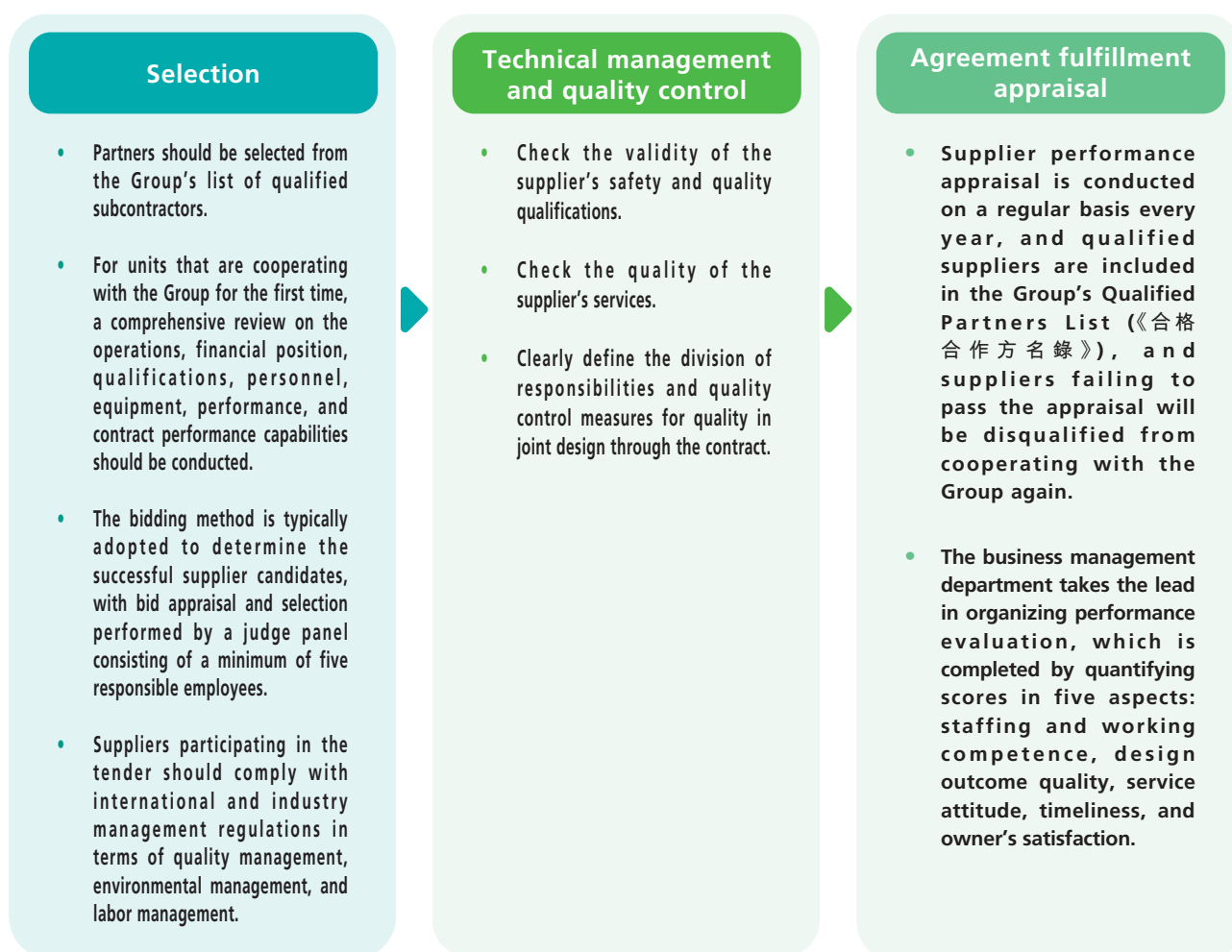
To effectively prevent various risks in the procurement process, the Group has deeply integrated ESG principles throughout the entire supplier management process. We conduct rigorous ESG risk screening and assessment for our partner suppliers, and prioritize partners who embrace low-carbon development, utilize eco-friendly resources, and demonstrate a strong commitment to social responsibility. Meanwhile, the Group continues to deepen communication and collaboration with suppliers, improves information sharing and coordination mechanisms, and strictly controls the quality of procured materials and services, so as to ensure the compliant, efficient, and orderly operation of the entire supply chain.

In light of the Group's business characteristics, we have implemented a differentiated and refined management strategy for suppliers. We categorize them into design service suppliers and engineering service suppliers for the collection of supplier information, as well as classification and multi-dimensional assessment. By establishing a scientific and comprehensive performance evaluation system, we standardize the creation and dynamic updating of the list of qualified suppliers, thereby laying a solid foundation for the stable operation of the supply chain and providing strong support for the high-quality advancement of the Group's business.

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### DESIGN SERVICE SUPPLIERS

To further standardize the management of design service suppliers and enhance the quality and efficiency of external collaborative design, the Group manages design service suppliers in accordance with internal policies such as the *External Cooperation Design Management Measures of Beijing Urban Construction Design & Development Group Co., Limited (Revised)* 《北京城建設計發展集團股份有限公司外部合作設計管理辦法(修訂版)》 that have already been issued. These policies clearly define the selection criteria, technical control requirements, quality control specifications, and performance evaluation mechanisms for design service suppliers, aiming to select partners with excellent qualifications, strong technical capabilities, reliable quality, and a good reputation. The Group strives to establish long-term, stable, and mutually beneficial cooperative relationships with these partners, ensuring that the outcomes of external collaborative design meet the Group's business development and quality control requirements.

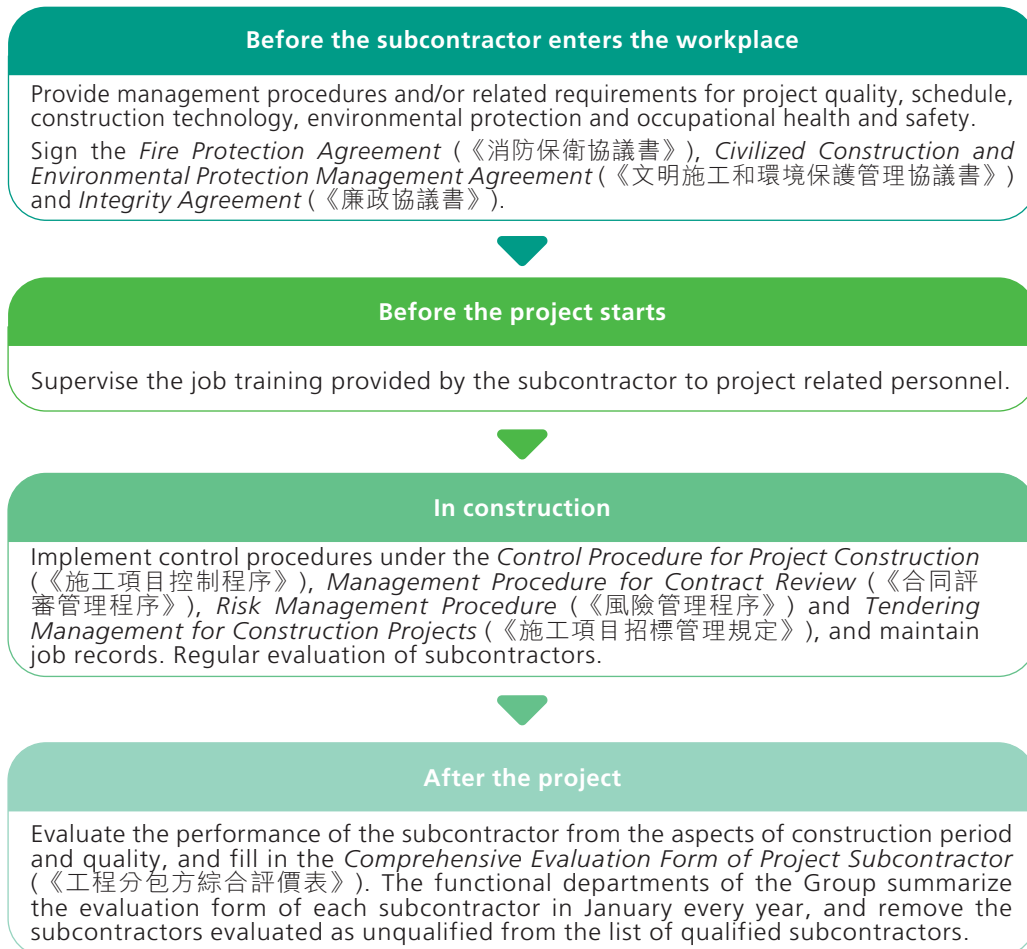


Specific requirements for design service suppliers

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

### ENGINEERING SERVICE SUPPLIERS

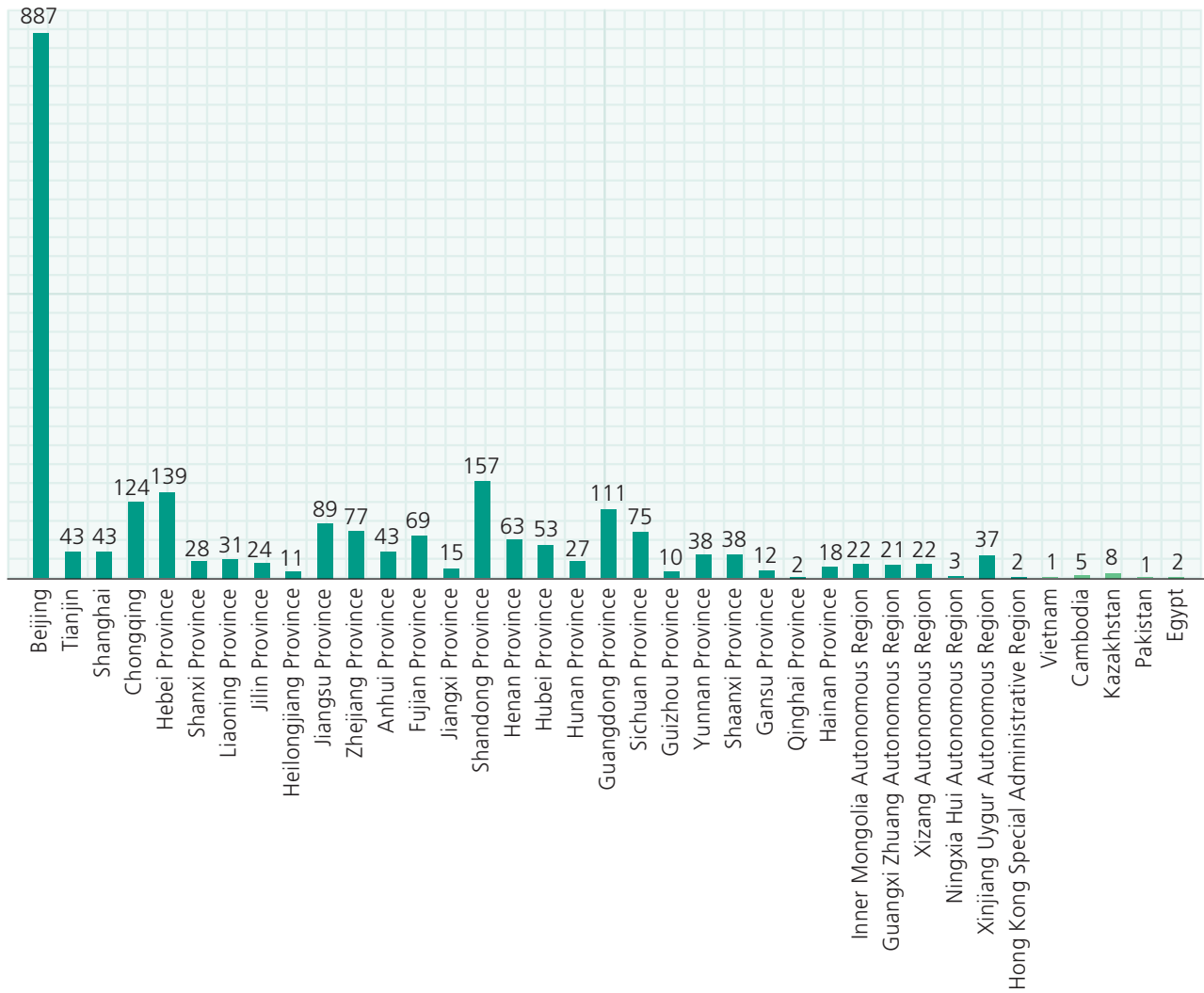
In response to the management characteristics of engineering service suppliers, the Group has improved its institutional guarantee system by formulating and strictly implementing the *Rules on the Tendering Management for Construction Projects of Beijing Urban Construction Design & Development Group Co., Limited* (《北京城建設計發展集團股份有限公司施工項目招標管理規定》) and other rules and documents, further refining the management requirements for engineering service suppliers. These documents clearly require the suppliers to organize the construction in strict accordance with the construction quality inspection and assessment standards, construction and acceptance specifications issued by the state, as well as the provisions of relevant technical documents. Meanwhile, the Group requires engineering service suppliers to fully meet the requirements of the relevant parties in terms of construction technical proficiency, environmental protection, occupational health and safety, to ensure that the quality of the project meets the standards and to provide a solid and reliable guarantee for the smooth implementation of the project.



Control procedure for professional subcontractors

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

In 2025, the Group had 2,351 qualified suppliers in total, and the regional distribution of the suppliers is as follows:



Number of suppliers by geographical region

## STEADY OPERATIONS FOR MUTUAL PROGRESS (Continued)

To promote the effective implementation of supplier management, the Exploration & Surveying Institute, Rail Company and Residential Institute, in strict compliance with the Group's unified management requirements and based on their actual business situation, further optimized their management on suppliers and standardized behaviors throughout the procurement process to effectively prevent the integrity risk in procurement and ensure the quality and safety of procurement. Specifically, Exploration & Surveying Institute formulated the *Management Provisions on the Review and Management of Production Suppliers and the Approval Process for Subcontracting Applications of Beijing Urban Construction Exploration & Surveying Design Research Institute Co., Ltd.* 《北京城建勘測設計研究院有限責任公司生產類供方評審、管理及分包申請審批流程管理規定》, which further standardizes the review of suppliers, the use of the List of Qualified Suppliers 《合格供方名錄》, and the subsequent supervision mechanism of suppliers. Rail Company implemented the *Implementation Rules for Professional Engineering Subcontracting Management* 《專業工程分包管理實施細則》 to conduct refined and standardized management on selection, construction management and performance appraisal regarding professional engineering subcontractors on the basis of the Group's management on subcontractors, in order to enhance the precision of subcontracting management. Residential Institute developed the *Procurement Management Measures of Beijing Institute of Residential Building Design & Research Co., Ltd.* 《北京市住宅建築設計研究院有限公司採購管理辦法》 to strengthen the whole process management of centralized procurement, access review, performance evaluation and removal of suppliers, thereby ensuring efficient, compliant and orderly procurement.

In the future, the Group will continue to strengthen oversight and guidance over supplier management in its subsidiaries, urging each subsidiary to strictly adhere to the Group's supplier management guidelines, continuously optimize the supplier management system, enhance the standardization, transparency, and sustainability of supply chain management, and deepen collaborative cooperation with high-quality suppliers to jointly build a stable, efficient, and green supply chain ecosystem.

# PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES

Talent Management 55

Craftsmanship 66

Material ESG issues addressed in this section are as follows:

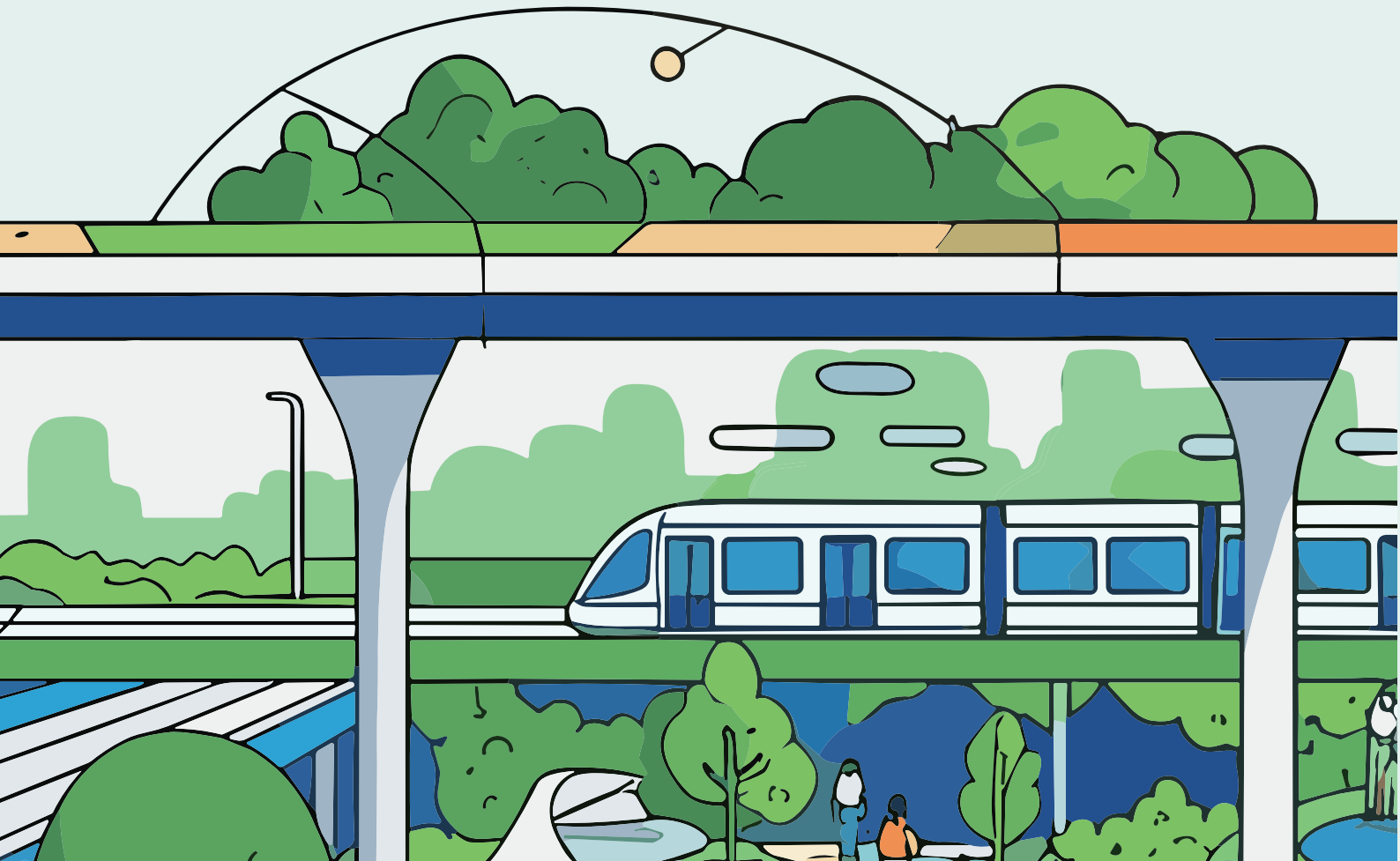
Protection of staff interests

Management of staff health and safety

Staff training and career development

Policy of staff benefits

Sustainable development goals addressed in this section are as follows:



## PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES

UCD takes “hard-working” as its core value and deeply link the growth of employees with the high-quality development of the Group, in bid to create an inclusive, clean, comfortable and motivating working environment. At the same time, we continue to unblock the promotion channel for our employees, precisely meet their actual needs, and effectively safeguard their legitimate rights and interests, and thus a broad career development platform is created, helping them achieve resonance between personal value realization and corporate growth.

### Talent Management

The Group has always adhered to the principle of “people-oriented” talent management, and regards talent as the core driving force of the enterprise development. At the beginning year of the 15th Five-Year Plan, we continuously improve the whole-chain talent management system covering recruitment, development, utilization, and retention. We seek outstanding talents through multiple channels and have established a comprehensive talent management system covering multiple dimensions such as compensation and incentives, career development, training empowerment, and team building to provide comprehensive development support for employees. The Group strictly complies with the labor laws and regulations and industry practices applicable to the places where we operate, and have established a comprehensive employee protection system to safeguard their basic rights and interests and thus lay a solid talent foundation for the sustainable development of the Company.

**During the Reporting Period, the Group has strictly complied with the following laws and regulations related to remuneration and dismissal, recruitment and promotion, working hours, holidays, equal opportunities, diversity, anti-discrimination, and other benefits:**

*Labor Law of the People’s Republic of China* 《中華人民共和國勞動法》

*Civil Code of the People’s Republic of China* 《中華人民共和國民法典》

*Regulation on the Implementation of the Employment Contract Law of the People’s Republic of China* 《中華人民共和國勞動合同法實施條例》

*Prohibition of Child Labor Provisions* 《禁止使用童工規定》 and other national laws and regulations

## PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES (Continued)

Guided by the digital transformation strategy, the Group continuously advanced technology-enabled innovation in human resource management in 2025. We deepened the implementation of an electronic labor contract signing platform, achieving full-process electronic management of labor contracts, covering the formation, renewal, modification, rescission and termination of labor contracts. Leveraging cutting-edge technologies such as mobile terminal signing, facial recognition authentication, digital certificate encryption, and electronic notarization for evidence preservation, it ensures the convenience, security and legal effect of contract signing, driving a profound transformation of human resources management towards intelligence and digitization. By establishing a modern management model featuring “online contracting, on-chain management and big data application”, we have significantly enhanced workforce management efficiency, reduced management costs and simultaneously delivered more convenient and effective service experiences for employees.

### EMPLOYMENT AND DISMISSAL

Under the framework of sustainable development strategy, the Group always puts the construction of harmonious and stable labor relations in an important position. We strictly abide by the *Labor Law of the People's Republic of China* (《中華人民共和國勞動法》) and relevant laws and regulations, and continuously improve our labor and employment management system. Each branch has formulated specialized employment policies according to its own business situation, resolutely eliminates illegal practices such as the recruitment of children and forced labor, and firmly upholds the bottom line of compliance in employment practices.

Recruitment and dismissal measures of UCD (including but not limited to):	
Recruitment	<i>Rules of Beijing Urban Construction Design &amp; Development Group Co., Limited on Recruitment Management</i> (《北京城建設計發展集團股份有限公司招聘管理辦法》)
Induction	<i>Administrative Measures for New Staff Induction of Beijing Urban Construction Design &amp; Development Group Co., Limited (Interim)</i> (《北京城建設計發展集團股份有限公司員工入職管理辦法(暫行)》)
Employment	<i>Labor Contract Management Measures of Beijing Urban Construction Design &amp; Development Group Co., Limited</i> (《北京城建設計發展集團股份有限公司勞動合同管理辦法》)
Talent introduction	<i>Talent Recruitment Introduction Measures of Beijing Urban Construction Design &amp; Development Group Co., Limited</i> (《北京城建設計發展集團股份有限公司人才引進管理辦法》)
Resignation	<i>Administrative Measures for the Resignation of Employees of Beijing Urban Construction Design &amp; Development Group Co., Limited (Interim)</i> (《北京城建設計發展集團股份有限公司員工離職管理辦法(暫行)》)

## PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES (Continued)

In terms of talent introduction, the Group strictly follows the *Rules of Beijing Urban Construction Design & Development Group Co., Limited on Recruitment Management* 《北京城建設計發展集團股份有限公司招聘管理辦法》 and the *Talent Recruitment Introduction Measures of Beijing Urban Construction Design & Development Group Co., Limited* 《北京城建設計發展集團股份有限公司人才引進管理辦法》 newly issued during the year, and has formulated a systematic talent introduction strategy. By integrating market development trends with benefit analysis, we have formulated a systematic talent introduction strategy, optimized the recruitment process and broadened the channels for attracting talents, with a particular focus on attracting high-caliber individuals who align with the Group's key business development needs, thereby continuously accelerating the construction of talent teams. Additionally, we coordinate and organize various branches to carry out campus recruitment promotion, testing, and hiring for fresh graduates. By showcasing the Company's achievements and conveying its development philosophy, we enhance our brand image, attract outstanding students to join, strengthen quality control in talent introduction, and improve recruitment efficiency and precision. During the Reporting Period, the Group employed a total of 3,867 staff, with a total staff turnover rate of 5.22%.

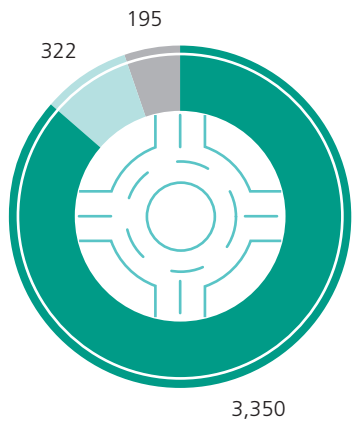
In accordance with the *Administrative Measures for New Staff Induction of Beijing Urban Construction Design & Development Group Co., Limited (Interim)* 《北京城建設計發展集團股份有限公司員工入職管理辦法(暫行)》, we have established a sound review mechanism for new staff induction. Through multi-dimensional background checks, identity information verification and other measures, we fully ensure the authenticity and compliance of applicants' information, especially the verification of applicants' age, so as to fundamentally eliminate the risk of child labor. In the process of employment, the Group always adheres to the principles of free will, equality and consensus, and enters into written labor contracts with all new recruits in accordance with the law to clarify the rights and obligations of both parties and protect the legitimate rights and interests of employees. The Group firmly opposes any form of forced labor. In the event that any violations are identified, they will be strictly handled in accordance with relevant laws and regulations as well as internal requirements of the Group. In addition, where the Group or an employee proposes to rescind, or not to renew, the employment contract, we exercise the standardized work handover process and salary settlement in accordance with the Group's management requirements to protect the legitimate rights and interests of employees. As of the end of the Reporting Period, there were no incidents of child labor or forced labor in the Group.

## PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES (Continued)

### Employment and Turnover of Employees of the Group

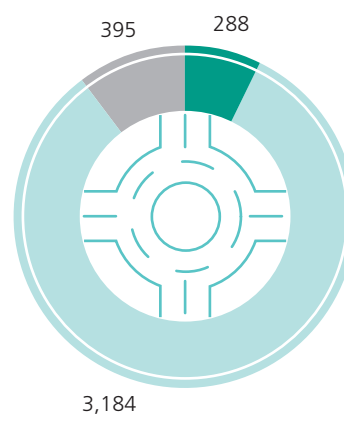
Total number of employees person 3,867

Employee counts by employee type



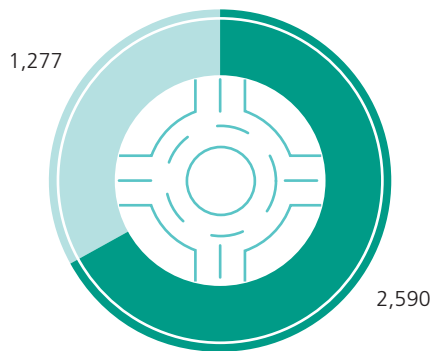
■ Grass-roots staff ■ Senior staff  
■ Mid-level staff

Employee counts by age group



■ Aged below 30 (exclusive)  
■ Aged 30 – 50 (exclusive)  
■ Aged 50 and above

Employee counts by gender



■ Male ■ Female

Employee counts by region



■ Beijing ■ Outside Beijing

## PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES (Continued)

Human Resource Capital Performance		Unit	2025
Total Employee Turnover Rate		%	5.22
Employee turnover rate by employee type	Grass-roots staff	%	5.01
	Mid-level staff	%	9.01
	Senior staff	%	2.56
Employee turnover rate by age group	Aged below 30 (exclusive)	%	7.99
	Aged 30 – 50 (exclusive)	%	5.18
	Aged 50 and above	%	3.54
Employee turnover rate by gender	Male	%	5.29
	Female	%	5.09
Employee turnover rate by region	Beijing	%	4.11
	Outside Beijing	%	6.10

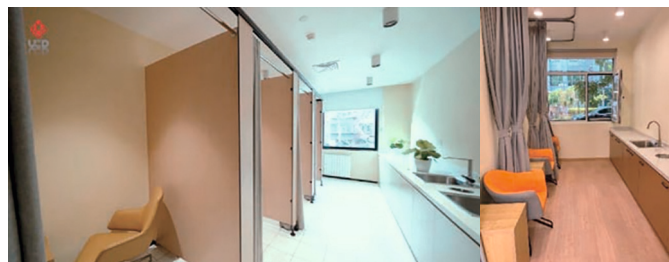
## PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES (Continued)

### DIVERSITY AND EQUALITY

The Group adheres to creating a diverse and inclusive workplace environment, strictly practices the *Labor Law of the People's Republic of China* 《中華人民共和國勞動法》 and relevant regulations, and resolutely opposes any form of discrimination. We explicitly prohibit differentiated treatment based on gender, age, religion, ethnicity, family status and health status, and adhere to the principle of equality and justice in human resource management. In key links such as recruitment, promotion and salary management, the Group has established standardized and transparent operating procedures to ensure that every employee can enjoy equal career development opportunities and resource allocation.

In order to protect the legitimate rights and interests of female employees, the Group fully implement labor protection for female employees in welfare benefits, insurance, holidays and work environment, actively recognize the work contributions of female employees, and establishes platforms for their professional development, demonstrating the significant role of women in the Company's development. During the Reporting Period, the Group arranged special disease insurance for over 1,000 female employees, and extended warm congratulations to 130 employees on the occasion of marriage or childbirth. Subsidiaries have also actively promoted diversity and equality initiatives. During the Reporting Period, the Residential Institute carried out marriage and childbirth visits on 6 occasions, and through its "Warm Platform", alleviated the medical burden on employees, benefiting over 60 employees.

In the future, the Group will continue to deepen diversification, and improve the protection system of employees' rights and interests, and further foster a corporate culture that respects differences and embraces inclusivity and mutual progress, thereby building harmonious and stable labor relations.



Nursing Room at the Institute



2025 International Women's Day Event at Rail Company

## PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES (Continued)

### REMUNERATION AND PROMOTION

The Group is committed to developing a compensation management concept of “being competitive externally and fair internally”, and has established a scientific and sound compensation management standard system based on its actual operating conditions. In the meantime, we continue to optimize the remuneration structure, strengthen the linkage mechanism between compensation and performance, and give full play to the incentive effect of the compensation system on talents, so as to effectively improve the talent attraction and retention rate. In addition, monthly reconciliations were conducted with the finance and operations departments to verify the completion of operating indicators as well as the actual disbursement of staff costs and total wages for each unit, with a monthly report being prepared. Quarterly joint review and analysis were organized to monitor and inspect budget execution. No instances of over-disbursement or over-accrual occurred during the year.

In terms of the construction of a career development system, the Group has established a systematic rank management system. By clarifying position staffing, improving the position evaluation system, and optimizing the position adjustment mechanism, diversified career development pathways have been created for employees. We place emphasis on talent pipeline development. During the Reporting Period, we have established a capability and performance-based promotion assessment system, and implemented the “Young Cadres Program” and “High-Potential Talent Program” training initiatives as well as the Outstanding Talents Cultivation Program, providing employees with more flexible and broader advancement opportunities. These approaches have effectively stimulated employees’ motivation for career growth and enhanced their work enthusiasm.

Business units such as the Exploration & Surveying Institute, Rail Company and Residential Institute have developed differentiated compensation management systems and promotion management schemes based on their own development characteristics and strategic needs, and combined with employees’ performance evaluation and rank assessment results. This management model of “centralized control with differentiated implementation” not only ensures the consistency of the Group’s overall management but also fully considers the actual situation of each business unit, achieving precision and effectiveness in talent management.

#### Systems Relating to Remuneration Management of UCD (including but not limited to):

The Institute	Measures for Employee Remuneration Management and Calculation of Beijing Urban Construction Design & Research Institute 《北京城建設計研究總院職工薪酬管理與核算辦法》 Administrative Measures for Positions and Ranks of Beijing Urban Construction Design & Research Institute 《北京城建設計研究總院崗位及職級管理辦法》 Measures for the Administration of Total Wage of Beijing Urban Construction Design & Development Group Co., Limited 《北京城建設計發展集團股份有限公司工資總額管理辦法》
Rail Company	Remuneration Management System (Trial) of Beijing Urban Rail Transit Construction Engineering Co., Ltd. 《北京城建軌道交通建設工程有限公司薪酬管理制度(試行)》 Measures of Beijing Urban Rail Transit Construction Engineering Co., Ltd. for the Management of Staff Benefit Bonuses (Trial) 《北京城建軌道交通建設工程有限公司員工效益獎金管理辦法(試行)》

## PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES (Continued)

### Systems Relating to Remuneration Management of UCD (including but not limited to):

Exploration & Surveying Institute	<p><i>Remuneration Management System of Beijing Urban Construction Exploration &amp; Surveying Design Research Institute Co., Ltd.</i> 《北京城建勘測設計研究院有限責任公司薪酬管理制度》</p> <p><i>Rules for the Implementation of Remuneration Management of Beijing Urban Construction Exploration &amp; Surveying Design Research Institute Co., Ltd.</i> 《北京城建勘測設計研究院有限責任公司薪酬管理實施細則》</p>
Residential Institute	<p><i>Rules for the Implementation of Remuneration Management of Beijing Institute of Residential Building Design &amp; Research Co., Ltd.</i> 《北京市住宅建築設計研究院有限公司薪酬管理制度》</p> <p><i>Measures for Full Staff Performance Management of Beijing Institute of Residential Building Design &amp; Research Co., Ltd.</i> 《北京市住宅建築設計研究院有限公司全員績效管理辦法》</p>

## WORKING HOURS AND HOLIDAYS

### Systems Relating to Employee Attendance, Leave and Holidays of UCD (including but not limited to):

General principles	<i>Labor Law of the People's Republic of China</i> 《中華人民共和國勞動法》
Work attendance, leave and holidays	<p><i>Rules on Management of Work Attendance, Leave and Holidays of Beijing Urban Construction Design &amp; Research Institute Co., Ltd.</i> 《北京城建設計研究總院有限公司員工考勤與休假管理辦法》</p>

The Group attaches great importance to the standardized management of employees' working hours. Hence, we have established a comprehensive working hour management system and a humanized vacation mechanism to create a favorable environment for employees to balance work and life. While strictly implementing the 8-hour working system, we adopt a management model that combines standard working hour system with non-fixed working hour system based on the actual work requirements of various positions. We regularly apply for a non-fixed working hour system to relevant authorities and implement the same in a standardized manner after approval and publicity.

The Group has introduced a dynamic work hour arrangement scheme. Employees can apply for overtime through the standardized *Overtime Approval Form* 《加班審批表》 according to their specific work needs and legally receive corresponding overtime wages after approval to ensure reasonability and fairness of working hours and remunerations. On the basis of strict compliance with public and statutory holidays stipulated by the government, the Group has constructed a comprehensive and multi-level employee leave system. We provide employees with a complete leave system including sick leave, casual leave, marriage leave, home leave, funeral leave, maternity leave, work-related injury leave, public holiday and annual leave, fully safeguarding employees' rest rights. Among them, for employees who are far away from their families, the Group specially provided twenty to thirty days of home leave, enhancing employees' sense of happiness and belonging through our people-oriented care.

## PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES (Continued)

### DEMOCRACY AND CARE

The Group is attentive to the work experience of its employees and has established smooth and efficient feedback channels for employees, providing them with warm corporate care and solid support. We continue to improve its democratic management system, guide grassroots unions to implement the relevant management system, and promote democracy and care. We have established a normalized communication mechanism covering multiple dimensions, both online and offline. Through employee congress, work meetings, in-house publications, WeChat public account and other communication platforms, we ensure that employees' voices can be conveyed promptly and concerns are effectively addressed, in order to protect employees' right to know, participate and supervise.

During the Reporting Period, the trade union of the Group and at various grassroots levels convened various meetings in an orderly manner to listen to employees' voices and arrange service measures. In 2025, the Group's trade union held four committee meetings, and guided the grassroots trade unions in holding member (representative) meetings. In addition, we also held the first meeting of the second session of Employee Congress, and signed collective contracts and special salary collective contracts, which were recorded for file. Four independent legal entities simultaneously convened employee congresses, systematically summarizing work achievements, responding to employee demands, and planning subsequent work.



Case:

#### The 2025 Work Conference and the 7th Committee (Expansion) Meeting of the Second Session

The trade union of UCD successfully held its 2025 work conference and the 7<sup>th</sup> Committee (Expansion) Meeting of the second session on 12 March 2025. The meeting conveyed the working spirit of the trade union of UCD, summarized the trade union work in 2024, and deployed the key tasks for 2025, during which 20 grassroots trade unions exchanged their highlights and key points of work, and conducted discussions on the duties of the trade union. The chairman of the trade union also presented awards to the award-winning collectives and individuals, and put forward four requirements for the trade union work in 2025, aiming to create a vigorous and warm trade union and demonstrate its responsibilities.



Site of the 2025 Work Conference and the 7th Committee (Expansion) Meeting of the second session

## PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES (Continued)

We also optimize and promote employee health care plans with various campuses, and strengthen our assistance to employees in difficulty. We invested over RMB6.5 million to carry out activities with the themes of warmth, healthcare, blessings, coolness, and culture, benefiting more than 35,000 employees. Additionally, the Group insured more than 3,000 employees against major illnesses in 2025, compensated 5 employees with serious illnesses, visited 20 retired employees and 80 employees with financial difficulties due to illnesses, and organized trade unions at two levels to carry out over 90 key projects for frontline visits. The Group continues to implement the “2+N” construction model, and has completed the project establishment of 2 “Advanced Employee Homes” and 2 “Employee Families” to show our care to all employees in an all-round way and through multiple channels, and enhance their sense of belonging and happiness in the enterprise.



Case:

### Trade Union of the Group visited the Shucun Project of the Exploration & Surveying Institute for Investigation

On 10 July 2025, Zhang Hongyun, the Deputy Secretary of the Group’s Party committee and the Chairman of the trade union, along with Chen Liming, the Vice Chairman of the trade union and the Director of the female workers’ department, went to the site of Haidian Shucun Project of the Exploration & Surveying Institute to send coolness, accompanied by relevant persons in charge and project managers of the Exploration & Surveying Institute.

On the site, the trade union President conveyed their care and greetings to the frontline workers working in the hot weather. He highly praised their dedication and, on behalf of the trade union, distributed heatstroke protection items to convey the warmth of the organization. After the cadres from the Party committee and trade union inspected the construction site, they discussed with the frontline workers, listening to the project progress and the development report of the Specialized Geotechnical Institute.

The President of the trade union expressed his recognition of the phased achievements of the Shucun project and the various work carried out by the Exploration & Surveying Institute. He emphasized that efforts should be made to strictly implement heatstroke prevention and cooling measures, strengthen the safety defense line, ensure the project’s fulfillment, effectively safeguard the safety and health of employees, and promote the project construction with high quality and efficiency, laying the foundation for subsequent project undertakings.



Investigation and Caring Visit to the Shucun Project of the Exploration & Surveying Institute

## PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES (Continued)



### Case: Employees' Sports Events of the Rail Company in 2025



Employees' basketball game



Employees' rope skipping



### Case: Trade Union of the Exploration & Surveying Institute Sent Blessings to the Frontline Employees on the Lantern Festival

On the Lantern Festival on 12 February 2025, when families gathered together, over 70 construction workers of the geological hazard management project of the Exploration & Surveying Institute in Fangshan District remained at their posts to accelerate the progress, ensure quality and safety, instead of reuniting with their families.

On that day, Zheng Youchang and Liu Zhiqiang, Vice Presidents of the Exploration & Surveying Institute, along with Ji Xinchun, the Deputy Secretary of the Discipline Inspection Commission and Director of the Party Building and Masses Work Department, went to the project site. They extended warm greetings to the frontline employees, conveyed the greetings of Xia Xiujiang, the Party Secretary and Chairman of the Exploration & Surveying Institute and Wang Sikai, the President of the Institute, and sent care and blessings from the trade unions of the Group and the Exploration & Surveying Institute.

The site was filled with warmth. The Vice President and the frontline staff enjoyed the sticky rice dumplings together and chatted about daily matters. He encouraged everyone to uphold their responsibilities and missions, strengthen safety and quality control, and promote the project construction as per high standards, ensuring the timely achievement of the phased targets. The frontline staff all expressed that they would turn the care into motivation, and fulfill their duties for the high-quality development of the Exploration & Surveying Institute.



Sending Blessings on the Lantern Festival

## PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES (Continued)

### Craftsmanship

UCD consistently regards the cultivation of talents as the core competitiveness and key driving force for the sustainable development of the Group. Based on the building of a learning organization, the Group has formulated and implemented the Administrative Measure for Training of Beijing Urban Construction Design & Development Group Co., Limited and the Administrative Measure for Internal Lecturers to build a scientific and comprehensive employee training system related to business and provide holistic support for employees' career development.

In terms of training system development, the Group focuses on creating a diversified and flexible training curriculum that can respond to the business development demands of the Company and promote internal and external exchanges. It has organized multiple company-level training sessions, covering the high-quality multi-system and diversified track development forums, training on the DeepSeek application and practice, operation strategies of rail transit enterprises, interpretation of urban rail transit outline, zero-carbon parks, and practical applications of smart entities, etc.



Case:

#### Trainings on DeepSeek Application and Practice Successfully Completed

In 2025, the Group's headquarters successfully organized the trainings on DeepSeek application and practice. The trainings focused on core topics such as "Introduction and Practical Application of DeepSeek," "How Does DeepSeek Empower Enterprise Transformation?" and "How Do General Large Models Like DeepSeek Enable Smart Transportation?", providing a comprehensive interpretation of new AI application opportunities from theory to practice. The trainings were delivered by Deng Jin, General Manager of the Digital City Business Department of the Transportation Institute; Yang Guanhua, Technical Director; Hao Zhidong, Chief Architect; and Sun Yongliang, Data Analyst. The training attracted over 6,000 person-times both on line and off line and received high praise from industry professionals. This initiative not only facilitated knowledge transfer but also helped industry professionals push technological boundaries, enhanced employees' digital skills, and advanced the Group's digital transformation implementation.



Site of Trainings on "DeepSeek Application and Practice"

## PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES (Continued)

During this Reporting Period, we systematically organized all units to complete their annual training plans. The training content focused on key business areas of the Group, including AI-enabled rail transit design, smart rail applications, promotion of the low-altitude economy, photovoltaics, technical essentials for operational renewal and renovation, discussions on metro overhaul and renovation strategies, and structural design for urban renewal. Concurrently, we continued to strengthen the instructor system by completing the annual appointment of star-rated lecturers and implementing programs such as the “Young Leadership Class,” “High-Potential Talents Class,” outstanding talent cultivation, and internal talent bootcamps, all aimed at translating learning outcomes into practical work.

By the end of 2025, the total training hours of staff and directors reached over 303,463 hours, with a participation rate of 94.65%, underscoring the Group’s strong commitment to talent development.

### Training of the Group’s employees

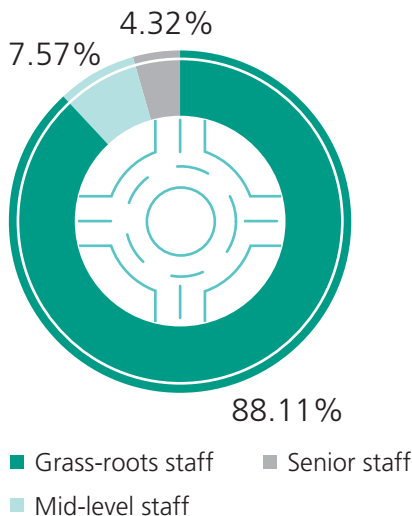
**Average employee training hours by employee type**



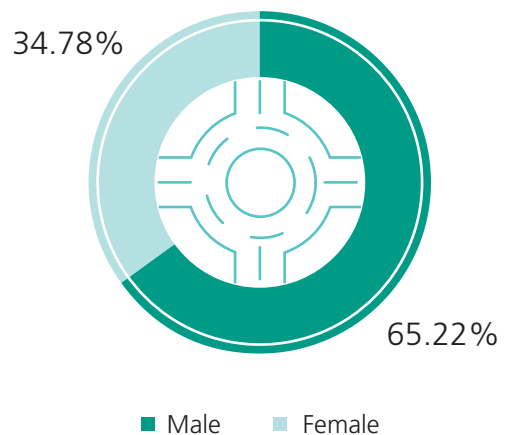
**Average employee training hours by gender**



**Percentage of employees trained by employee category**



**Percentage of employees trained by gender**



## PEOPLE-ORIENTED AND FULFILLING RESPONSIBILITIES (Continued)

To ensure the continuous improvement of corporate governance, the Group has placed special emphasis on enhancing the professionalism of its Board. By regularly organizing training on related-party transactions, specialized training on ESG and project research activities, directors and senior management have developed an in-depth understanding on key points of listing rules and corporate governance. Additionally, a rigorous performance confirmation mechanism has been established, which requires directors and supervisors to provide written confirmation of their performance of duties, completion of training and compliance on an annual and semi-annual basis. This effectively enhances the quality of corporate governance and ESG management.



Case:

### Forum on High-Quality Development of Multi-Modal and Diversified Rail Transit Successfully Held

In 2025, the “Forum on High-Quality Development of Multi-Modal and Diversified Rail Transit”, hosted by the Group’s professional committees and organized by the Comprehensive Rail Transit Group, was successfully held. Leaders including Xia Xiujiang, the Group’s Party Committee Secretary and General Manager, and Xu Chengyong, Chief Planner, attended the event. The forum invited industry experts, scholars, and project leaders from cities such as Beijing, Macau, Dalian, and Wuhan to deliver thematic presentations. Over 500 participants joined both on-site and video conference, including more than 70 experts from various professional fields within the Group, as well as representatives from clients, universities, and other industry-academia-research institutions. The forum focused on multi-modal rail systems such as light rail, SkyShuttle, aerial rail, maglev rail, and smart rail, exploring diversified models including transportation functionality, public welfare attributes, cultural-tourism integration, and commercial operations. It provided a cross-disciplinary exchange platform for senior management and helped all employees broaden their perspectives and enhance their professional capabilities.



Site of Forum on High-Quality Development of Multi-Modal and Diversified Rail Transit

# GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY

Environmental Protection Goals	71
Climate Change	72
Green Office	82
Green Construction	86
Environmental Education	89
Environmental Performance	90

Material ESG issues addressed in this section are as follows:

Management of energy utilization	Discharge and management of pollutants
Management of water resources utilization	Discharge and management of waste
Green office policy management	Discharge and management of greenhouse gases

Sustainable development goals addressed in this section are as follows:



## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY

UCD actively responds to the national strategies of “carbon peaking and carbon neutrality”, regarding climate change and green development as a core mission in achieving corporate sustainable development. Being committed to the principle of “ecology first, green synergy,” the Group has systematically enhanced its environmental management system.

The Group comprehensively advanced the green transformation of both corporate operations and engineering construction, coordinating efforts across all departments and subsidiaries to form a synergy for green development. Throughout the year, no general or higher-level environmental impact incidents occurred, and no government notifications or media exposures were reported, demonstrating significant achievements in green development. Relevant units increased environmental investments according to their operational needs, among which the Rail Transit Company invested a total of RMB 157,500, continuously improving green management efficiency through technological innovation, institutional refinement, and practical measures.

At the operational level, the Group deeply practiced the concept of green office, focusing on “cost reduction, efficiency improvement, low carbon, and energy conservation.” Through diversified measures such as energy conservation and emission reduction, resource recycling, and digital management, the Group consistently reduced the carbon footprint of office activities, promoting the normalization and standardization of green office practices. In the field of engineering construction, the Group strictly implemented green construction requirements, integrating environmental concepts into the entire lifecycle of project planning, design, and construction. By adopting eco-friendly materials, optimizing construction techniques, and strengthening on-site management, the Group minimized the impact of construction on the surrounding ecological environment. Additionally, great emphasis was placed on biodiversity protection, contributing to the harmonious coexistence of engineering projects and the natural environment.

### Environmental Protection Goals

As UCD regards carbon emission management and environmental protection as important strategies for enterprise sustainable development, it has established a complete environmental governance system. The Group strictly abides by the relevant laws and regulations such as the *Environmental Protection Law of the People's Republic of China* 《中華人民共和國環境保護法》 and the *Regulations on Environmental Protection Management of Construction Project* 《建設項目環境保護管理條例》, and fully implements the international standard ISO 14064:2012 *Greenhouse Gas Emissions Inventories* 《溫室氣體排放清單》 and *ISO 14001 Environmental Management System* 《ISO 14001 環境管理體系》. Through systematic environmental factor identification, risk control and process supervision, impacts of our business activities on the environment are effectively managed.

**During the Reporting Period, the Group has strictly complied with the following laws and regulations related to exhaust gases, greenhouse gases, discharges to water and land, and the generation of hazardous and non-hazardous waste:**

*Law of the People's Republic of China on Prevention and Control of Air Pollution*  
《中華人民共和國大氣污染防治法》

*Environmental Protection Law of the People's Republic of China*  
《中華人民共和國環境保護法》

*Energy Conservation Law of the People's Republic of China*  
《中華人民共和國節約能源法》

*Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*  
《中華人民共和國固體廢物污染環境防治法》

*Law of the People's Republic of China on the Prevention and Control of Water Pollution*  
《中華人民共和國水污染防治法》

*Environmental Impact Assessment Law of the People's Republic of China*  
《中華人民共和國環境影響評價法》

*Regulations on Environmental Protection Management of Construction Project*  
《建設項目環境保護管理條例》 and other national laws and regulations

In environmental management practices, the Group has established clear environmental protection objectives centered around its "ESG strategic goals", covering core dimensions such as energy conservation and carbon reduction, natural resource utilization, pollutant emissions and developed strict implementation, supervision and evaluation mechanisms. In terms of office environment management, we have established a sound waste sorting and recycling system to carry out professional treatment of office waste and hazardous waste to promote resource recycling and minimize waste of resources.

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

For environmental management at construction sites, the Group has established a comprehensive environmental monitoring network. Through real-time data collection and analysis, the emissions of air pollutants and greenhouse gases are under precise control. Meanwhile, we strictly adhere to the principles of “recycling, harmlessness and reduction”, optimizing the processing procedures for construction waste and significantly improving resource utilization efficiency. To ensure the effective operation of the environmental management system, the Group regularly conducts professional trainings for environmental management personnel, continuously enhancing the environmental governance capabilities of various units within the Group. We will continue to improve the environmental risk prevention and control mechanism, strengthen the implementation of environmental protection responsibilities, and contribute to building a green enterprise and a beautiful China.

## Climate Change

UCD actively responds to the Hong Kong Climate Action Plan 2050 and the national strategic goals of “carbon peaking and carbon neutrality”, and systematically conducts the identification, assessment and response of climate risks and opportunities based on the business characteristics of enterprise. We will continue to strengthen energy and resource management and enhance our risk control capabilities in response to climate change. Through the establishment of a green management system covering the entire life cycle of projects, the Group is committed to promoting the innovation and application of low-carbon technologies, creating an environmentally friendly urban space and contributing to the promotion of ecological civilization construction and the achievement of sustainable development goals.

In the face of the increasingly frequent and severe extreme weather events and the tightening climate regulatory policies triggered by global climate change, the Group has thoroughly analyzed the economic opportunities and challenges brought about by climate change. We strictly follow the guiding frameworks of the Task Force on Climate-Related Financial Disclosure (TCFD) and the International Sustainability Standards Board (ISSB), and systematically establish a comprehensive climate change management system. This system covers four core dimensions: governance, strategy, risk management, and indicators and targets. By deeply integrating climate factors into all aspects of corporate strategic decision-making, daily operation and project management, it realizes the management of climate risks throughout the entire life cycle.

## GOVERNANCE

The response to climate change, as a core component of the Group’s ESG management system, has been incorporated into the regular management scope of the ESG working group. Through clarified responsibilities of each department and subordinate unit, it formed a management pattern featured “overall planning by Institute, hierarchical responsibility, full participation”. Each subordinate unit strictly adheres to the management system framework formulated by the Institute. Combining with regional characteristics and actual operation situations, they formulate and implement special climate response plans according to local conditions, focusing on strengthening extreme weather response, low-carbon construction, energy conservation and consumption reduction.

The ESG working group has established a regular reporting mechanism to comprehensively report to the Group’s board of directors on the progress, effectiveness and improvement of climate change management work. In 2025, we continued to optimize the climate governance structure, improve the standardization construction of the climate change management system, strengthen the ability to assess and respond to climate change risks, and deeply integrate climate factors into the overall development strategy of enterprises, thus ensuring that our efforts to address climate change advance in an orderly manner and deliver results.

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

In 2025, the Group further optimized the climate governance framework, improved the standardization of the climate change management system, and adds or revises a number of new climate management-related systems, which link up with the existing systems such as the *Environmental Protection Management Programme* and the *Measures for Management of Energy and Resource Conservation of Branches*. These efforts help to establish a complete system of institutional guarantee system and strengthen the capacity for climate risk assessment and response, promote the deep integration of climate factors and the overall development strategy of enterprises to ensure that the climate change response work is carried out in an orderly manner and effective.

### STRATEGY

At the strategic level, the Group systematically integrates climate-related risks and opportunities into its overall development strategy and business decision-making. In line with the national “dual carbon” goals and the low-carbon development trends in the construction industry, it coordinates and plans its business layout, investment direction, and operational management. Additionally, drawing on the scenario analysis methods recommended by ISSB S2 and TCFD, and in consideration of the annual business layout adjustments, the Group refines its scenario analysis framework to conduct forward-looking climate scenario analysis. These efforts aim to assess the impacts of risks and opportunities under different climate pathways, providing scientific support for strategic decision-making.

During this Reporting Period, the Group further advanced its climate-related risk and opportunity scenario analysis based on the work conducted in 2024, optimizing the scenario analysis framework in alignment with annual business layout adjustments. Based on research findings from authoritative institutions such as the Intergovernmental Panel on Climate Change (IPCC) and the Network for Greening the Financial System (NGFS), the Group adopted two scenario models, namely Turquoise (low-emission) and Brown (high-emission), covering short-term (2025-2030), medium-term (2031-2040), and long-term (2041-2060) phases, ensuring a comprehensive, forward-looking, and targeted assessment.

In terms of analytical methodology, the Group strictly adheres to the framework recommended by the TCFD, focusing on assessing the potential impacts of transition risks and physical risks on the Group’s operations, financial performance, and business layout, while systematically identifying various climate-related risks and opportunities to provide scientific support for the Group’s strategic decision-making. Based on its experience in responding to extreme weather events such as extreme heavy rainfall in 2025, the Group has further supplemented its analysis with a focus on the impact of extreme weather on construction progress, equipment assets, and personnel safety, thereby refining its risk assessment parameter system.

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

The following are the key parameters used in the climate risk assessment and the reasons why they are considered important:

Climate risk	Key parameters	Reasons for Consideration
Adverse effects caused by frequent extreme weather events	<ul style="list-style-type: none"> <li>Number of days of extreme weather events throughout the year</li> <li>Impact on construction progress</li> </ul>	An increase in the frequency of extreme weather may affect the Group's business operations
Adverse effects caused by long-term shifts in global climate patterns	<ul style="list-style-type: none"> <li>Annual rainfall</li> <li>Number of extremely cold and hot days throughout the year</li> </ul>	Long-term deteriorating climate patterns may affect the Group's business operations
Stricter policy and supervision on existing products and services	<ul style="list-style-type: none"> <li>Regulations governing the construction industry's response to climate change</li> </ul>	Increasingly complex supervision will increase a company's compliance costs
Facing litigation or legal risks	<ul style="list-style-type: none"> <li>Changes in climate change regulations</li> </ul>	More stringent climate change information disclosure requirements may bring higher compliance risks and costs
Stricter GHG emissions disclosure requirements	<ul style="list-style-type: none"> <li>Changes and trends in greenhouse gas emission regulations;</li> <li>Requirements from regulatory authorities for climate change information disclosure</li> </ul>	Failure to accurately and comprehensively disclose climate-related information may lead to regulatory penalties or damage to the reputation
Expense for low-carbon technology transformation	<ul style="list-style-type: none"> <li>Low-carbon/green building technology prices;</li> <li>Green equipment prices</li> </ul>	Replacing traditional energy-consuming/high-energy-consuming equipment with new energy/saving-energy equipment may lead to the premature scrapping of existing equipment, resulting in an increase in operating costs
Change of customer appetite	<ul style="list-style-type: none"> <li>Customers' preference trends for green products and services;</li> <li>The intensity of customers' preferences for low-carbon</li> </ul>	Customers will be more inclined towards greener and lower-carbon products and services. Failure to respond actively will lead to a decrease in the attractiveness to such customers
Stakeholders' increasing concern about negative feedback	<ul style="list-style-type: none"> <li>Stakeholders' expectations for climate change-related information disclosure</li> </ul>	Issues related to climate change are increasingly receiving social concern. If the Group's low-carbon measures do not meet stakeholders' expectations, it may lead to an increase in negative feedback

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

### RISK MANAGEMENT

The Group has integrated climate-related issues into its operational risk assessment and management system, and has established a comprehensive process for managing climate risks and opportunities. It continues to identify, assess and manage such risks and opportunities to enhancing the Group’s climate resilience. Specifically, a five-step management process of “identification – assessment – scenario analysis – reporting – improvement” is followed to ensure closed-loop risk management:

#### The Assessment Process of Climate Risks and Opportunities

1. Identification of Climate Risks and Opportunities	With reference to industry disclosure practices, research materials and the policy environment, and taking into account the characteristics of its own value chain and operating regions, the Group systematically identifies climate risks and opportunities related with its building design and engineering construction businesses, and establishes a list for risks and opportunities.
2. Assessment of Climate Risks and Opportunities	From key dimensions such as the level of impact and likelihood of occurrence, relevant department heads are invited to conduct a comprehensive assessment of each climate risk and opportunity. Taking into consideration of professional judgement of management and cross-departmental inputs, the Group conducts a materiality analysis and prioritisation, thereby forming in a climate risk and opportunity matrix.
3. Scenario Analysis and Financial Impact Analysis	Internationally recognised climate scenarios and key parameters are selected to analyse the extent of impact of material climate risks and opportunities under different scenarios, as well as potential financial implications, thereby providing data support for decision-making.
4. Reporting of Analysis Results	The assessment results of climate risks and opportunities, scenario analysis conclusions and financial impact analysis outcomes are regularly reported to the Board, providing a robust basis for the Board in making climate-related strategic decisions.
5. Response Measures and Continuous Improvement	The effectiveness of existing climate risk management measures is systematically reviewed and comprehensively assessed. With reference to best practices of the industry, a scientifically sound and feasible response action plan is formulated. Under the oversight of the Board and the ESG working group, relevant branches, subsidiaries and project companies continuously optimize and enhance their practices based on implementation feedback.

The Group conducted a review of the climate risks and opportunities assessment work for 2024, reviewing the assessment and analysis results provided by the key ESG officers from the Institute, Rail Company, Exploration & Surveying Institute and Residential Institute. Based on its actual business operations, the Group systematically analysed and reviewed the materiality of the relevant climate risks and opportunities from two dimensions, namely “Impact” and “Likelihood”. Following the Group’s assessment, 1 major physical climate risk, 2 major transition climate risks, and 4 major potential opportunities identified in the 2024 assessment, together with their specific impacts on the Group’s operations, strategy and financial performance, remain applicable for 2025.

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

For the major climate-related risks and opportunities, the Group has optimized its systematic response strategies in light of its 2025 operational practices, deeply integrated them into the Group's operations, project management and emergency response processes to ensure that risks are controlled and opportunities are materialised. The following table details the specific response measures for each major climate risk and opportunity, sorted from high to low according to the assessment results:

Risk Category		Risks of climate change	Impact period	Key operational risks	Countermeasures
Physical risks	Acute risks	Adverse impacts caused by frequent extreme weather events	Short to medium term	<ul style="list-style-type: none"> <li>Current financial impact: the probability and frequency of extreme weather encountered in the construction and survey activities have increased, and extreme weather events may submerge rail construction projects, and will also have an impact on the construction progress of the projects, which may result in an increase in construction costs.</li> <li>Expected financial impact: extreme weather events may damage operational equipment and assets, threaten employee safety, increase safety production costs, and require the repair or replacement of damaged equipment and assets, potentially leading to higher operational costs.</li> </ul>	<ul style="list-style-type: none"> <li>The Group fully considers the physical risks of climate change in project management, engineering construction and daily office operation, and strictly follows the requirements of the Group's emergency management measures.</li> <li>Throughout the year, 56 emergency drills were conducted, covering typical scenarios such as flood control and collapse prevention, thereby enhancing practical capabilities to respond to extreme weather.</li> <li>Production units carry out random safety checks or cooperate with safety checks carried out by higher authorities according to the progress of work or seasonal weather conditions.</li> </ul>

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

Risk Category		Risks of climate change	Impact period	Key operational risks	Countermeasures
Transition risks	Technical risks	Expenditures on low-carbon technology transition	Medium to long term	<ul style="list-style-type: none"> <li>• Current financial impact: none.</li> <li>• Expected financial impact: to meet the demands of low-carbon transformation, there may be a need to replace traditional energy/high-energy-consuming and outdated equipment with new energy/energy efficient equipment, resulting in depreciation of existing assets and potentially increasing operational expenses.</li> </ul>	<ul style="list-style-type: none"> <li>• The Group increase its investment in green technological innovation by collaborating with universities and research institutions to promote green building and low-carbon construction technologies.</li> <li>• The Group is gradually introducing advanced low-carbon technologies and equipment from both domestic and international sources into its construction projects, aiming to enhance technical capabilities in the long term and reduce the risk of large-scale equipment replacement in the future.</li> </ul>

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

Risk Category	Risks of climate change	Impact period	Key operational risks	Countermeasures
Reputational risks	Increasing stakeholder concerns over negative feedback	Short to medium term	<ul style="list-style-type: none"> <li>• Current financial impact: none.</li> <li>• Expected financial impact: as stakeholders increasingly focus on climate change related issues, if the Group's low-carbon initiatives fail to achieve the expected results, or if environmental disclosures do not meet regulatory requirements or stakeholder expectations, it may lead to increased negative feedback, damage the Company's reputation and image, and potentially result in customer loss and reduced revenue.</li> </ul>	<ul style="list-style-type: none"> <li>• By regularly publishing ESG reports, the Group promptly discloses its performance and goals in energy conservation, carbon reduction, resource consumption reduction, and pollution prevention.</li> <li>• The Group has established an effective communication mechanism to collect stakeholder feedback through channels such as ESG issue questionnaires, promptly addressing stakeholder concerns and queries to avoid the escalation of negative public opinion.</li> <li>• Through case studies, media coverage, and other means, the Group actively promotes its achievements and contributions in energy conservation, emission reduction, and green development.</li> </ul>

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

Opportunities	Opportunities arising from climate change	Impact period	Key operational opportunities	Opportunity response action plan
Opportunities	Resilience	Medium to Long Term	<ul style="list-style-type: none"> <li>Current financial impact: by enhancing the ability to respond to climate change and formulating relevant internal policies, the Group aims to reduce potential operational losses caused by extreme weather events.</li> <li>Expected financial impact: strategic deployment in anticipation of future climate change impacts, including developing climate-related services based on climate opportunities and enhancing the reliability of the overall supply chain and operational capabilities under various conditions, may reduce compliance and operational costs.</li> </ul>	<ul style="list-style-type: none"> <li>Comprehensively enhancing the technical and management capabilities of the Group, increasing the exploration of green building technologies, and paying close attention to market trends, so as to capture development opportunities;</li> <li>Seizing the opportunities in the development of resilient cities and green smart cities, actively responding to policy guidelines, and occupying a favorable position in the low-carbon economy;</li> </ul>
	Resource efficiency	Medium to long term	<ul style="list-style-type: none"> <li>Current financial impact: through energy-saving and carbon reduction measures, the Group has reduced energy and water consumption, thereby lowering operational costs.</li> <li>Expected financial impact: by implementing energy-saving and emission-reduction measures and establishing strict regulatory mechanisms, the Group aims to further enhance resource efficiency, reduce the consumption of various resources, and consequently lower operational costs.</li> </ul>	<ul style="list-style-type: none"> <li>Optimizing business layout and actively undertaking projects such as green buildings and energy-saving renovation of rail transit.</li> </ul>

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

Opportunities	Opportunities arising from climate change	Impact period	Key operational opportunities	Opportunity response action plan
	Products and services	Medium to long term	<ul style="list-style-type: none"> <li>Current financial impact: the green building projects and technologies currently undertaken by the Group have attracted more investors and customers, thereby increasing revenue.</li> <li>Expected financial impact: continuous research, development, and innovation in green and low-carbon construction, technologies, and services will enhance the lifecycle and quality of green buildings, reduce resource costs, and attract more investors and customers, thereby increasing revenue.</li> </ul>	
	Market	Short to long term	<ul style="list-style-type: none"> <li>Current financial impact: with the growing demand for green buildings and more people considering metro travel as a green option, the Group has expanded its market influence by undertaking related projects, thereby increasing revenue.</li> <li>Expected financial impact: the intensification of climate change has driven the upgrading of urban infrastructure, increasing the demand for resilient and green smart cities. By actively responding to government policies and adopting low-carbon technologies and green building materials, the Group participates in market transformation, which may enhance its revenue and secure a favorable position in the low-carbon economy.</li> </ul>	

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

### METRICS AND TARGETS

To reduce greenhouse gas emissions during operations, the Group implemented multiple energy-saving and lowcarbon measures, keeping pace with the development trends of the low-carbon economy. At the same time, we closely monitor key climate change-related indicators, regularly calculate the greenhouse gas emissions within the disclosed scope of the Institute, Rail Company, Exploration & Surveying Institute, and Residential Institute, establish a complete emission data ledger, and report to the Board of Directors.

The Group's greenhouse gas emissions are mainly divided into three categories: direct emissions (Scope 1) from fuel consumption of vehicles, and indirect emissions (Scope 2) - electricity consumption during operations; and Scope 3 from emissions related to the upstream and downstream of the enterprise value chain. In 2025, the Group has deepened the identification and management work of Scope 3 in accordance with the Greenhouse Gas Accounting System: Accounting and Reporting Standards for Enterprise Value Chain (Scope 3) 《溫室氣體核算體系：企業價值鏈(範圍 3)核算與報告標準》. Through close cooperation, we have clearly identified items relevant to the business of the Company within the Scope 3, including purchased goods and services, capital goods, fuel and energy-related activities, upstream transportation and distribution, waste generated from operations, business trips, staff commuting, etc. During the year, the Group has launched the development of the Scope 3 data collection system and disclosed information on two Scope 3 categories for the first time, namely waste generated from operations and business trips.

For detailed data on greenhouse gas emissions and density, please refer to the "Environmental Performance" section.

The Group has launched the accounting of greenhouse gas emissions data across the full value chain and continuously promoted the management and control of Scope 3 emissions. After improving the data collection and accounting system, we plan to formulate quantified greenhouse gas emission targets required by the Code, combined with industry standards and the Group's development strategy, to steadily advance the low-carbon transition.

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

### Green Office

UCD has thoroughly implemented the concept of “green office, resource conservation, recycling and high efficiency”, deeply integrating resource-saving and environmental protection awareness into its workplace management system. By establishing a standardized and efficient modern office model, the Group is committed to building a sustainable green office ecosystem. In 2025, the Group further deepened green office initiatives, collaborated with the Administrative Management Department and all subordinate units to promote the quality and efficiency of green office. Through improving systems, implementing measures and strengthening publicity and guidance, the Group achieved energy conservation and carbon reduction as well as resource recycling in office operations. Remarkable progress has been made in all relevant work, and the concept of green office has taken root in the hearts of all staff.

#### The Group’s Green Office Policies (including but not limited to)

The Institute	<i>Environmental Management Plan</i> 《環境管理方案》
	<i>Measures for Management of Energy and Resource Conservation of the Headquarters</i> 《公司能源資源節約管理辦法》
	<i>Measures for Management of Energy and Resource Conservation of Branches</i> 《分院能源資源節約管理辦法》
	<i>Waste Sorting Instruction Manual</i> 《垃圾分類工作指導手冊》
Exploration & Surveying Institute	<i>Internal and External Environment Control Procedures</i> 《內外部環境控制程序》
	<i>Green Office Management System</i> 《綠色辦公室管理制度》
	<i>Office Environment, Occupational Health and Safety Operation Control Procedures</i> 《辦公區域環境、職業健康安全運行控制程序》
	<i>“Green Office” Proposal of Exploration &amp; Surveying Institute</i> 《勘測院「綠色辦公」倡議書》
Rail Company	<i>Solid Waste Management Regulations</i> 《固體廢棄物管理制度》
	<i>Measures for Energy Conservation and Emission Reduction in Offices of Beijing Urban Rail Transit Construction Engineering Co., Ltd.</i> 《北京城建軌道交通建設工程有限公司機關辦公區節能減排措施》

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

### Highlights of Green Office Initiatives

#### Save electricity

- Strengthen refined management of electricity consumption; prioritize the use of natural lighting in corridors of office buildings, reduce full lighting in offices, and completely turn off lighting and idle office equipment during non-working hours;
- Carry out energy-saving promotion activities to guide employees to develop good habits such as turning off lights when leaving and cutting off power when off duty; promote energy-saving lighting technologies and equipment, and give priority to purchasing office equipment with energy efficiency labels;
- Strictly implement indoor air conditioning temperature setting standards; keep the temperature no lower than 26°C in summer, make full use of natural ventilation and reduce the operating hours of air conditioners.

#### Improve water efficiency

- Strengthen the management of the water pipe network and water supply equipment, regularly inspect, examine and replace the aging equipment, and prevent water waste;
- Reduce the water output of the faucets, advocate water saving, and put up water-saving publicity signs around the water switches;
- Install sensor faucets in bathrooms to reduce water waste;
- Encourage the use of phosphorus-free detergents and degradable cleaning products as much as possible to protect water resources and reduce water pollution.

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

### Highlights of Green Office Initiatives

#### Reduce waste

- Classify, recycle and label different types of waste, and sign transportation agreements with professional third parties;
  - Carry out the “Waste Sorting and On-site Bin Monitoring” campaign for food waste removal and disposal;
  - Implement the “Clean Plate Campaign” and display posters such as “Save Food, Reduce Food Waste” in canteens and other areas;
  - Centrally recycle and dispose of hazardous waste (e.g. batteries, toner cartridges, ink cartridges, etc.);
  - Require toner cartridges and ink cartridges trade-in collection to ensure 100% recovery rate;
  - Place recyclable waste bins on each floor and monitor employees’ proper disposal of recyclables into the bins.
  - Hazardous Waste Management:
    - o Implement toner cartridges and ink cartridges trade-in collection to ensure 100% recovery rate in strict accordance with the Environmental Management Approach of Beijing Urban Construction Design & Development Group Co., Limited;
    - o Classify and recycle fluorescent lamps, establish a complete recycling ledger, and achieve standardized and legal disposal of hazardous waste.
  - Non-hazardous waste management:
    - o Updated the Company’s Guidebook for Waste Sorting, carried out special inspections on household waste sorting and anti-food waste, and implemented rectification for 4 types of issues, with a rectification rate of 100%;
    - o In August 2025, we organized online quiz training and publicity week activities to instruct employees in proper sorting and food saving.
  - Establish a comprehensive waste sorting and recycling system, classify and store office waste and hazardous waste with proper labeling, sign transportation and disposal agreements with professional third parties, place recyclable waste bins on each floor, and promote resource recycling.
-

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

### Highlights of Green Office Initiatives

- Optimize resource utilization
- Advocate for paperless offices, make full use of an online office platform to publish information and transmit data, or reduce the copy paper by circulating documents;
  - Promote paperless offices in the field measurement;
  - Try front-back printing as much as possible, and advocate the recycling of paper used single side when printing and copying;
  - Set up a waste paper recycling box in our office to encourage employees to recycle office paper;
  - Promote the use of recycled paper, pens with replaceable cores, toner cartridges, rechargeable batteries and other recyclable items.

- Green travel
- Continuously strengthen vehicle maintenance, improve the driving skills of drivers, and reduce abnormal wear and tear of vehicle parts and fuel consumption;
  - Installation of charging stations for electric vehicles in office areas to encourage low-carbon travel among staff;
  - Advocate travelling by walking or biking and purchasing low fuel consumption cars;
  - Make use of electronic means, such as the Internet, telephone, video conference, etc., to reduce unnecessary travel;
  - Arrange shared vehicles for group business activities to reduce air pollution.



Posters related to "Green Office" displayed in office areas

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

### Green Construction

The Group strictly complies with the requirements of Environmental Impact Assessment Law of the People's Republic of China 《中華人民共和國環境影響評價法》 and Regulations on Environmental Protection Management of Construction Project 《建設項目環境保護管理條例》 and other laws and regulations, and has established a comprehensive green construction management system based on the annual work priorities of the Safety Engineering Department. We have established and implemented the Green Construction Management Plan 《綠色施工管理方案》, which outlines standards and rules for resource conservation and environmental protection management, thereby promoting the standardisation and regulation of green construction. In 2025, there were no events that had a material or above environmental impact on the Group, and no penalty imposed on the Group due to green construction management issues, achieving a 100% green construction completion rate.

The Group's Policies for Green Construction (including but not limited to)	
The Institute	Environmental Protection Inspection System 《環境保護檢查制度》
	Waste Oil Treatment Solution 《廢油處理方案》
	Special Emergency Response Plan for Waste Oil Pollution Incidents 《廢油污染事故專項應急預案》
Exploration & Surveying Institute	Control Procedures for the Identification and Evaluation of Environmental Factors and Hazardous Sources 《環境因素和危險源辨識與評價控制程序》
	Construction Site Environment and Occupational Health Operational Control Procedures 《施工現場環境和職業健康運行控制程序》
	Solid Waste Management System (Provisional) 《固體廢棄物管理工作制度(暫行)》
Rail Company	Green Construction Management Plan 《綠色施工管理方案》
	Green Construction Management Plan of Beijing Urban Rail Transit Construction Engineering Co., Ltd. 《北京城建軌道交通建設工程有限公司綠色施工管理方案》
	Construction Site Environmental Protection Plan of Beijing Urban Rail Transit Construction Engineering Co., Ltd. 《北京城建軌道交通建設工程有限公司施工現場環境保護管理方案》

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

During the construction process of projects, the Group has always adhered to the concepts of ecological priority and green development, and has systematically established an all-round environmental management system. We took into full account of the impact on the surrounding environment of the construction site and the local community, and implemented the comprehensive management of noise, air pollutants, waste water and waste. We rigorously implement environmental impact assessment, carry out biodiversity impact assessment and formulate targeted environmental protection plans accordingly to minimise any potential negative impact of the construction on the ecological environment. We continue to improve its environmental management through regular assessment of environmental performance, organisation of special inspections and formulation of improvement plans.

### Management Measures for Construction Environment

- |                                |   |
|--------------------------------|---|
| Air pollution and dust control | <ul style="list-style-type: none"><li>• Strengthen construction management, equip the construction site with corresponding sprinkler facilities, and take spraying and sprinkling measures during the construction process to keep the soil surface moist and prevent fugitive dust;</li><li>• Store powdery materials in closed containers and covered piled materials that are prone to dust;</li><li>• Require to use of clean fuels such as liquefied petroleum gas for the boilers and stoves on construction sites;</li><li>• Optimize the project progress and the deployment of vehicles, and conduct annual inspections on construction machinery and vehicles to ensure that their exhaust emissions meet environmental protection requirements;</li><li>• Promote the application of air energy, and use thermal energy in the air as an energy source to reduce emissions from energy consumption;</li><li>• Fuel-burning installations are equipped with exhaust gas purification devices to reduce the amount of air pollutants produced.</li></ul> |
| Water pollution control        | <ul style="list-style-type: none"><li>• Set up corresponding treatment facilities for different types of sewage to ensure that the sewage must be treated and comply with relevant regulations before it can be discharged into designated sewage pipelines;</li><li>• Monitor the water quality of sewage to ensure that the sewage discharged meets the standards;</li><li>• When groundwater is recharged, water extracted from the ground and treated water that conforms to the water quality requirements are used wherever possible;</li><li>• The floors of the paint and fuel storage rooms at construction sites are covered with a waterproof layer, and oil leakage is effectively managed to prevent water pollution caused by oil leakage.</li></ul>  |

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

Management Measures for Construction Environment	
Hazardous construction waste control	<ul style="list-style-type: none"><li>• Improve the construction quality and reduce the production of wastes by accurately placing materials on the construction site so as to avoid the impact on the environment caused by improper disposal of hazardous wastes;</li><li>• Strengthen and improve the management system for hazardous waste, and formulate emergency plans.</li></ul>
Non-hazardous construction waste control	<ul style="list-style-type: none"><li>• Classify non-hazardous wastes such as construction waste and domestic waste generated on the construction site to ensure timely cleaning and disposal of relevant waste;</li><li>• Promote integrated box houses instead of traditional temporary housing and use steel boxes instead of concrete pavements;</li><li>• Develop a construction waste reduction plan to “leave the site clean after work”;</li><li>• Reuse rubbles and waste earth and stones through landfilling and paving;</li><li>• Waste concrete with support removed is used as concrete aggregate for backfill, with the reinforced steel pipes recycled.</li></ul>
Noise control	<ul style="list-style-type: none"><li>• Regularly measure noise on-site every month, and complete the Original Record of Noise Measurement at Construction Site Boundary (《施工場界噪聲測定原始記錄》) and the Report on the Noise Measurement at Construction Site (《施工現場噪聲測定報告》);</li><li>• Use low-noise and low-vibration devices and take sound and vibration isolation measures (e.g., soundproof enclosure) to mitigate construction noise;</li><li>• Tighten up the monitoring and management of construction site noises, improve excessive construction site noises in a timely manner, and avoid noise pollution caused to local residents;</li><li>• Forbid honking of vehicles transporting materials and solid waste on construction sites.</li></ul>

In order to conserve and utilize resources and energy as much as possible, the Group has made comprehensive and systematic planning on reducing the energy consumption of equipment manufacturing and has formulated detailed “Energy Conservation and Emissions Reduction Measures for Equipment Manufacturing”. The Measures clearly define energy conservation targets, technical pathways, and management requirements, covering key areas such as equipment selection, operation and maintenance, and process optimization. During implementation, we have provided clear operational guidelines to encourage and guide operators to actively fulfil specific requirements for energy conservation and emissions reduction in daily work, thereby realizing the efficient use of energy and environmental protection in the process of equipment manufacturing.

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

### Energy conservation measures for equipment

- 
- Conduct an overall evaluation of currently-used or proposed machinery, select new and advanced equipment that is energy-saving and environmentally-friendly, and phase out or restrict old machinery and equipment that are in poor condition and have high energy consumption;
- 
- Conduct routine maintenance on machinery to ensure equipment remains in good technical condition, reducing occurrences of leaks and drips, and eliminating the operation of machines with undiagnosed issues. This approach helps to lower energy consumption;
- 
- Promote the application of new electricity-saving products such as frequency converters and soft starters;
- 
- Popularize the use of more efficient and energy-saving transformers and motors of new types to achieve good energy-saving effects;
- 
- Select energy-saving lamps that meet the standards for use in specific operational environments to reduce electricity consumption for lighting.
- 

## Environmental Education

UCD takes green development as its core corporate strategy and has systematically established a comprehensive ecological environment education system. It innovatively integrates the concept of ecological protection into its corporate culture. Through institutional regulations, promotional guidance, and practical implementation, it has fostered a green development atmosphere where “the concept is deeply rooted in people’s minds and initiatives are participated in by all employees”. By formulating regulations such as the *Headquarters Energy and Resource Reduction Management Measures* (《總部能源資源節減管理辦法》), the Group has established a complete educational chain from concept promotion to practical implementation, thereby ensuring the normalisation and standardisation of environmental education.

In terms of educational methods, we adopt a diversified model of “theory + practice”. In line with the annual training plans of the Safety Engineering Department and the Administrative Management Department, we regularly held environmental protection lectures, energy-saving technology training and green construction skill competitions, organized employees to visit environmental protection demonstration bases, and carried out activities such as Green Office and Waste Sorting Promotion Weeks.

Among these, the Group organized ISO system training on March 5, 2025, with 102 participants, to systematically disseminate knowledge related to environmental and occupational health and safety management. During the Reporting Period, we organized a variety of thematic online courses on occupational health for our employees through multiple formats. These initiatives further enhanced employees’ understanding of the importance of green development and occupational health, stimulated their enthusiasm for participating in green practices, and ensured that environmental concepts and energy-saving technologies were effectively communicated to every aspect of their work.

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

### Environmental Performance

In 2025, we collected environmental data of the headquarters of UCD and its 38 branches, the headquarters of Rail Company and its 11 projects, and the headquarters of Exploration & Surveying Institute and its 18 branches as well as the headquarters of Residential Institute during the Reporting Period. The Group will continuously promote and improve the recording and management of environmental data in the future.

#### Total Air Pollutant Emission<sup>1</sup>

Indicator	Unit	2025	2024	2023
NOx	kg	1,569.11	1,558.28	17,217.61
SOx	kg	60.47	27.21	53.83
CO	kg	4,788.20	12,051.04	10,386.39
PM10	kg	131.55	72.93	190.23

#### Resource Consumption and Intensity

Indicator	Unit	2025	2024	2023
Direct Energy Consumption <sup>2</sup>	MWh	8,092.06	14,549.52	49,415.27
Direct Energy Consumption Intensity	MWh/person	2.09	3.60	11.94
Total Natural Gas Consumption	10,000 m <sup>3</sup>	10.38	14.69	15.62
Total Natural Gas Consumption Intensity	m <sup>3</sup> /person	26.83	36.35	37.74
Total Liquefied Petroleum Gas Consumption	10,000m <sup>3</sup> – gas	2.20	3.10	2.32

<sup>1</sup> Air pollutant emissions are mainly from exhaust emissions of owned and leased vehicles and leased engineering machinery owned and controlled by the Group and the emissions of natural gas and liquefied petroleum gas used. The specific emission data is calculated by referring to the Technical Guide for Air Pollutant Emission Inventory for Road Vehicles (Trial) 《(道路機動車大氣污染物排放清單編製技術指南(試行))》, the Technical Guide for Air Pollutant Emission Inventory for Nonroad Mobile Sources (Trial) 《(非道路移動源大氣污染物排放列表編製技術指南(試行))》 issued by the Ministry of Ecology and Environment of the People's Republic of China and the First National Survey of Pollution Sources on Urban Waste Source Discharge Coefficients Handbook 《(第一次全國污染源普查城鎮生活源產排污系數手冊)》.

<sup>2</sup> The following direct energy was calculated by converting the raw data into MWh, and its calculation and relevant conversion factors were referred to the Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions of Other Industrial Enterprises (Trial) 《(工業其他行業企業溫室氣體排放核算方法與報告指南(試行))》 issued by the National Development and Reform Commission of China and Gasoline for Motor Vehicles (GB 17930-2016) 《(車用汽油)》 (GB 17930-2016) and Diesel Oil for Motor Vehicles (GB 19147-2016) 《(車用柴油)》 (GB 19147-2016) issued by General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China and Standardization Administration of China.

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

Indicator	Unit	2025	2024	2023
Total Liquefied Petroleum Gas Consumption Intensity	m <sup>3</sup> – gas/person	5.70	7.66	5.61
Diesel Consumption	liter	88,155.80	33,213.00	455,989.04
Diesel Consumption Intensity	liter/person	22.80	8.22	110.22
Gasoline Consumption	liter	582,867.08	1,384,938.67	1,079,915.38
Gasoline Consumption Intensity	liter/person	150.73	342.81	261.04
Total Indirect Energy Consumption <sup>3</sup>	MWh	26,529.50	30,936.79	/ <sup>4</sup>
Indirect Energy Consumption Intensity	MWh/person	6.86	7.66	/ <sup>4</sup>
Total Electricity Consumption	10,000 kWh	1,964.13	2,537.08	3,333.29
Total Electricity Consumption Intensity	kWh/person	5,079.20	6,279.90	8,057.26
Total Thermal Energy Consumption	MWh	6,888.24	5,566.00	/ <sup>4</sup>
Thermal Energy Consumption Intensity Per Capita	MWh/person	1.78	1.38	/ <sup>4</sup>
Office Paper Consumption	tonne	128.97	61.70	144.13
Office Paper Consumption Intensity	kg/person	33.35	15.27	34.82
Total Water Consumption	10,000 tonne	35.77	17.86	67.14
Total Water Consumption Intensity	tonne/person	92.51	44.22	162.21

<sup>3</sup> The indirect thermal energy consumption figures below have been converted from raw data to megawatt-hours. The calculation method and relevant conversion factors are based on the Guidelines for Calculation Methods and Reporting of Greenhouse Gas Emissions from Enterprises in Other Industries (Trial) 《工業其他行業企業溫室氣體排放核算方法與報告指南(試行)》 issued by the National Development and Reform Commission of China.

<sup>4</sup> The relevant indicators are newly disclosed for the current reporting period; since corresponding data for 2023 cannot be retrospectively obtained, comparative data for previous periods is not provided.

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

### Greenhouse Gas Emissions and Intensity

Indicator	Unit	2025	2024	2023
GHG Emissions of Scope 1 <sup>5</sup>	tonnes of CO <sub>2</sub> equivalents	2,329.14	1,984.23	4,735.90
GHG Emissions of Scope 2 <sup>6</sup>	tonnes of CO <sub>2</sub> equivalents	14,550.79	15,818.10	19,009.74
Total Greenhouse Gas Emissions (Scope 1 and 2)	tonnes of CO <sub>2</sub> equivalents	16,879.93	17,802.33	23,745.64
Total Greenhouse Gas Emissions Intensity (Scope 1 and 2)	tonnes of CO <sub>2</sub> equivalents/person	4.37	4.41	5.74
GHG Emissions of Scope 3 <sup>7</sup>	tonnes of CO <sub>2</sub> equivalents	1,749.68	/	/
Total Greenhouse Gas Emissions (Scope 1, 2 and 3)	tonnes of CO <sub>2</sub> equivalents	18,629.61	/	/
Total Greenhouse Gas Emissions Intensity (Scope 1, 2 and 3)	tonnes of CO <sub>2</sub> equivalents/person	4.82	/	/

<sup>5</sup> GHG emissions of Scope 1 are derived from the exhaust emissions of self-owned and leased vehicles and leased construction machinery owned and controlled by the Group, the GHG emissions from the consumed refrigerants, and the GHG emissions from the natural gas and liquefied petroleum gas used by the Group. The specific emission data has been calculated with reference to the Sixth Assessment Report issued by IPCC, the Guidelines for Accounting and Reporting of Greenhouse Gas Emissions of Land Transportation Enterprises (Trial) 《陸上交通運輸企業溫室氣體排放核算方法與報告指南(試行)》 issued by the Ministry of Ecology and Environment of the People's Republic of China, the Guidelines for Accounting and Reporting of Greenhouse Gas Emissions of Other Industrial Enterprises (Trial) 《工業其他行業企業溫室氣體排放核算方法與報告指南(試行)》 issued by the National Development and Reform Commission of the People's Republic of China.

<sup>6</sup> The calculation methodology for Scope 2 greenhouse gas emissions data is based on the relevant emission factors set out in the Guidelines for Accounting and Reporting of Greenhouse Gas Emissions for Grid Enterprises (Trial) 《中國電網企業溫室氣體排放核算方法與報告指南(試行)》 issued by the National Development and Reform Commission of the People's Republic of China, the Technical Guidelines for the Preparation of Atmospheric Pollutant Emission Inventories for Non-Road Mobile Sources 《非道路移動源大氣污染物排放清單編製技術指南》 and the Announcement on the Release of 2023 Carbon Dioxide Emission Factors for Electricity 《關於發佈 2023 年電力二氧化碳排放因數的公告》 issued by the Ministry of Ecology and Environment.

<sup>7</sup> The calculation methodology for greenhouse gas emissions from various Scope 3 categories refers to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard 《企業價值鏈(範圍三)核算與報告標準》. The calculation of Scope 3 greenhouse gas emissions for the current reporting period covers two categories of Scope 3 information, namely Category 5 (waste generated in operations) and Category 6 (business travel). As the metric is disclosed for the first time in the current year, comparative data for the previous periods of 2023 and 2024 are not provided.

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

### Total Waste Produced and Intensity

Indicator	Unit	2025	2024	2023
<b>Total Hazardous Waste Produced and Intensity</b>				
Total Waste Batteries Produced	kg	2,173.17	93.05	535.11
Total Waste Batteries Produced Intensity	kg/person	0.56	0.02	0.13
Waste Fluorescent Lights	piece	541.00	354	4,730
Waste Fluorescent Lights Intensity	piece/person	0.14	0.09	1.14
Total Waste Printer Cartridges Produced	piece	1,471.00	1,042	4,700
Total Waste Printer Cartridges Produced Intensity	piece/person	0.38	0.26	1.14
Total Waste Chemicals Produced	kg	60.00	0.00	1.5
Total Waste Chemicals Produced Intensity	kg/person	0.02	0.0000	0.0004
Total Waste Selenium Cartridge	piece	1,379.00	1,276	/
Total Waste Selenium Cartridge Intensity	piece/person	0.36	0.32	/
Total Volume of Hazardous Waste Generated	tonne	9.24	/	/
Intensity of Hazardous Waste Generated Per Capita	tonne/person	0.002	/	/

## GREEN ENERGY CONSERVATION, ECOLOGICAL SYNERGY (Continued)

Indicator	Unit	2025	2024	2023
<b>Total Non-hazardous Waste Produced and Intensity</b>				
Office Garbage Produced	tonne	431.34	174.37	1,143.15
Office Garbage Recycled	tonne	344.17	115.54	1,002.85
Household Garbage Produced	tonne	687.12	582.22	2,388.60
Household Garbage Recycled	tonne	169.86	55.48	1,771.52
Construction Waste Produced	tonne	1,856.94	4,202.51	534,003.91
Construction Waste Recycled	tonne	63.00	3,971.41	248,351.8
Experiment Waste Residue Produced	tonne	122.43	117.13	140.20
Experiment Waste Residue Recycled	tonne	3.30	9.13	31.36
Total Non-hazardous Waste Produced	tonne	3,097.83	5,076.22	537,675.86
Intensity of Non-hazardous Waste Generated Per Capita	tonne/person	0.80	1.26	129.97

# GIVING BACK TO THE COMMUNITY THROUGH CHARITABLE UNDERTAKINGS

Rural Revitalization	96
Provide Disaster Relief and Help the Needy	97

Material ESG issues addressed in this section are as follows:

Community investment (e.g., education and healthcare improvement, poverty alleviation, etc.)

Sustainable development goals addressed in this section are as follows:



## GIVING BACK TO THE COMMUNITY THROUGH CHARITABLE UNDERTAKINGS

Guided by the public welfare philosophy of “Small acts of kindness, big hearts of love (積小善為大愛)”, the Group upholds the mission and responsibility of a state-owned enterprise, and through concrete actions, fulfills its original commitment to public welfare and conveys warmth and positive energy. We firmly believe that every small act of kindness is an important force for social improvement. In 2025, the Group further enhanced its systematic public welfare management framework and continued to carry out diverse public welfare activities, focusing on core areas such as rural revitalization, disaster relief, and frontline assistance. Collaborating with trade unions at all levels and actively engaging all employees, the Group demonstrated the sense of responsibility of UCD. As at the end of the Reporting Period, the Group organized volunteer services for 2,155 hours, with an external donation amount of approximately RMB2.77 million.

### Rural Revitalization

UCD deeply implemented the strategic deployment of rural revitalization by the Party Central Committee and practically fulfilled social responsibility for state-owned enterprises to contribute to rural revitalization by fully leveraging professional advantages and innovating assistance models. In 2025, the Group continued to deepen the effectiveness of its eastern-western region collaboration and assistance efforts, leveraging consumption assistance as a key mechanism while actively exploring new pathways for support. It successfully exceeded the rural revitalization targets set by the Urban Construction Group Trade Union, effectively contributing to the quality improvement and efficiency enhancement of the assisted regions and the income growth of local villagers. Through concrete actions, the Group fulfilled its responsibilities and demonstrated its commitment as a state-owned enterprise. During the Reporting Period, the Group procured RMB760,000 worth of rural revitalization assistance products, achieved a total consumption assistance amount of RMB1.30 million through diversified consumption assistance measures, and reached 100% of its rural revitalization work objectives.

## GIVING BACK TO THE COMMUNITY THROUGH CHARITABLE UNDERTAKINGS (Continued)



Case:

### The Trade Union of the Group Organized Participation in the Shoucaiwang Tasting Event

To actively respond to the national rural revitalization strategy and deepen the effectiveness of eastern-western region collaboration assistance, on 28 March 2025, the trade union of the Group organized over 30 representatives from grassroots trade unions and administrative logistics departments to participate in the "Shoucaiwang 2025 Spring State-Owned Enterprise Tasting Event" in Beijing Xinfadi. Through on-site tasting and negotiation and coordination, the event explored new pathways for consumption assistance, helping to expand the sales channels for high-quality agricultural and sideline products from the assisted regions.



Scene from the Shoucaiwang Tasting Event

## Provide Disaster Relief and Help the Needy

The Group is committed to the development of social welfare, and actively contributes to the society, dedicating love with practical actions to promote the sustainable development of the society. In respect of providing disaster relief and helping the needy, the Group established a rapid response mechanism to provide timely and effective assistance for affected areas and the frontline workers through materials donation, frontline care visits, manpower support and etc, aiming to convey warmth and demonstrate responsibility with concrete actions, and thus contributing to the maintenance of social stability and the protection of people's livelihoods.

## GIVING BACK TO THE COMMUNITY THROUGH CHARITABLE UNDERTAKINGS (Continued)



Case:

### Exploration & Surveying Institute Rushes to the Front Line of Flood Relief and Rescue Efforts in Beijing

Beijing continued to experience extreme heavy rainfall, causing damage and collapses to roads and bridges in districts such as Miyun and Pinggu districts, which has severely affected public transport. On 31 July 2025, entrusted by relevant authorities, the Exploration & Surveying Institute undertook emergency survey tasks for the restoration and reconstruction of the disaster-affected roads and damaged bridges in the two districts.

Upon receiving the mission, the Exploration & Surveying Institute swiftly mobilized. Led by Xia Xiujiang, Secretary of the Institute's Party Committee, and Wang Sikai, President of the Institute, an emergency response team was established, focusing on the mission to "fully restore damaged roads and ensure the operation of lifeline routes". The Institute rapidly assembled over 150 emergency personnel (including 43 professional technicians), deployed 28 support vehicles and 36 drilling rigs, and formed six emergency rescue teams to rush to the front line and commence operations.

The emergency teams were divided into groups to conduct geological surveys at each flood-damaged site in the two districts. By combining drilling techniques to assess and determine remediation plans, they efficiently advanced the inspection and restoration work. By the conclusion of the disaster relief efforts, they had completed the reconnaissance of all roads in the Miyun and Pinggu districts, conducting a total of 64 geological surveys at damaged sites. Through these efforts, they effectively reopened the "lifeline routes" in the disaster-stricken areas, demonstrating the state-owned enterprise's commitment to fulfilling its responsibilities and demonstrating effective outcomes in disaster relief and hardship alleviation.



Work site of the emergency rescue team in Miyun District

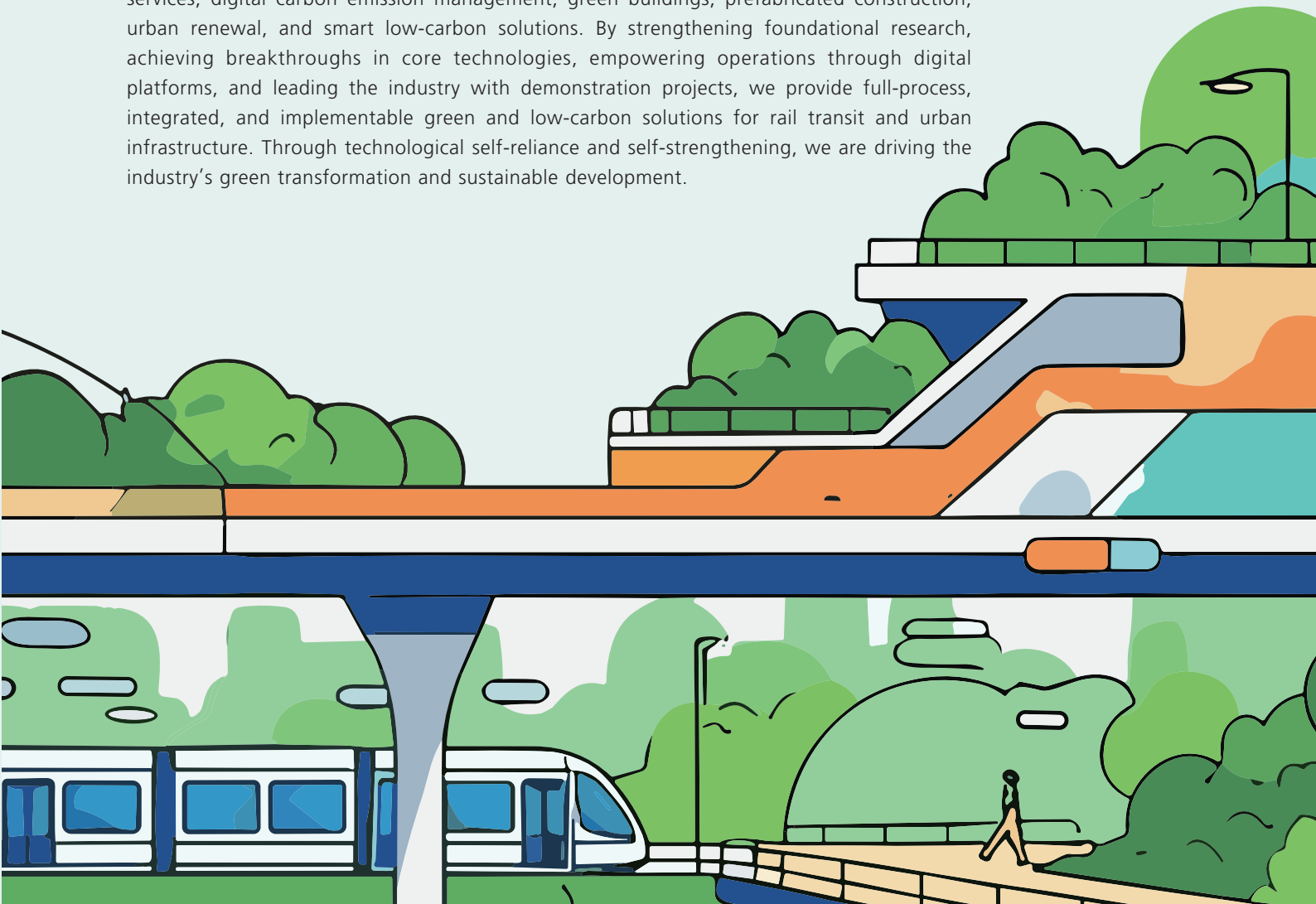


Work site of the emergency rescue team in Pinggu District

## FEATURE

### GREEN AND LOW-CARBON MANAGEMENT : DRIVING CARBON REDUCTION AND EFFICIENCY ENHANCEMENT ACROSS THE FULL LIFECYCLE OF URBAN RAIL AND URBAN INFRASTRUCTURE THROUGH TECHNOLOGICAL INNOVATION

In response to the national “dual carbon” strategy and the requirements for high-quality urban development, UCD has consistently prioritized green and low-carbon initiatives as the core direction for its technological innovation and industrial development. Leveraging our comprehensive research system, cutting-edge technological breakthroughs and large-scale commercialisation of research outcomes, we have built a comprehensive green and low-carbon technology matrix that integrates rail transit energy storage, integrated new energy services, digital carbon emission management, green buildings, prefabricated construction, urban renewal, and smart low-carbon solutions. By strengthening foundational research, achieving breakthroughs in core technologies, empowering operations through digital platforms, and leading the industry with demonstration projects, we provide full-process, integrated, and implementable green and low-carbon solutions for rail transit and urban infrastructure. Through technological self-reliance and self-strengthening, we are driving the industry’s green transformation and sustainable development.

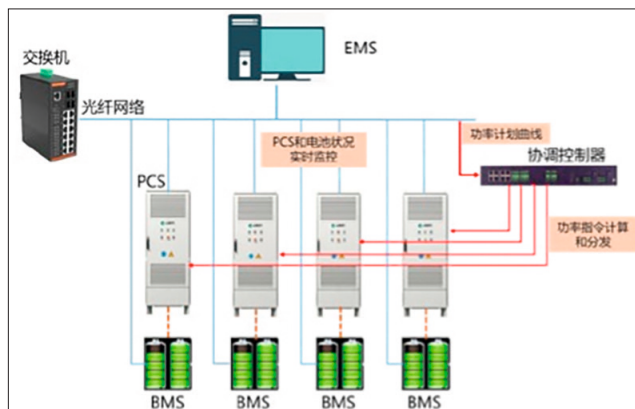


**I. Research as the Foundation: Strengthening the Green Technology Innovation System and Laying a Solid Foundation for Low-Carbon Development**

The Group has established a systematic scientific research management framework to create a green technology innovation ecosystem where “systems, platforms, projects, and talents” work in synergy. As the implementing body for KY-type research projects within the Group’s comprehensive research framework, we have issued multiple research management guidelines, forming a full-process, standardized research management system. In 2025, we successfully secured a General Program project from the Beijing Natural Science Foundation, marking our first independent undertaking as the lead entity and achieving a breakthrough in the fundamental theories of green subway tunnel construction. Throughout the year, we managed and tracked 313 technological innovation projects, exceeded the target for new research contracts, and successfully completed the reassessment for maintaining our status as a High-tech Enterprise. This has established a green technology development pathway spanning “fundamental research – technological breakthroughs – productisation – industrialization”.

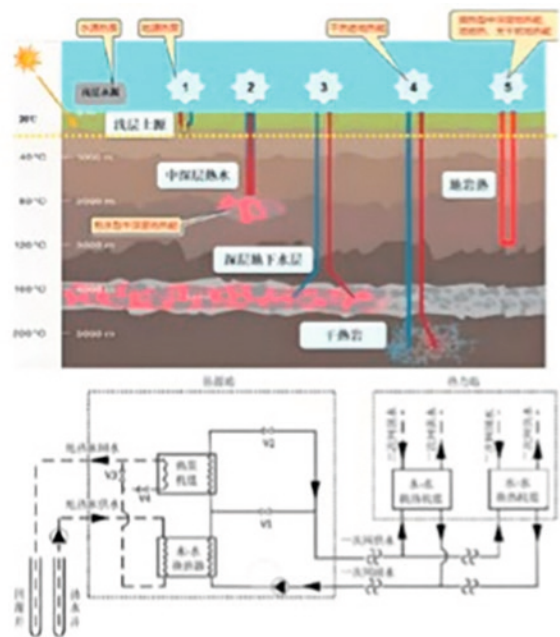
**II. Technical Breakthroughs: Tackling the Challenge of Impact Loads to Empower Green and Low-carbon Rail Transit**

Urban rail transit is characterised by high electricity consumption, significant load fluctuations, and strong impact loads from traction systems. As the operational mileage of rail transit nationwide continues to grow, energy conservation and carbon reduction have become critical imperatives for the industry’s high-quality development. In response to industry challenges such as the severe impact loads on main substations under centralized power supply models and the sluggish response of traditional energy storage systems, the Group has conducted specialized research on the power frequency spectrum of rail transit electricity consumption. Based on this research, the Group has developed a dedicated power tracking control strategy and built a core system capable of adapting to impact loads, achieving millisecond-level response in energy storage power. This enables deep integration of electrochemical energy storage with subway traction power supply, delivering multiple benefits including peak shaving and valley filling, power quality management, reduced equipment losses, and cost savings with enhanced efficiency. The relevant achievements have already been demonstrated in a pilot project in the Hangzhou Metro.



**III. Multi-Energy Complementarity: Building an Integrated Energy Service System to Empower Green Applications across Diverse Scenarios**

In response to the needs for urban green and low-carbon transformation and the efficient utilisation of integrated energy, UCD has strategically expanded into diverse clean energy sectors, including geothermal energy, waste heat, solar energy, air source energy, biomass energy, and energy storage. With a core focus on “multi-energy complementarity + digital intelligent control”, we are developing an integrated “comprehensive energy island” green and low-carbon energy supply system. Our services cover a wide range of scenarios such as schools, hospitals, office buildings, commercial complexes, transportation hubs, industrial parks, modern agriculture, and aquaculture, supporting the development of green campuses, green hospitals, green buildings, and green industrial parks, and promoting the clean, efficient, and low-carbon transformation of regional energy structures.



Leveraging its award-winning technologies in prefabricated construction, ecological protection for underground engineering, and green energy conservation, the Group has deeply integrated its comprehensive energy solutions with engineering construction, establishing a full-chain service capability spanning “design – implementation – operation and maintenance – energy optimization”. In 2025, its achievements, such as the “Complete Technology System for Ecological Groundwater Protection throughout the Entire Process of Rail Transit Construction” and the “High-Precision One-Time Combined Orientation Method for Deep Shafts Using High-Elevation Spatial Traverse”, received multiple honours including the Urban Rail Transit Science and Technology Progress Award and the Urban Rail Green Energy Conservation Innovation Award. These technical accomplishments provide robust support for the high-quality implementation of its comprehensive energy business.

#### IV. Digital Empowerment: Building a Smart Carbon Management Platform to Achieve Streamlined Carbon Management across the Lifecycle

The Group has developed a data-driven energy and carbon management platform, providing carbon footprint monitoring, accounting, analysis, and optimization services covering the entire lifecycle for rail transit lines, stations, and urban infrastructure. The platform enables real-time collection, online monitoring and intelligent analysis of energy consumption and carbon emissions data, thereby establishing a full lifecycle carbon footprint profile. It supports multi-dimensional comparisons across regions, equipment types and historical data, precisely identifying high energy-consuming areas and potential energy-saving opportunities. By employing intelligent algorithms, the platform generates optimization strategies for systems such as lighting, air conditioning, and environmental control, ensuring that energy-saving measures are actionable, quantifiable, and capable of closed-loop management.

Leveraging multiple research achievements in digital and intelligent technologies covering the entire lifecycle of rail transit, such as “Key Technologies and Applications for Digital Rail Transit Construction” and “Research and Application of a Digital Design System for Urban Rail Transit Oriented towards Smart Construction”, the Group was honoured with the First Prize and Second Prize in the Science and Technology Progress Award from the Beijing Rail Transit Society during the year. These accolades further demonstrate the Group’s solid achievements and its commitment to driving green construction and operation in urban environments.

UCD has consistently adhered to technological innovation as its engine and green and low-carbon development as its mission, continuously deepening its efforts in the field of efficient energy utilization and carbon emission management. Looking ahead, we will continue to focus on urban development and the demands of the “dual carbon” strategy, steadily enhancing its green and low-carbon technology system, service system, and management system. By leveraging more advanced technologies, more professional solutions, and more comprehensive services, we aim to support the green transformation of the industry and make continuous contribution to the development of livable, green, resilient, and smart modern cities.

## ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE

Subject Areas	Aspects	Key Performance Indicators (KPIs)	Disclosure Location/ Explanation
<b>Environment</b>			
	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Green Energy Conservation, Ecological Synergy
	A1.1	The types of emissions and respective emissions data.	Environmental Performance
	A1.2	Deleted as at 1 January 2025	–
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Performance
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Performance
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	Environmental Protection Goals
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Green Office Green Construction

## ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE (Continued)

Subject Areas	Aspects	Key Performance Indicators (KPIs)	Disclosure Location/ Explanation
A2 Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Green Energy Conservation, Ecological Synergy
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Environmental Performance
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental Performance
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Green Office Green Construction
	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.	Green Office Green Construction
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable, as the Group's business does not involve product manufacturing.
A3 Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Green Energy Conservation, Ecological Synergy
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green Energy Conservation, Ecological Synergy

## ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE (Continued)

Subject Areas	Aspects	Key Performance Indicators (KPIs)	Disclosure Location/ Explanation
<b>Community</b>			
B1 Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare.	People-oriented and Fulfilling Responsibilities
	B1.1	Total workforce by gender, employment type (for example, full – or part-time), age group and geographical region.	Talent Management
	B1.2	Employee turnover rate by gender, age group and geographical region.	Talent Management
B2 Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Work Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Work Safety
	B2.2	Lost days due to work injury.	Work Safety
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Work Safety
B3 Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Craftsmanship
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Craftsmanship
	B3.2	The average training hours completed per employee by gender and employee category.	Craftsmanship

## ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE (Continued)

Subject Areas	Aspects	Key Performance Indicators (KPIs)	Disclosure Location/ Explanation
B4 Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Talent Management
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Talent Management
	B4.2	Description of steps taken to eliminate such practices when discovered.	Talent Management
B5 Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supplier Management
	B5.1	Number of suppliers by geographical region.	Supplier Management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supplier Management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supplier Management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supplier Management

## ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE (Continued)

Subject Areas	Aspects	Key Performance Indicators (KPIs)	Disclosure Location/ Explanation
	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	As the Group's businesses do not involve the production of any products, matters related to product labelling do not apply to the Group. Other matters related to product responsibility have been disclosed by the Group in Service Quality.
B6 Product Responsibility	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Service Quality
	B6.2	Number of products and service related complaints received and how they are dealt with.	Service Quality
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Promote Innovation
	B6.4	Description of quality assurance process and recall procedures.	Service Quality
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Service Quality
	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption
B7 Anti- corruption	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.	Anti-corruption
	B7.2	Description of preventive measures and whistleblowing procedures, and how they are implemented and monitored.	Anti-corruption
	B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption

**ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE (Continued)**

Subject Areas	Aspects	Key Performance Indicators (KPIs)	Disclosure Location/ Explanation
B8 Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Giving Back to Society and Community Practices
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Giving Back to Society and Community Practices
	B8.2	Resources contributed (e.g. money or time) to the focus area.	Giving Back to Society and Community Practices

## ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE (Continued)

Part D: “Comply or Explain” Principle Climate-related Disclosures	Disclosure Location/ Explanation
<b>(I). Governance</b>	
19 (a) information about the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities:	Climate Change – Governance
i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	Climate Change – Governance
ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	Climate Change – Governance
iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer’s strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered tradeoffs associated with those risks and opportunities;	Climate Change – Governance
iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35);	Climate Change – Governance
19 (b) management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities:	Climate Change – Governance
i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	Climate Change – Governance
ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Climate Change – Governance

**ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE  
REPORTING CODE (Continued)**

Part D: “Comply or Explain” Principle Climate-related Disclosures	Disclosure Location/ Explanation
<b>(II). Strategy</b>	
Climate-related Risks and Opportunities	
20 (a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer’s cash flows, its access to finance or cost of capital over the short, medium or long term;	
20 (b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	
20 (c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	Climate Change – Strategy
20 (d) explain how the issuer defines short term, medium term and long term and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	
Business model and value chain	
21 (a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain; and	
21 (b) a description of where in the issuer’s business model and value chain climate-related risks and opportunities are concentrated.	Climate Change – Strategy

**ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE  
REPORTING CODE (Continued)**

Part D: “Comply or Explain” Principle Climate-related Disclosures	Disclosure Location/ Explanation
Strategy and decision-making	
22 (a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation:	
i) current and anticipated changes to the issuer’s business model, including its resource allocation, to address climate-related risks and opportunities;	The Group has currently identified material climate-related risks and opportunities.
ii) current and anticipated adaptation or mitigation efforts (whether direct or indirect);	As the relevant quantitative financial data is not yet fully ready as of the reporting date, only reasonably available information is provided at this stage, and qualitative disclosures have been made in accordance with the reasonable information exemption. The Group will continuously refine the disclosure of current and anticipated financial impacts.
iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer’s transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan;	
iv) how the issuer plans to achieve any climate-related targets described in paragraphs 37 to 40 (including any greenhouse gas emissions targets (if any)); and	
22 (b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	
23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	

## ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE (Continued)

Part D: “Comply or Explain” Principle Climate-related Disclosures	Disclosure Location/ Explanation
Financial position, financial performance and cash flows	
Current financial impact	
24 (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	The Group has currently identified material climate-related risks and opportunities. As the relevant quantitative financial data is not yet fully ready as of the reporting date, only reasonably available information is provided at this stage, and qualitative disclosures have been made in accordance with the reasonable information exemption. The Group will continuously refine the disclosure of current and anticipated financial impacts.
24 (b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	
Anticipated financial impact	
25 (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	The Group has currently identified material climate-related risks and opportunities. As the relevant quantitative financial data is not yet fully ready as of the reporting date, only reasonably available information is provided at this stage, and qualitative disclosures have been made in accordance with the reasonable information exemption. The Group will continuously refine the disclosure of current and anticipated financial impacts.
i) its investment and disposal plans; and	
ii) its planned sources of funding to implement its strategy; and	
25 (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	

**ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE  
REPORTING CODE (Continued)**

Part D: “Comply or Explain” Principle Climate-related Disclosures	Disclosure Location/ Explanation
Climate resilience	
26 (a) the issuer’s assessment of its climate resilience as at the reporting date, which shall enable an understanding of:	
i) the implications, if any, of the issuer’s assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis;	
ii) the significant areas of uncertainty considered in the issuer’s assessment of its climate resilience; and	
iii) the issuer’s capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	
26 (b) how and when the climate-related scenario analysis was carried out, including:	
i) information about the inputs used, including: <ol style="list-style-type: none"> <li>(1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios;</li> <li>(2) whether the analysis included a diverse range of climate-related scenarios;</li> <li>(3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;</li> <li>(4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change;</li> <li>(5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;</li> <li>(6) time horizons the issuer used in the analysis; and</li> <li>(7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis);</li> </ol>	Climate Change — Strategy
ii) the key assumptions the issuer made in the analysis; and	
iii) the reporting period in which the climate-related scenario analysis was carried out.	

## ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE (Continued)

Part D: “Comply or Explain” Principle Climate-related Disclosures	Disclosure Location/ Explanation
<b>(III). Risk Management</b>	
27 (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:	Climate Change — Risk Management
i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	
ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;	
iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);	Climate Change — Risk Management
iv) whether and how the issuer prioritises climate-related risks relative to other types of risks;	
v) how the issuer monitors climate-related risks; and	
vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	
27 (b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	Climate Change — Risk Management
27 (c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer’s overall risk management process.	Climate Change — Risk Management

**ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE  
REPORTING CODE (Continued)**

Part D: “Comply or Explain” Principle Climate-related Disclosures	Disclosure Location/ Explanation
<b>(IV). Metrics and Targets</b>	
Greenhouse gas emissions	
28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO <sub>2</sub> equivalent, classified as:	Environmental Performance
(a) Scope 1 greenhouse gas emissions;	
(b) Scope 2 greenhouse gas emissions; and	
(c) Scope 3 greenhouse gas emissions.	
29 (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	Climate Change — Metrics and Targets
29 (b) disclose the approach it uses to measure its greenhouse gas emissions including:	
i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;	
ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	
iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	Climate Change — Metrics and Targets Environmental Performance
29 (c) disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer’s Scope 2 greenhouse gas emissions;	
disclose the categories included within the issuer’s measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	

## ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE (Continued)

Part D: “Comply or Explain” Principle Climate-related Disclosures	Disclosure Location/ Explanation
Climate-related risks, opportunities, and carbon pricing	
30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	The Group has disclosed the qualitative impacts of material climate-related risks and opportunities. Quantitative financial data in this regard was not fully available as at the reporting date. At this stage, disclosures have been made on a qualitative basis in reliance on reasonably available information. The Group will continue to refine and enhance the assessment of current and anticipated financial impacts.
31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	
32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	
33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	
34 (a) An explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and	The Group has not yet adopted an internal carbon pricing mechanism, primarily because the coverage of the domestic carbon market and the applicable industry rules are still evolving. The Group continues to monitor policy developments and industry practices, and is assessing the feasibility of introducing an internal carbon pricing mechanism.
34 (b) The price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions.	
Remunerations	
35. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	Climate-related factors have not yet been incorporated into the remuneration policy. The Group will assess the feasibility of including relevant metrics in the future.
Industry-based metrics	
36. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry.	Climate Change – Metrics and targets

**ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE  
REPORTING CODE (Continued)**

Part D: “Comply or Explain” Principle Climate-related Disclosures	Disclosure Location/ Explanation
Climate-related targets	
<p>37. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:</p> <p>(a) the metric used to set the target;</p> <p>(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);</p> <p>(c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);</p> <p>(d) the period over which the target applies;</p> <p>(e) the base period from which progress is measured;</p> <p>(f) milestones or interim targets (if any);</p> <p>(g) if the target is quantitative, whether the target is an absolute target or an intensity target; and</p> <p>(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.</p>	<p>The Group has provided qualitative descriptions of its climate-related targets and disclosed its current action plans. Going forward, it will further assess the feasibility of establishing quantitative climate-related targets, with a view to continuously strengthening climate performance management.</p>
<p>38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:</p> <p>(a) whether the target and the methodology for setting the target has been validated by a third party;</p> <p>(b) the issuer’s processes for reviewing the target;</p> <p>(c) the metrics used to monitor progress towards reaching the target; and</p> <p>(d) any revisions to the target and an explanation for those revisions.</p>	<p>Climate Change – Metrics and targets</p>

## ANNEX: THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE (Continued)

Part D: “Comply or Explain” Principle Climate-related Disclosures	Disclosure Location/ Explanation
39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer’s performance.	Climate Change – Metrics and targets
40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:	Environmental Performance Climate Change – Metrics and targets
(a) which greenhouse gases are covered by the target;	The Group has provided qualitative descriptions of its climate-related targets and disclosed its current action plans. Going forward, it will further assess the feasibility of establishing quantitative climate-related targets, with a view to continuously strengthening climate performance management.
(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	
(c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	
(d) whether the target was derived using a sectoral decarbonisation approach; and	
(e) the issuer’s planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose:	
(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	The Group has not purchased or utilised any carbon credits to achieve greenhouse gas emission reductions or net-zero targets as at present.
(ii) which third-party scheme(s) will verify or certify the carbon credits;	
(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	
(iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	
Applicability of cross-industry metrics and industry-based metrics	
41. In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics and industry-based metrics.	Not applicable.



**北京城建设计发展集团股份有限公司**

BEIJING URBAN CONSTRUCTION DESIGN & DEVELOPMENT GROUP CO., LIMITED