



2025

Sustainability Report

Beijing Enterprises Water Group Limited

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About this Report

As a non-financial report publicly disclosed by Beijing Enterprises Water Group Limited, this report aims at responding to the expectations of stakeholders and comprehensively demonstrating the Group's concepts, management, actions and achievements in environmental, social and governance ("ESG") and sustainable development. This report has been reviewed and approved by the Board of Directors (the "Board") of Beijing Enterprises Water Group Limited, which guarantees that there are no false records, misleading statements or material omissions in this report.

Reporting Period

The reporting period is from 1 January 2025 to 31 December 2025. Information beyond this scope will be specified in related sections.

Reporting Scope

All information and data disclosed are from Beijing Enterprises Water Group Limited and its subsidiaries. The data covers the Group's headquarters and its subsidiaries that hold operational control. Data from subsidiaries with common financial control but autonomous implementation of operational policies is not reported.

Abbreviations

For the convenience of expression and reading, this report refers to Beijing Enterprises Water Group Limited and its subsidiaries as "BEWG", "the Group" and "We".

Reporting Principles

This report is prepared in adherence to the principles of "Materiality", "Quantitative", "Balance" and "Consistency".

Materiality: The Board and the Sustainability Committee have identified, evaluated and reviewed significant ESG matters. This report published ESG matters based on the materiality assessment results.

Quantitative: This report referred to applicable quantification standards and practices, adopted a quantitative approach to measuring and disclosing applicable key performance indicators. The measurement criteria, methods, assumptions and/or calculation tools as well as the source of conversion factors used for the key performance indicators in this report, where applicable, are described accordingly.

Balance: This report provided the BEWG's 2025 sustainability performance and outputs through fair presentation without any misstatement, inappropriate content and omissions.

Consistency: The statistical calibre of the quantitative data has changed compared to previous years, and the changes have been explained in the corresponding positions in this report. The statistical and calculation methods for quantitative data are consistent with previous years.

Data Explanation

All data disclosed in this report are from the Group's internal collection and statistics, and reports from its subsidiaries. The currency unit in this report is RMB unless otherwise specified. Any discrepancy between the total number and the sum of the values listed or between the percentages and their calculations disclosed in the report is due to rounding.

Reporting Guidelines

This report is in accordance with the requirements of Appendix C2 *Environmental, Social and Governance Reporting Code (ESG Reporting Code)* of the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* (the "Listing Rules"), with reference to the GRI Sustainability Reporting Standards (GRI Standards) issued by the Global Sustainability Standard Board (GSSB), and other standards.

Confirmation and Approval

After confirmation by management, this report was reviewed and approved by the Board on 25 March 2026.

Access to this Report

This report is available in Chinese and English on the Group's website (<https://www.bewg.net/en/>). In case of any conflict or inconsistency between the Chinese and English versions, the Chinese version shall prevail; in case of any conflict or inconsistency between this report and the annual report of the Group, the annual report shall prevail.



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Board Statement

BEWG has established an effective ESG governance system with clearly defined responsibilities, through which the Group deeply integrates ESG concepts into its operations and development to strengthen its core competitiveness.

Supervision on ESG matters

BEWG has established a management system covering the Board, the Sustainability Committee and the ESG Working Group. The Board, as the highest decision-making body on ESG matters, takes full responsibility for the ESG strategy and ESG disclosure of the Group. The Sustainability Committee is responsible for overseeing and reporting to the Board on the implementation and achievements of ESG management. The functions of each level of the management system are detailed in the "ESG Governance" section in Chapter 01.

ESG Management Guidelines and Strategies

BEWG maintains active communication with all stakeholders, keeps abreast of key ESG concerns in capital markets and the industry, regularly identifies and assesses material ESG issues, and continuously optimises its ESG governance and management mechanisms. The Board is involved in evaluating and prioritising key ESG issues. It regularly reviews the ESG strategy based on the materiality matrix, and analyses and assesses the potential impact of each material issue on the Group's ESG strategy. BEWG highly values the significance of ESG-related risks and opportunities and their potential major impacts, including those brought by climate change, and has incorporated them into the Group's overall risk management system. The Board oversees the assessment of ESG-related risks and opportunities, ensuring the Group has established sound and effective ESG risk management and internal control systems. This year, the Group continued to refine the internal process to identify, assess, and manage climate-related risks and opportunities. We carried out risk identification, assessment, and management for ESG issues, such as operational compliance, information security, and human resource management. For more information, please refer to the "Climate Change" section of this report and the "Corporate Governance Report - Risk Management and Internal Control" section in the annual report.

Review of ESG Targets

In line with its business characteristics, BEWG has set a series of ESG management targets regarding water saving, energy saving, emission reduction, quality and safety, etc. The Board regularly reviews the progress of ESG-related targets, oversees and evaluates their fulfillment throughout the reporting period to ensure the facilitation of ESG governance across the Group.

The ESG progress and achievements of BEWG in 2025 have been fully and truly disclosed in this report, which was reviewed by the Sustainability Committee and approved by the Board on 25 March 2026.



Message from the Chairman

Water governance follows constant principles, and so too does enterprise management. As we approach the culmination of "14th Five-Year Plan" period, BEWG has remained steadfast in its commitment to national priorities, navigating by the blueprint set forth at the National People's Congress and attuning ourselves to the evolving imperatives of the new development paradigm. Amid profound external changes, we have aligned our efforts with national strategies, embedding green transformation into the core of our growth. Through pragmatic action and innovative thinking, we have turned challenges into opportunities. With water as our medium, we contribute to painting a more sustainable future; with our enterprise as the vessel, we sail forward on the course of high-quality development. In doing so, we strive to deliver outcomes that meet the demands of the times and lives up to our mission and responsibility.

Those who advance with vision uphold sound governance as their cornerstone. At BEWG, we understand that excellence in business is built on robust governance. To this end, we continuously enhance our corporate governance structure and risk management mechanisms, embedding compliance, integrity, and transparency into every layer of our operations as the essential groundwork for sustainable progress. Guided by the UN Sustainable Development Goals (SDGs) and our "W.I.S.E." action direction, we have integrated ESG deeply into our corporate strategy, advancing with conviction on a path of high-quality, sustainable development. This commitment has been reflected in our recognition as "China's Top 10 Most Influential Water Companies" for 15 consecutive years, and our inclusion in S&P Global's Sustainability Yearbook (China Edition) for the fourth year in a row. Looking forward, BEWG will keep learning and improving, transforming each milestone into renewed momentum to build a legacy that stands the test of time and contributes meaningfully to the world we share.

Clear waters carry profound responsibility, and green mountains reward those who protect them. At BEWG, we recognise that safeguarding our rivers and waterways is a solemn duty entrusted to us. Guided by the vision of "keeping the water of life evergreen", we embed green practices throughout the entire water cycle. We pursue excellence in securing safe water supply, advance wastewater reuse and resource recovery through relentless innovation, and transform every water plant into a green engine that powers vibrant communities. Confronting climate change, we actively pursue China's "dual carbon" goals by integrating energy conservation

and emissions reduction across our operations. Through smart management and technological innovation, we continue to reduce our environmental footprint. For us, responsible water management means embracing ecological stewardship. That is why we direct our expertise toward restoring rivers, lakes, and wetlands, protecting biodiversity, and living in harmony with nature, so that clear waters flow and green landscapes thrive for generations to come.

Like water that nourishes all things, true virtue lies in lasting contribution. At BEWG, we believe that a company's value extends beyond commercial success, it is also defined by its commitment to society and its role in enriching people's lives. In 2025, we fortified our operational resilience, anchoring long-term value in responsibility. Internally, we have built a culture of trust and inclusion, empowered our people with effective mechanisms, and placed safety at the core of their growth so that every member of BEWG can find belonging in trust and achieve their potential with dignity. Externally, we serve our clients with dedication, partner with integrity, and contribute to industry progress, ensuring that stakeholder confidence and satisfaction remain our unwavering pursuit. In 2025, we launched the "Smart Water Dual Engine" intelligent solution, driving the cloud-based upgrade of our operational management and smart control platforms, and expanding the large-scale application of AI across the water value chain. Our "Cloud-Chain-Unit" operational paradigm was comprehensively upgraded, gradually delivering scaled efficiencies through intensive management. Overseas, we advanced equipment exports and achieved breakthroughs in our asset-light business model.

Where determination leads, even mountains and oceans can be crossed. As we enter the "15th Five-Year Plan" period, BEWG remains firmly committed to keeping the basic business position with cash flow first, securing operational foundations while maintaining strategic focus, accelerating digital-intelligent integration, and advancing ecological stewardship. Guided by technological innovation to cultivate new productive forces, we will join hands with partners across sectors and move resolutely toward our vision of becoming a trusted and leading world-class water environmental services provider.



Chairman of the Board of BEWG
Mr. Xiong Bin

Message from the CEO

Looking back at 2025, the global situation became increasingly complex, and the climate pressure continued to intensify. The water utilities industry, as the cornerstone of ecological civilisation and sustainable development, has never been more important. Against the backdrop of industry transformation and higher expectations for sustainability, BEWG has always followed the "W.I.S.E." action direction, unwavering in our commitment to public welfare, deepening digital-intelligent operations, and delivering on our responsibility to protect ecosystems. Moving forward, we will remain focused on our core mission, strengthen operational excellence, and work alongside partners to secure water safety, improve efficiency, and restore aquatic ecosystems, thereby consolidating the foundation of water resilience essential to sustainable development under Chinese modernisation.

Water sustains life in the present and shapes development in the future. At BEWG, we are committed to ensuring water safety and fostering the sustainable use of this vital resource. We continuously advance key initiatives including water quality enhancement, leakage control, sewage treatment, and emergency response. Over the past year, we have safeguarded water supply quality through internal control systems that exceed national standards, reduced network leakage with intelligent monitoring and driven sewage treatment efficiency under our "Digital Star-level" operational framework. At the same time, we have actively expanded the reuse of reclaimed water, built regional water circulation networks, and extended water-saving awareness to public education, working with all sectors of society to safeguard water resources for the future.

Smart water drives efficiency while innovation opens new frontiers. At BEWG, we see digital-intelligent transformation as a strategic pivot for the future, reshaping water operations through our "cloud-chain-unit" paradigm and continuously advancing the standardisation, intelligence, and intensification of water plant management. With the help of the SED platform and our "Digital Star-level" evaluation system, we are moving operations from experience-based practice to intelligent decision-making. Through process AI and smart IoT, we enable precise control and efficiency improvement, while embedding business-finance integration and AI agents to redefine risk management and decision-making processes. Beyond this, we continue to strengthen innovation R&D and cybersecurity, leading the industry's future with "X Water", developing talent through industry-education partnerships, and collaborating across sectors to create a smarter, greener, and more sustainable water journey.

Clear water illuminates the way forward and benevolent water nourishes all. At BEWG, sound governance, integrity, and prudent risk management form the foundation of our

value. We uphold our commitment to compliance, engage stakeholders through open and proactive dialogue, and build lasting trust over time. We regard talent as the cornerstone of enterprise development and support their development at every stage. Besides, customer satisfaction drives us to continuously enhance service quality, while we work with suppliers to build a value ecosystem grounded in integrity, transparency, and green collaboration. We also take active part in environmental education, community service, and rural revitalisation, contributing to the improvement of urban and rural environments and the enhancement of public services, ensuring that the fruits of high-quality development are shared across society.

Clean water safeguards the ecosystem, and green water secures a sustainable future. At BEWG, we embrace climate action and environmental protection as core responsibilities. We have established a three-tier climate governance structure, spanning from the Board to the execution level, fully integrating climate-related risks and opportunities into strategic planning and risk management. We have set clear carbon reduction targets, i.e., advancing energy efficiency and conservation with our proprietary low-carbon technologies such as BEOA and BESWIFT, while optimising our energy mix and lowering our operational carbon footprint through the deployment of photovoltaic power and energy-recovery technologies, including water source heat pumps. In ecological protection, we strictly follow the strategy of "avoid-reduce-restore-regenerate-transform", incorporating biodiversity impact assessments and ecological restoration throughout the project lifecycle. Through concrete actions, we ensure the harmonious coexistence of human activities and the natural world.

As we step into this new era, BEWG will embrace change with even stronger strategic determination. Looking ahead to 2026, we will continue to follow the "W.I.S.E." action direction, staying focused on our core mission, deepening digital-intelligent integration and low-carbon transition, and continuously improving operational effectiveness and governance. We firmly believe that the value of water services lies in safeguarding life supporting ecosystems, and empowering the future. Moving forward, BEWG will work alongside partners across sectors, leveraging our strengths through collaboration and determined actions, to jointly write a new chapter of sustainable development for this era of lucid waters and lush mountains.

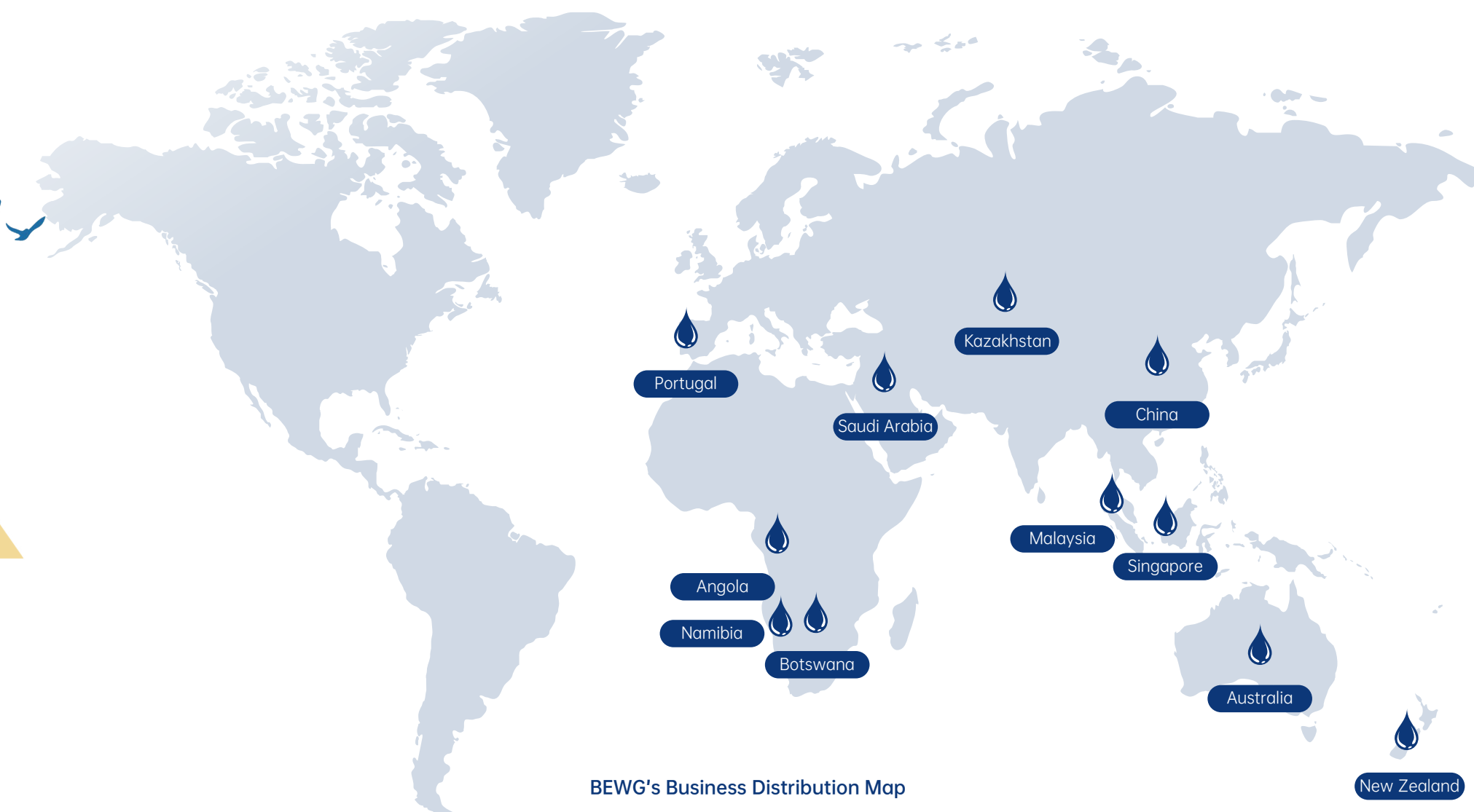
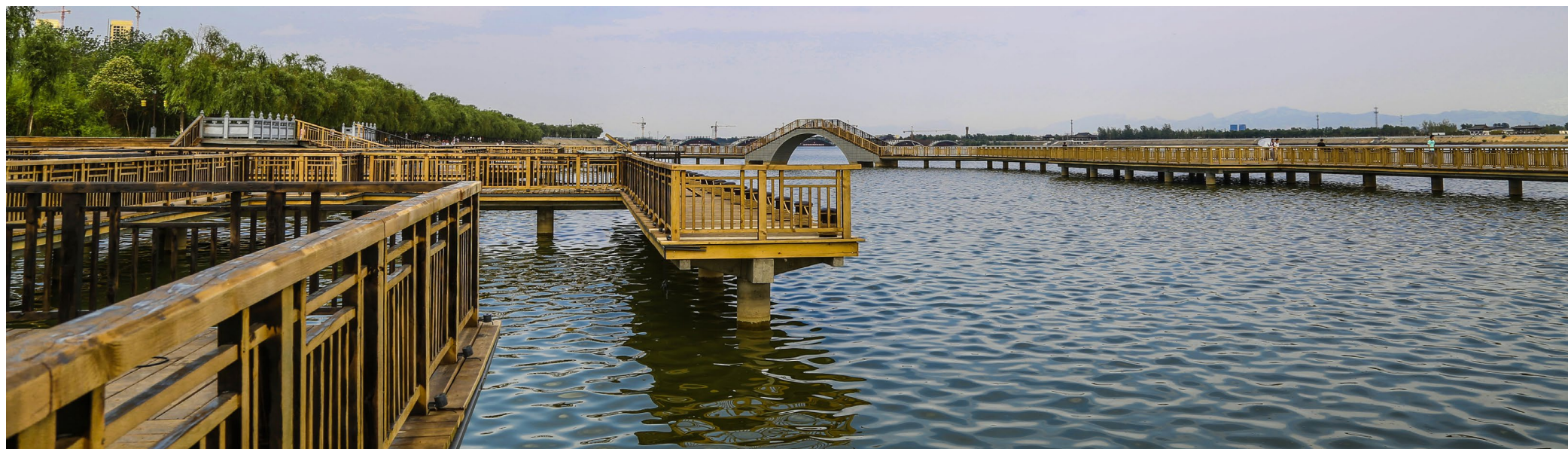


Chief Executive Officer of BEWG
Mr. Zhou Min

About Us

BEWG Overview

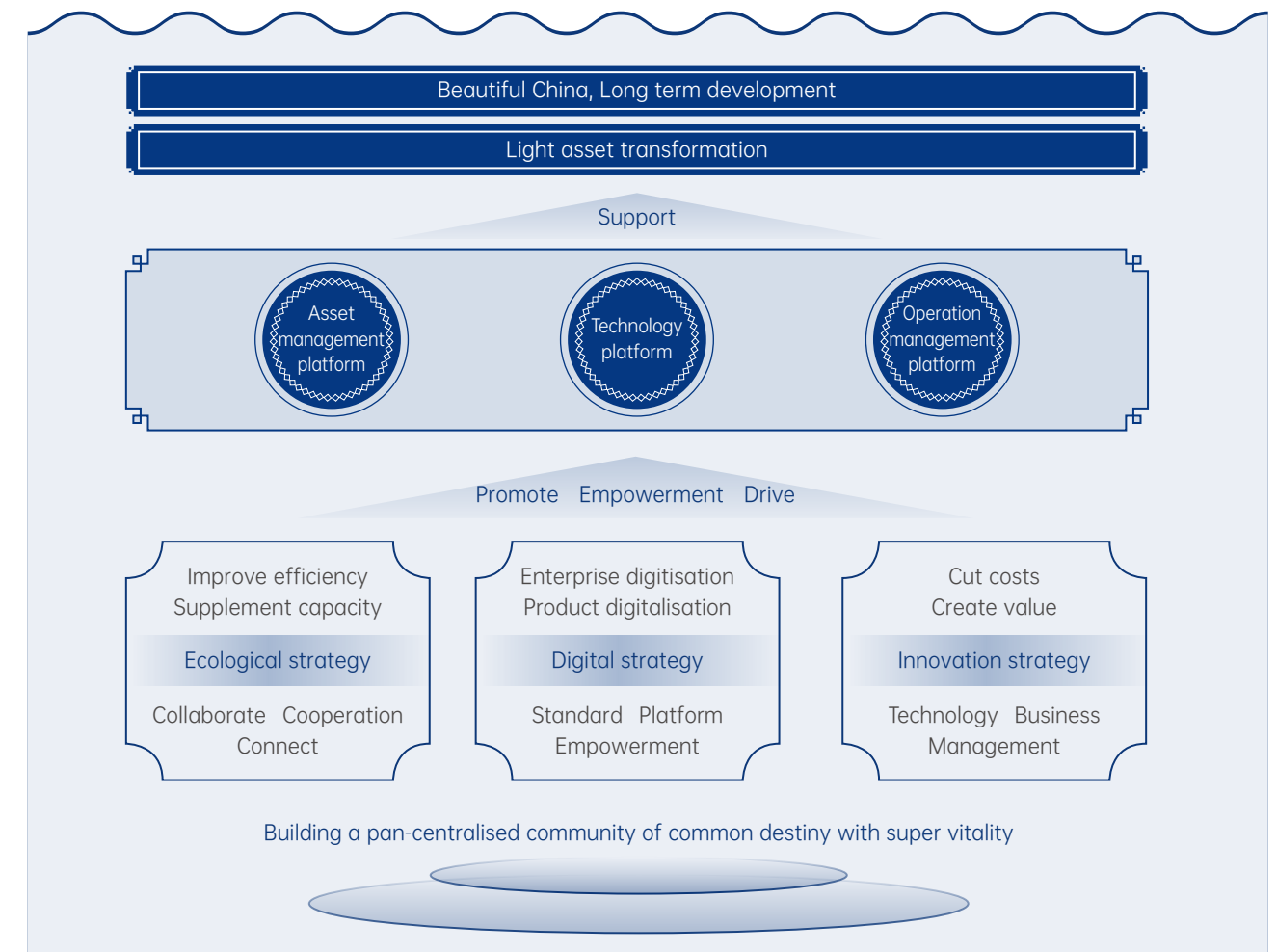
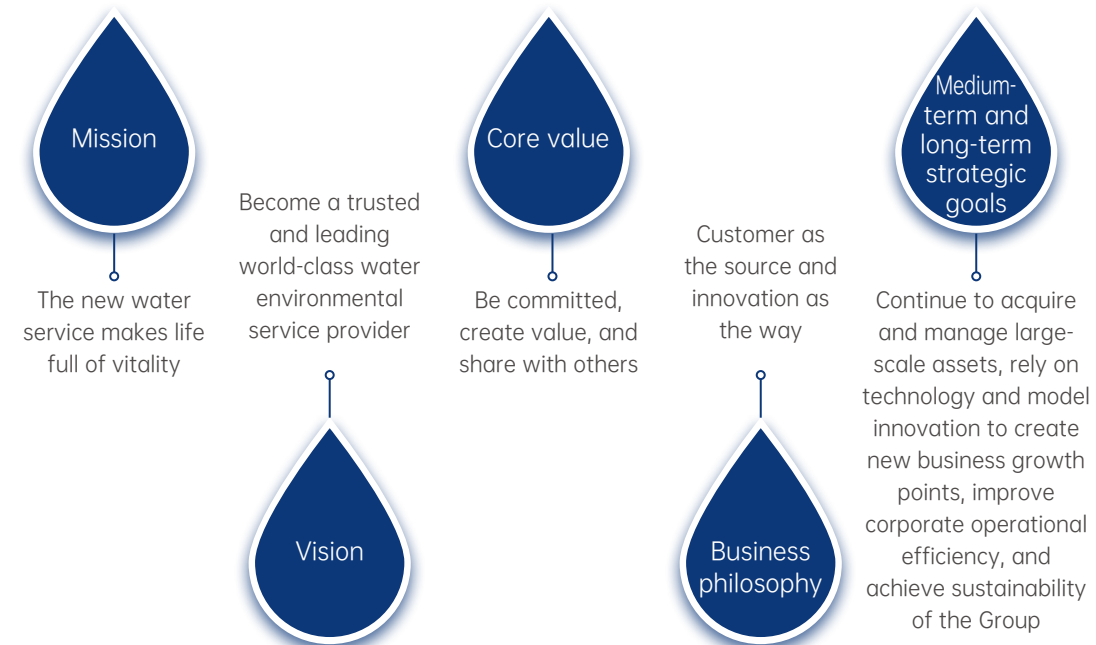
BEWG is a leading professional water and environmental service provider, adhering to the business philosophy of "customer as the source and innovation as the way". BEWG integrates industry investment, design, construction, operation, technical services and capital operation, and relies on technology and innovative models for new business growth to realise corporate sustainability. The Group focuses on water resources recycling and aquatic ecological environmental protection, with municipal sewage treatment as its core business, involving water supply, sludge, integrated plant-pipe network, reclaimed water and its derivative businesses. Meanwhile, we have actively expanded our presence along the industrial value chain, and our water treatment scale has steadily ranked first in the domestic water industry. Consolidating strategy, capital and innovation, the Group has set up headquarters in Beijing, Hong Kong and Hangzhou. The water services are provided in 31 provinces and autonomous region (including Hong Kong and Taiwan), covering over 100 prefecture-level cities. Our overseas business covers 10 countries or regions, including Malaysia, Singapore, Australia, New Zealand, Portugal, Angola, Botswana, Saudi Arabia, Kazakhstan and Namibia, serving nearly 10 million customers.



About Us

Strategy and Business Layout

2025 represents a pivotal year for BEWG in advancing strategic transformation. We will firmly maintain strategic focus, precisely grasp development opportunities, and ensure the achievement of all annual operational and management targets through solid work arrangements and proactive actions. Through continuous improvement in technological innovation, green operations, and economic performance, we are steadily progressing toward high-quality, sustainable development.



Facing complex and challenging internal and external environments, BEWG has adopted "keeping the basic business position with cash flow first" as its core strategy for 2025, marking a decisive shift in the Group's focus. We focus on three core issues, namely improving cash flow, enhancing operational efficiency, and fostering innovation-driven growth. By clarifying responsibilities and strengthening strategic control, we ensure all initiatives are effectively implemented. To strengthen our operational base, we have revitalised the stock assets, increased the disposal of inefficient and ineffective assets, and implemented turnaround measures for critical yet challenging projects, thereby solidifying our foundation for long-term growth. To enhance operational efficiency, we have comprehensively promoted the transformation towards intensification and intelligence. By implementing the three-year action plan for intensification and innovating operation models, we are driving improvements in the quality and efficiency of the stock. In shaping the future, we focus on the "6+1 industrial clusters", integrating key resources such as R&D, investment, education, and data through technological innovation. These efforts aim to create new growth points aligned with industry trends, thereby accumulating new momentum for the Group's high-quality development during the "15th Five-Year Plan" period.

About Us

Operating Performance Highlights of BEWG in 2025



Total Revenue
RMB **22.06** billion



Insisting on giving back
to shareholders
Dividend payout totalled
HKD **1.67** billion



Total design treatment scale of municipal
water services in operation about
34.09 million tonnes/day



Number of sewage
treatment plants and town-
size sewage treatment
facilities in operation
927



Number of water supply
plants in operation
159



Number of reclaimed water
treatment plants in operation
54



Industry Contribution

BEWG actively responds to national strategies and deeply engages in industry exchanges and policy research. While continuously advancing its own technological innovation and management capabilities, the Group also contributes to the high-quality, coordinated development of the industry. In 2025, the Group participated in 14 industry associations, which strengthened industry integration and industrial cooperation from the Group headquarters down to the subsidiaries, with annual expenditure amounting to RMB 775,200. In addition, the Group plays an active role in the preparation and revision of national, local, industry and group standards, supporting the advancement of the industry. In 2025, the Group edited or co-edited 32 such standards.

In 2025

The Group participated in
14 industry associations

Annual expenditure amounted to
RMB **775,200**

The Group edited or co-edited
32 national, local, industry and
group standards

BEWG's Participation in Industry Standards Formulation (2025)

• Co-drafting/Co-editing 8 National Standards

> Performance evaluation of synergistic carbon reduction - urban wastewater treatment (published)

> Technical guidelines for evaluation of the aquatic ecological health (in preparation)

> Technical requirements of operation performance assessment for town sewage MBR treatment system (on hold)

> Technical requirements of operation performance assessment for sludge pyrolysis resourceisation equipment (under review)

> Technical requirements of high-efficiency water pollution control equipment for assessment - Submersible Mixer (under review)

> Technical specification for treatment of industrial brine (under review)

> Technical requirements of operation performance assessment for domestic sewage treatment facilities (under review)

> Requirements for carbon emission accounting and reporting - Part X: Domestic sewage treatment enterprises (under review)

> Edits or co-edits

3 local standard

Among which edits

2 local standards

Co-edits

1 local standard

> Co-edits

1 industry standard

> Edits or co-edits

20 group standards

Among which edits

8 group standards

Co-edits

12 group standards

01

Sustainability Progress



Honours of BEWG in 2025

Ranked first in the "China's Top 10 Most Influential Water Companies" by E20 Environment Platform for 15 consecutive years

Selected as one of the "China's Top 50 Environmental Enterprises by Revenue" for 8 consecutive years

Selected into the S&P Global's *Sustainability Yearbook (China Edition)* for 4 consecutive years

Honoured with "40th Anniversary • Outstanding Contribution Unit" Award by the China Urban Water Supply and Drainage Association

Selected in Beijing's First Batch of "Industry-Education-Assessment" Skill Ecological Chain Leading Enterprises (2025)

Selected in the "Best 10 ESG Case of Beijing State-owned Listed Companies" and included in the "ESG Pioneer 30 Index of Beijing State-owned Listed Companies" (2025)

Yinchuan First Reclaimed Water Plant included in the "Case Library of Typical Engineering Projects of China Urban Water Supply and Drainage Association in 2025", recognised as one of eight benchmark projects nationwide

LEBC - Low-Carbon High-Efficiency Biological Control System and New Energy Island - Water Source Heat Pump Smart Energy Management System selected into the *Typical Cases of Green and Low Carbon Development in 2025*



ESG Governance

Sustainability Governance Structure

BEWG attaches great importance to corporate ESG governance and has always complied with the *Corporate Governance Code* set out in Appendix C1 to the *Listing Rules of The Stock Exchange of Hong Kong Limited* and the relevant domestic and overseas regulatory requirements in the places of operation. The Group continuously improves ESG governance to safeguard shareholders' rights and better serve the interests of stakeholders.

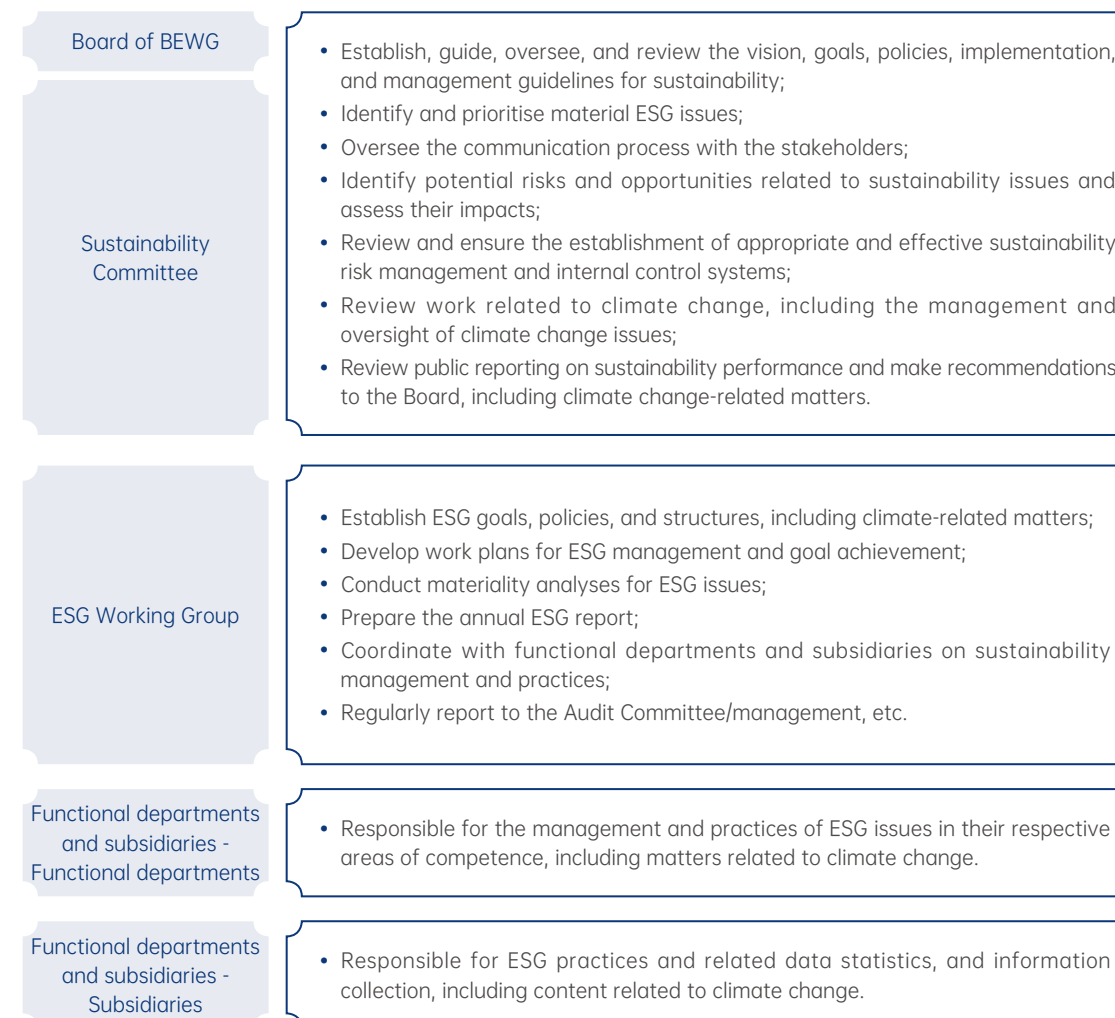
BEWG has established a comprehensive and efficient ESG governance framework and built a long-term ESG working mechanism to further implement sustainability management and continuously enhance the Group's sustainability competitiveness.

The Board, as the highest decision-making body, is responsible for identifying and determining material ESG issues, and advises on the Group's ESG targets, policies and structure. Besides, it also guides the Group's overall strategy and oversees management.

The Sustainability Committee¹ oversees the implementation of specific ESG matters and reports to the Board on the progress and achievements of ESG management. It also takes the responsibility for identifying material ESG issues, assessing climate-related risks and opportunities, reviewing environmental target achievement, and evaluating the impact of the Group's ESG performance on stakeholders.

To ensure effective ESG management practices, we have established an ESG Working Group comprising various business units and functional departments. This working group coordinates and drives the implementation of specific ESG projects, and regularly reports to management and the Board to ensure smooth ESG progress and effective risk prevention.

Additionally, climate change management and oversight functions have been integrated into the Board, the Sustainability Committee, and the ESG Working Group to continuously improve the effectiveness of climate governance and management.



BEWG ESG Governance Structure

¹ The detailed responsibilities of the Sustainability Committee can be found at: <https://www.bewg.net/uploadfile/2023/0331/20230331080801430.pdf>

Stakeholder Engagement

BEWG highly values the expectations and demands of all stakeholders, and listens to the opinions and suggestions of the government, shareholders, customers, communities, employees and other stakeholders through different channels to improve the Group's ESG performance in a targeted manner.

Stakeholders	Communication Channels	Expectations and Demands
 Shareholders and Investors	- Shareholders' general meetings - Periodic reporting and announcements - Investor communication meeting	- Compliance operations - Continuous and stable investment return - Product and service quality enhancement - Risk management - Response to climate change - Corporate governance
 Governments and Regulators	- Information disclosure - Daily communication and reports - On-site visits - Supervision and inspection - Visit and reception	- Compliance operations - Job creation - Response to national strategies - Product and service quality enhancement - Production safety and operation compliance - Technological innovation - Energy conservation and emission reduction
 Customers	- Customer satisfaction survey - Visits and communication - Customer activities	- Product and service quality enhancement - Information disclosure - Win-win cooperation
 Employees	- Labour contracts - Opinion solicitation - Communication channels for career development - Employee care activities - Tailor-made training - Anonymous communication channels	- Protection of employees' rights and interests - Occupational health and safety - Professional training and development - Employee care - Employee communication
 Suppliers and Business Partners	- Public bidding - Contracts and agreements - Suppliers' meeting - Suppliers' training	- Contract compliance - Mutual benefits and win-win cooperation - Supply chain management - Ecological cooperation
 Industry	- Initiation of and engagement in industrial activities - Sharing of research results - Communication platforms development - Industry cooperation - Technical exchanges	- Leadership in industry development - Technological innovation - Product and service quality enhancement

Stakeholders	Communication Channels	Expectations and Demands
 Community	- In-person visits - Charity activities - Charitable donations - Volunteer activities - Open day event	- Community communication - Community services - Community investment - Publicity of environmental protection ideas - Compliance operations
 The Public	- Open day event - Public welfare activities	- Provision of safe and reliable product - Stable employment - Publicity of environmental protection ideas
 Research and Academic Institutions	- Industry-academia-research integration - Talent cultivation	- Talent cultivation - Leadership in industry development - Technological innovation

Materiality Assessment

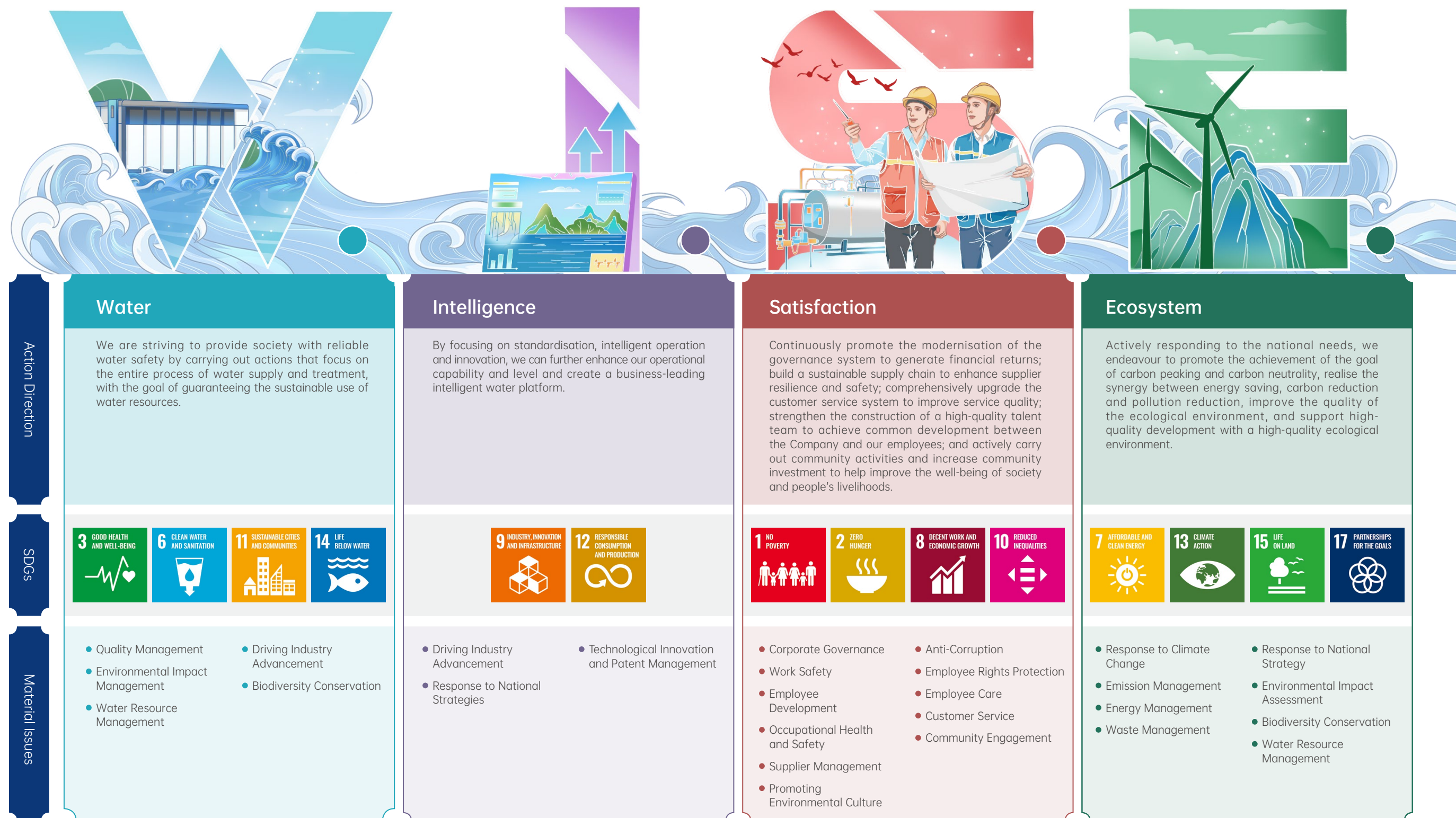
In 2025, BEWG analysed and reviewed the Group's material ESG issues by benchmarking against the ESG rating trends in international mainstream capital markets and peer practices. By incorporating the opinions of various stakeholders, the Group identified and assessed the material issues. The results of this year's material issues show no significant changes.



BEWG ESG Materiality Matrix

Sustainable Development Action Direction

Guided by the sustainable development action direction of "W.I.S.E.", which stands for "Water, Intelligence, Satisfaction, Ecosystem", BEWG is deepening the implementation of its sustainability agenda. We are strengthening the execution and refinement of our actions to ensure sustained breakthroughs and enduring value on key issues.



W.I.S.E. KPIs

Water



High-Quality Water Supply

Water Supply Quality
Comprehensive
Qualification Rate

100%

Water Pipeline
Leakage Rate

10.29%

Water Pressure
Compliance Rate

100%

Number of Water
Pollution/Blockage
Incidents Due to Extreme
Weather Conditions²

0

High-Quality Sewage Treatment

Wastewater Quality
Compliance Rate

100%

Pollutant Resource
Utilisation Rate³

13.4%

Pollutant Reduction

2,122,066

tonnes

Rate of Star-level Water
Plants⁴

27.3%

Coverage Rate of Construction Project Inspection

100%

Efficient Utilisation of Water Resources

Water Consumption Intensity
of Sewage Treatment Plant

0.0006

tonne/tonne

Self-use Water Ratio of
Water Supply Plant

1.37%

Development of Alternative Water Sources

Allocation of Reclaimed Water:

Industrial Water
Replacement

102.67

million tonnes

Natural Water Body
Replenishment

405.11

million tonnes

Intelligence



Intelligent Plant Operation

Water Plant Program
Control Rate

76%

Operating System
Module Coverage Rate

100%

Information Security Assurance

Information Security Certification (ISO 27001, NIST,
etc.) Coverage Entity Scope

BEWG passed the annual review of ISO
27001 Information Security Management
System Certification

Innovation Leadership

32

Obtained Intellectual Property and External
Standards within the Reward Scope



Satisfaction



Compliance Operations

Percentage of Employees Covered by Business Ethics
Training

100%

Percentage of Female Directors

23.08%

Talent Management

Gender Pay Gap

4.11%

Turnover Rate

10.00%

Number of Welfare Activities

137

Safety and Health

Number of Work Safety
Inspections

147,575

Lost Time Incident Rate
(LTIR)

0.15 cases/200,000

working hours

Customer services

Customer Satisfaction

99.84%

Supply Chain Management

Coverage Rate of
Qualified Supplier Audit

80%

Social Contribution

Total Amount of Charitable Donations

RMB 1.90 million

Ecosystem



Climate Change

Greenhouse Gas Emission Intensity (Scope 1 + Scope 2)

0.53 tCO₂e/RMB 10,000 revenue

Greenhouse Gas Emission Intensity (Scope 3)

0.11 tCO₂e/RMB 10,000 revenue

Percentage of Renewable Energy Consumption in
Total Energy Consumption

4.87%

Low-Carbon Management

Comprehensive Energy Consumption Intensity

0.124 tce/RMB 10,000 revenue

Environmental Impact Management

Hazardous Solid Waste Intensity

0.57 kg/RMB 10,000 revenue

Non-hazardous Solid Waste Intensity

1.42 tonne/RMB 10,000 revenue

Number of Major Accidents in Violation of
Environmental Laws and Regulations

0

Percentage of New, Reconstructed
or Expanded Projects Undergoing
Environmental Impact Assessment

100%



² The number of water pollution/blockage incidents causing production stoppages for more than 24 hours in areas affecting over 10,000 households due to extreme weather conditions (typhoons, floods, droughts, etc.) this year.

³ All sludge from the Group's sewage treatment plants is safely disposed of.

⁴ The proportion of water plants that meet the three-star or higher standard. Due to the comprehensive upgrade of the evaluation system in 2025, the data on the proportion of star-level water plants has been updated and corrected.

02

Operational Excellence

Quality Water Services Safeguarding Public Well-Being (Water)

Ensuring clean water supply and protecting aquatic ecosystems are the core missions that BEWG is committed to. In business operations, BEWG continually strengthens its water resource management system through coordinated initiatives centred on high-quality water supply, advanced sewage treatment, efficient water utilisation, and alternative water source development. By advancing water recycling and reclamation, as well as sewage treatment technologies, the Group strives to minimise its impact on water environment while securing a stable and sustainable water supply for society.

In 2025, a total of approximately
2,336.1 million tonnes
of tap water were supplied

with a comprehensive qualification
rate of

100%

In 2025, a total of approximately
5,829.9 million tonnes
of sewage were treated

with the sewage compliance rate remaining at

100%

Source management to reduce the consumption of natural resources,
with the fresh water consumption decreasing by

1% throughout the year



High-Quality Water Supply

The Group is committed to building a high-quality and sustainable water supply network. Through key initiatives such as enhanced water quality management and stricter pipeline network leakage control, we are dedicated to enhancing the efficiency of water resource utilisation. Meanwhile, the Group has continuously improved its emergency response mechanism to provide the public with stable, clean and safe water sources. In the future, we will maintain this focus, further optimising our operational services to deliver high-quality and stable water supply across all service regions.

By the end of 2025, the Group had obtained ISO 9001 Quality Management System certification for two projects, ISO 14001 Environmental Management System certification for eight projects, and ISO 45001 Occupational Health and Safety Management System certification for three projects.

In 2025, BEWG stably operated 159 water supply plants domestically and internationally, delivering 2,336.1 million tonnes of tap water, with a comprehensive qualification rate⁵ of 100%, meeting residential water demand.

Quality Water Supply Assurance

The Group strictly adheres to national and regional standards such as the *Standards for Drinking Water Quality* and the *Environmental Quality Standards for Surface Water*. All water supply plants under the Group have achieved a 100% comprehensive qualification rate, as verified by external third parties with appropriate qualifications. To further improve the quality of water supply, we have established a star-level evaluation system stricter than the national standards to reinforce internal water quality control. Concurrently, we require all water supply projects to maintain testing capabilities commensurate with their scale and water quality testing requirements, thereby ensuring an internal control qualification rate⁶ of over 99%.

We base our efforts on the stricter internal water quality standards than those of national requirements, formulating special improvement measures and emergency plans for potential risks to ensure the stability and reliability of water supply. The Group has formulated and implemented the *Standard for Raw Water Quality Grading Warning* and the *Control Guideline on Water Quality Abnormal Indicator*, in which different raw water quality warning levels (I to IV) are designated for indicators such as turbidity, colour, and pH value, based on national standards. These standards also provide targeted process guidance and standardised emergency response procedures for each water plant to comprehensively safeguard the quality of treated water.

Case Building a High-Quality Water Supply System for Rural Communities

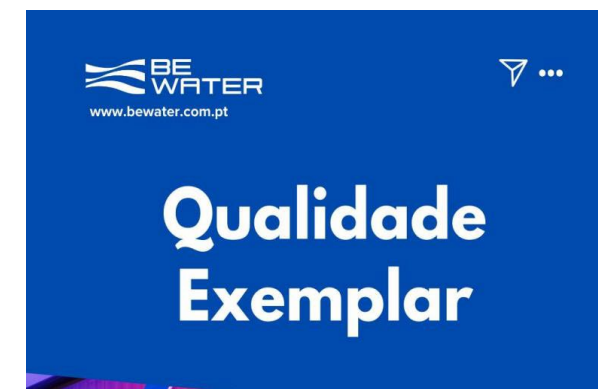
- In April 2025, Guangxi was hit by a severe drought. The drying up and quality deterioration of the water source at the plant in Genzhu Town, Guigang City, left local residents in a drinking water crisis. In response, Guangxi Guigang BEWG Co., Ltd. partnered with local authorities to form a dedicated task force. Following an on-site investigation, the team developed and executed a professional water supply plan, with the company taking charge of technical guidance, equipment procurement, and construction management. By applying specialised engineering techniques, it overcame challenges such as complex underground pipelines and high-temperature work conditions, rapidly completing the pump station and commissioning water supply. The project now supplies over 3,500 tonnes of stable water daily, benefiting approximately 30,000 residents across 8 administrative villages. This effort has ended the community's reliance on purchased water, securing their access to safe drinking water and demonstrating the Group's technical expertise and commitment to societal well-being.
- In 2025, BEWG deepened its local partnerships in Xingtai by commissioning multiple surface water treatment plants in Zhaoma, Liujiashuang, and Nangong, establishing a diversified and complementary water supply system. Among these, the Zhaoma Surface Water Treatment Plant employs advanced treatment technology to produce 190,000m³ of high-quality drinking water daily, reliably meeting the needs of 940,000 residents. Projects in Liujiashuang and Nanhe District promoted integrated urban-rural water supply, extending services to more than 530,000 rural residents. These efforts have raised the tap-water coverage rate to 97.23% and permanently resolved the long-standing issue of high-fluoride water.

⁵ The comprehensive qualification rate of water supply is the average of the qualified rate of water from the plant and the qualified rate of water from the pipeline network. The standard for water qualification rate is in reference to the *Water Quality Standards for Urban Water Supply (CJ/T 206)*. This indicator integrates the results of both self-inspections conducted by water supply enterprises and third-party inspections.

⁶ Internal control qualification rate is the percentage of water samples actually tested as qualified during in-plant testing, relative to the total number of samples tested. The internal control standards are stricter than the mandatory water quality standards set by the state or local authorities.

Case Exceptional Quality of Overseas Water Supply Projects

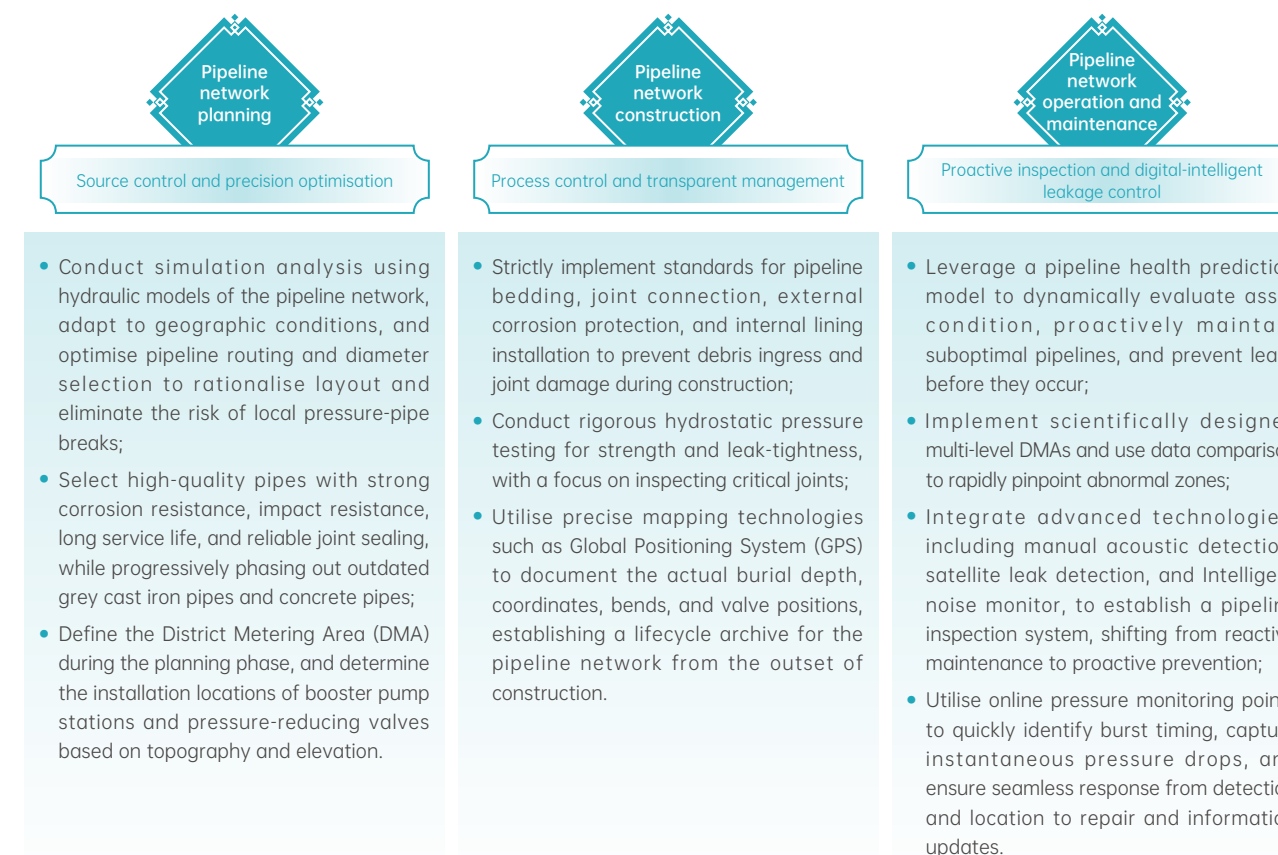
In 2025, BEWG's water supply project in Portugal received the Excellence Award in Water Quality by the Water and Waste Services Regulation Authority (ERSAR), highlighting its long-term investment and sustained performance in delivering high-quality water and public services.



Water Supply Project of Be Water (BEWG PT) Receives Excellence Award in Water Quality

Pipeline Network Leakage Control

The Group has established a systematic leakage control system centred on the full life-cycle management of its pipeline networks, implementing rigorous quality controls throughout all stages from design planning and construction to operation maintenance. Supported by intelligent technologies, the Group continuously enhances its leakage management capabilities, optimises water resource utilisation, and steadily improves the quality of water supply services.



High-Quality Water Supply

This year, the Group strengthened its leakage control through the coordinated efforts of business planning, technology empowerment, and management collaboration.



We guide key projects in formulating annual leakage control plans and promote the pilot application of new technologies such as satellite leak detection. The Heshan Project has established an integrated pipeline health management system by combining the pipeline GIS with professional maintenance teams, building a comprehensive autonomous response capability covering leak detection screening, precise verification, and on-site repairs.



We launched targeted enhancement initiatives for key projects, focusing on pressure regulation, district management, and optimisation of scheduling models. Specialised technical plans were developed to further refine local zoning and strengthen standardised metering management. Through the development of hydraulic models and the optimisation of joint scheduling across multiple water sources, projects in Kaili, Nanyang, and other locations have improved the water supply structure, balanced pipeline network pressure, and achieved the dual objectives of controlling water supply costs while enhancing supply efficiency.



We have deepened the leakage control mechanism by extending its reach to key operational endpoints such as municipal metering, performance evaluation, and rural water supply. Through enhanced management collaboration, we are consolidating efforts and building synergy across the organisation. The Group worked closely with key projects in Jinshi and Hanshou, jointly analysing issues, exploring implementation pathways, and advancing leakage control capabilities. Through process optimisation and innovative incentive mechanisms, a dedicated leakage control team was formed, which identified and addressed over 300 leaks within two months, significantly improving the detection efficiency of hidden leaks.

Meanwhile, the Group continues to strengthen the renovation of old pipeline networks and old residential blocks. This year, we invested a total of RMB 73 million to update and renovate the networks in certain municipal areas and aged residential blocks. The number of leakage repairs for the entire year decreased by 1,312, with a year-on-year reduction of 4.20% and a leakage rate⁷ reduction of 3.47%. Besides, we optimised the leakage rate assessment criteria and set the leakage rate target at 10.02% for the next year.

Case

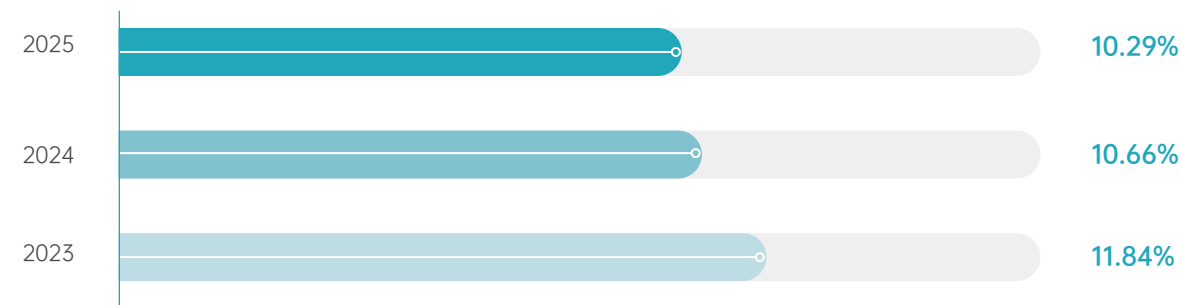
BEWG Luoyang's Innovative Governance Model Selected as National Demonstration Case for Pipeline Leakage Control

To enhance water supply security and improve the efficiency of water resource utilisation, the Group continues to advance refined pipeline leakage control. Notably, the governance practices of BEWG Luoyang have been included in the national *List of Replicable Policies and Mechanisms for Addressing Leakage in Urban Public Water Supply Networks (Second Batch)*, making it a nationally recognised demonstration case.

We have built a three-tier district-management system. By deploying various monitoring devices and relying on our smart-water platform, we can conduct multi-dimensional dynamic data analysis and real-time leakage monitoring, thus forming a closed-loop of "monitoring - analysis - remediation". Currently, BEWG Luoyang has established 3 first-level districts, 25 second-level districts, 19 third-level districts, and 302 DMAs in Luoyang's central urban area, supported by over 600 pressure monitoring points. The Group has simultaneously implemented measures such as upgrading old pipeline network, aiming to enhance the efficiency of the pipeline networks, ensure the safety and stability of urban water supply, and contribute to the sustainable water resource management.

⁷ Leakage rate refers to the ratio of water leakage volume in the urban water supply network to the total volume of water supplied.

Pipeline network leakage rate from 2023 to 2025

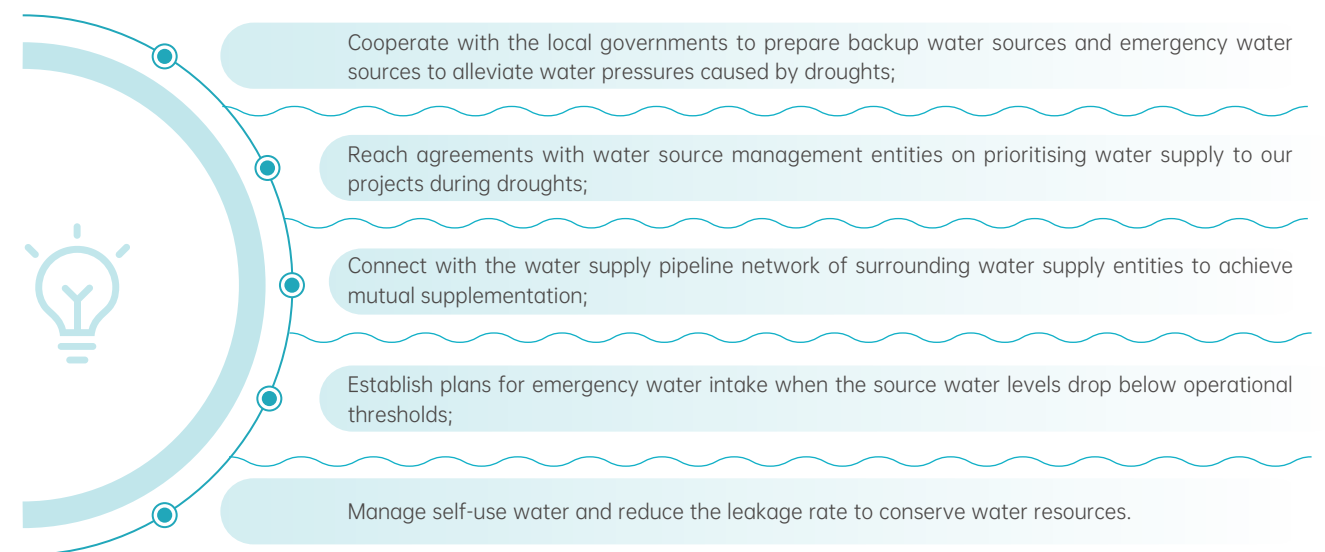


Emergency Response

To address fluctuations in raw water quality and ensure the safety of water supply, the Group has formulated the *Standard for Raw Water Quality Grading Warning* and the *Control Guideline on Water Quality Abnormal Indicator*. In response to extreme weather events, the Group has developed the *Guidelines for Emergency Response to Abnormal Influent* to guide projects in refining their emergency response management practices. These measures aim to mitigate potential impacts from droughts, floods, and other extreme conditions on raw water quality, water plant operations, pump stations, and pipeline networks.

In flood response, we strictly follow the *Implementation Measures for Flood Control and Emergency Response Work of Beijing Enterprises Holdings* and local requirements on emergency response while strengthening the monitoring of rainfall and flood situations as well as the identification of potential hazards. Relying on our four-level emergency response mechanism, we prepare emergency supplies in advance, establish emergency rescue teams, conduct emergency drills, and formulate relevant plans for post-disaster recovery and reconstruction. Meanwhile, we require all water supply projects to enhance monitoring and early warning of raw water quality during the flood season, increase the frequency of inspections and patrols of plant areas, pipeline networks and related facilities, making every effort to ensure the safety of water supply.

In drought response, we have tailored our approach to the specific circumstances of the project site. We have increased the frequency of water quality monitoring in high-risk areas to proactively guard against the risk of water quality deterioration caused by declining water levels. This is complemented by dedicated emergency response plans and water allocation measures, specifically including:



High-Quality Sewage Treatment

Committed to quality delivery in sewage treatment business, the Group strives to offer systematic products and solutions. Supported by strengthened quality control across the entire lifecycle of water treatment facilities, alongside standardised operations and robust emergency response, we have ensured efficient and reliable sewage treatment, and enabled consistent delivery of premium water services to customers. In 2025, we operated 927 sewage treatment plants domestically and internationally, cumulatively treating 5,829.9 million tonnes of sewage.

By the end of 2025, the Group had obtained ISO 9001 Quality Management System certification for 7 sewage projects, ISO 14001 Environmental Management System certification for 4 sewage projects, and ISO 45001 Occupational Health and Safety Management System certification for 3 sewage projects.

Quality Culture Development

Grounded in a commitment to quality assurance, we have cultivated a quality culture throughout the organisation. This includes organising targeted training and promotional activities for employees, suppliers, and other stakeholders to establish a common understanding and commitment to quality. Building on this, we have further integrated the quality culture into our daily business operations.

During the project construction phase, we organised more than 25 online and offline training sessions and publicity activities this year, covering all business lines, business regions, business units, regional companies, project companies, and external stakeholders including suppliers, supervision units, and construction units. These efforts have reinforced end-to-end quality control and safety management, and enabled consistent high-quality project delivery.

During the project operation phase, we conducted multi-theme training, both online and offline, to continuously enhance the capabilities of technical personnel. In 2025, the Group conducted 10 technician assessments across all levels, covering four areas related to the municipal sewage treatment, i.e., auto control instrument, mechanical maintenance, wastewater testing and sewage treatment plant operation. These assessments recorded 8,283 participations, achieving a participation rate of 98%. In response to the evolving demands of our regional intensive model, we also hosted the "Evergreen Cup" Staff Skills Competition to empower employees in new positions with comprehensive capabilities. The competition assessed the comprehensive capabilities of quality control staff in laboratory testing and operational control following the intensive transformation, which could reinforce the technical safeguards for maintaining stable regional water quality, from influent to effluent, and ensuring the safe use of chemical reagents.

In 2025



We operated

927 sewage treatment

plants domestically and internationally



treated

5,829.9 million

tonnes of sewage in total

北控水务集团技术工程条线2025年度中期工作会议暨项目管理能力提升培训



Project Management Capability Enhancement Training



Safety Production Themed Activities During Project Construction Phase



Technical Personnel Skill Grading Assessment



High-Quality Sewage Treatment

Quality Delivery

The Group embraces "customer as the source and innovation as the way" as its core value, recognising that high-quality project delivery depends on the shared progress in capabilities and aligned objectives of all partners across the value chain. To achieve this, we employ a systematic, standardised, and digitalised full-lifecycle management system to continually enhance collaborative mechanisms and capability building. This ensures that our projects achieve excellence in technical compliance, quality reliability, operational efficiency, environmental sustainability and community harmony.

Initiation Planning

The Group has formulated project plans based on investment review requirements. In 2025, we convened a total of 14 project kick-off meetings and 16 project planning sessions. By detailing investment review criteria, defining implementation paths and risk contingency plans, and coordinating resources and multi-disciplinary collaboration, we have laid a solid foundation for smooth project initiation and achieving excellence from the outset.

Process Control

Quality Control Point Acceptance

The Group has consistently reinforced the primary responsibility of construction units for quality assurance and advanced the implementation of a tiered quality control point acceptance system. This system covered all 32 ongoing projects throughout the year, achieving 100% coverage, with a total of 7,061 quality control points accepted. All 376 quality improvement items identified during acceptance have been progressively addressed and rectified.

Performance Inspections

We establish a performance inspection team to evaluate the contract performance of relevant units, verify the quality of project deliverables and compliance with contractual obligations, and ensure that contractual agreements and technical standards are fully implemented. In 2025, performance inspections covered 20 projects, with 512 quality-related rectification items proposed. The follow-up rectification completion rate was 100%.

Special Inspections

To mitigate potential risks and ensure project compliance and operational safety, the Group conducted three focused inspections in 2025, addressing planning acceptance, deodorisation system, and certification management of safety personnel, respectively.

Project Acceptance

The Group has established an internal acceptance mechanism led by the Operations Service Centre with cross-departmental coordination, based on the *Joint Acceptance Management Measures for Engineering Products*, the *Scoring Manual for Joint Acceptance of Water Supply Engineering Products*, the *Scoring Manual for Joint Acceptance of Sewage Treatment Engineering Products* and the *Scoring Manual for Joint Acceptance of Water Environment Remediation Engineering Products*. In 2025, the Group completed joint acceptance for 27 projects, achieving a 100% first pass rate.



Expansion Project of Jianbang Bulaohe Sewage Treatment Plant in Xuzhou City



Phase I Project of Changyehe Sewage Treatment Plant, Lanshan District, Rizhao City

2025 Quality Awards for BEWG's Construction Projects

S/N	Project	Award	Level
1	Yinchuan No. 1 Reclaimed Water Plant Engineering Project	Typical Case of Engineering Projects of China Urban Water Supply and Drainage Association	National Association Award
2	Luoyang Chandong Sewage Treatment Plant Upgrading and Renovation Project	High-Quality Engineering Projects in Henan Province	Provincial
3	Haicheng Municipal Sewage Treatment Plant Expansion Project	High-Quality Engineering Award by Liaoning Construction Industry Association	Provincial
4		Second Prize, Golden Cup Demonstration Project in Yunnan Province	Provincial
5	Phase I Technical Upgrade and Phase II Expansion Project for Kunming Kitchen Waste Treatment Facility	Kunming Municipal Demonstration Project for Quality Standardisation in Housing & Municipal Engineering	Municipal
6		Kunming Municipal Certified Safe Construction Site in Housing & Municipal Engineering	Municipal
7		Heilongjiang Provincial Certified Safe Construction Site for Work Safety Standardisation	Provincial
8	Daqing Dongfeng Sewage Treatment Plant Project	Daqing Municipal Award for "Structural Excellence" in Construction Quality	Municipal
9	Fenghe Wetland Park Project	First Batch of Smart Construction Sites for Water Engineering in Qingdao	Municipal
10	Mianyang Sludge Reduction and Resource Recovery Centre Project	Mianyang Municipal Exemplary Civilised Construction Site in Housing & Municipal Infrastructure Projects	Municipal
11	Nanyang Zhongzhou Water Supply Plant Project	Nanyang Municipal Award for High-Quality Structural Engineering	Municipal

Excellent Operation

The Group's main business of sewage treatment involves the deep purification of sewage and wastewater, which reduces pollutant discharges and helps preserve the ecological balance of natural water bodies. Through high-quality sewage treatment, we continuously contribute to improving water quality and advancing the sustainable development of the ecological environment. Besides, we place strong emphasis on influent management and effluent quality, while consistently implementing and refining water quality control measures. The effluent quality from our sewage treatment plants is monitored, tested, and evaluated by internal departments, government departments, and third-party testing agencies commissioned by government departments. This ensures full compliance with relevant national and regional standards, such as the *Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant* and the *Environmental Quality Standards for Surface Water*. In 2025, the effluent quality compliance rate⁸ of BEWG's sewage treatment plants reached 100%.

Meanwhile, to improve the operational quality and efficiency of sewage treatment plants, we have introduced the *Policies for Establishment and Management of Star-level Enterprises* and established a star-level evaluation system for enterprise operation⁹. Under this system, enterprises will be comprehensively assessed across five dimensions, namely process management, operational quality, business results, personnel capabilities, and digital operational capabilities. Using star-level quantitative evaluation to drive operational improvements, we have established a closed-loop management cycle of "identification - rectification - enhancement - evaluation". Supported by a high-standard operational grading framework and rigorous management measures, this evaluation and acceptance process enables water plants to continuously elevate their performance.

⁸ The effluent quality compliance rate is the percentage of water samples meeting the prescribed quality standards relative to the total number of samples tested within a certain period.

⁹ Star-level evaluation system for enterprise operation: Based on the comprehensive rating results, enterprises under evaluation are rated in five grades, from the lowest "one-star" to the highest "five-star".

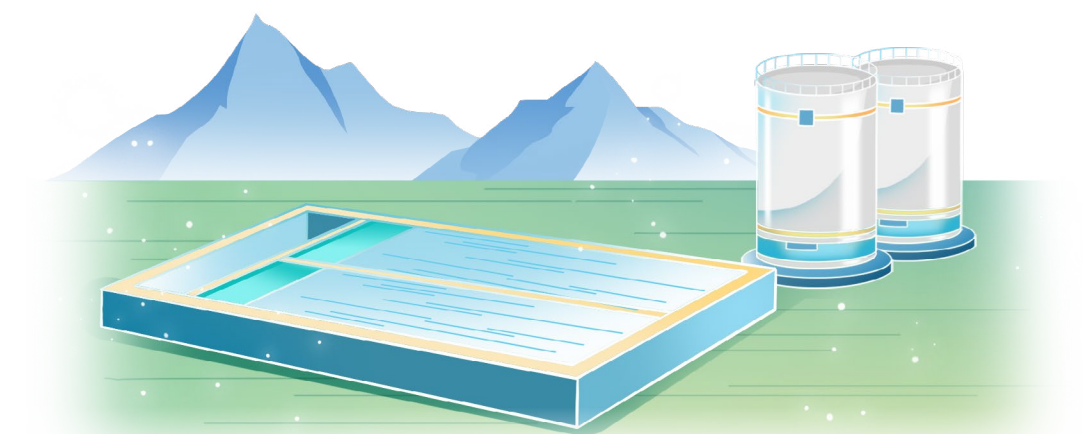
High-Quality Sewage Treatment

In 2025, BEWG launched its "Digital Star-level" framework, a data-driven improvement over the traditional model. This upgrade not only refined the evaluation criteria, but also introduced a new "star-level index"¹⁰, so that the Group can have an objective comparison of each unit's progress toward higher star levels. Under this renewed evaluation system, all water plants under BEWG went through the annual star-level evaluation and acceptance for operation performance, with plants rated "one-star" and above accounting for over 75% of the total, while those achieving "three-star" and above representing over 25%¹¹. In 2025, the star-level index of the Group's sewage treatment business was 1.73.

To promote the deployment of the Group's digital strategy, we continue to deepen the construction of standardised and intelligent sewage treatment plants to improve the operational quality and efficiency. For relevant details, please refer to Chapter 03 - Intelligent Plant Operation.

Pollutant Reduction¹² of BEWG in 2023-2025

Indicator	Unit	2025	2024	2023
Water business in the Chinese mainland				
Reduction in suspended solids	tonne	821,033	859,752	791,954
Reduction in COD	tonne	1,109,971	1,092,242	1,027,813
Reduction in ammonia nitrogen	tonne	146,600	143,223	132,510
Reduction in total phosphorus	tonne	20,793	19,679	18,086
Total reduction in pollutants	tonne	2,098,397	2,114,895	1,970,363
Overseas water business				
Reduction in COD	tonne	23,244	25,580	26,566
Reduction in ammonia nitrogen	tonne	395	367	373
Reduction in total phosphorus	tonne	31	32	34
Total reduction in pollutants	tonne	23,670	25,980	26,973



¹⁰ Star-level index = Total stars earned by all plants/Number of water plants evaluated, which reflects the overall operational level of the water plants under jurisdiction.

¹¹ Due to the comprehensive upgrade of the evaluation system in 2025, the data on the proportion of star-level water plants has been updated and corrected.

¹² Pollutant reduction refers to the mass of a specific pollutant removed from wastewater via designated treatment processes at sewage treatment plants.

Emergency Response

In response to possible sudden influent shock and irregular influent fluctuations faced by sewage treatment plants, we have established an emergency management mechanism and a long-term management mechanism. While strengthening our internal emergency response capabilities, we actively collaborate with government agencies and upstream businesses to establish a coordinated support network, thereby systematically enhancing the operational resilience and risk-resistance capabilities of sewage treatment plants.

Emergency Management for Influent Shock

When faced with sudden high pollutant concentration influent, abnormal influent pollutants, or sudden increases in influent volume, we take a series of emergency management measures inside and outside the sewage treatment plant to quickly restore stable operation of the plant and ensure stable compliance of effluent water quality.



On-Site Emergency Response

Activate the emergency plan and conduct continuous monitoring and analysis of the influent quality. Organise technical experts to analyse the influent situation and the treatment capacity of the current treatment processes and facilities for the influent. Adjust technical parameters and chemical dosing amounts of each process based on the influent water temperature conditions, pollutant components and concentrations.



Off-Site Emergency Coordination

Arrange dedicated personnel to inspect the upstream external pipeline network to identify the source of the influent shock, report abnormalities to the superior competent department at the first time with a written report document, while entrusting a third party to conduct sampling and testing to trace the cause of the influent shock.

Long-Term Management for Influent Shock

For projects where industrial wastewater accounts for a significant proportion of the influent, wastewater from industrial parks often contains industrial wastewater of varying nature such as chemicals, pharmaceuticals, and metal smelting. Since the quality and volume of such wastewater fluctuate frequently and without any obvious pattern, sewage treatment plant may face a significant risk of influent shock. To this end, through strengthened upstream control and internal emergency drills, we have established a long-term management mechanism for prevention and emergency response to address the challenges posed by influent shocks, achieving process stability, effluent compliance, and cost control.

Upstream Point Source Control



Strengthened Management Foundations: Formulate the *Pipeline Network Inspection Management Policy* and utilise professional tools to improve the efficiency of pipeline network inspections; Establish drainage archives, draw pipeline network maps, and summarise enterprise discharge points, drainage paths, key checkpoints, and drainage characteristics to guide inspection work. Based on this, regular analysis reports on sewage pipeline network are conducted to systematically identify the sources of illegal inflow, seasonal flow fluctuations, and water quality anomalies, thereby enhancing the ability to detect abnormal conditions and reduce operational risks.



Government Collaboration and Support: Pipeline network inspectors go to upstream enterprises to take samples for analysis while coordinating with law enforcement departments to increase supervision efforts. The government organises enterprises to install automatic valves at legal drainage points, which automatically close when emissions exceed standards.



Collaboration with Upstream Enterprises: Sign drainage agreements with key upstream drainage enterprises, to systematically understand their production characteristics, wastewater discharge patterns, pollutant information, so as to precisely respond to their service demands; Provide professional training to personnel and help upstream enterprises optimise wastewater pretreatment processes to reduce pollutant discharge concentrations.

Internal Emergency Drills

Develop and improve localised *Emergency Plan to Abnormal Influent* for different abnormal influent situations based on project conditions; Enhance multi-departmental coordination and employees' professional emergency response capabilities through multiple simulated drills, to ensure efficient collaboration and rapid response among pipeline network, quality control, and operation and maintenance departments during emergencies.



Resources Recovery

The Group fully embraces the concept of water conservation, strengthens control and management throughout the entire project lifecycle, and systematically promotes the efficient use of water resources with a focus on water conservation and efficiency improvement. We are exploring diversified reuse of non-conventional water sources, such as reclaimed water, and are committed to building a sustainable water resource recycling system.

Efficient Utilisation of Water Resources

In line with the national strategy for urban water conservation, we are systematically advancing the efficient use of water resources. Based on relevant water resource management policies and regulations such as the *Water Law of the People's Republic of China* and the *Opinions of the State Council on Implementing the Strictest Water Resources Management System*, the Group has formulated the *Measures for Water Resources Management of BEWG* to strengthen water resource management and comprehensively improve water resource utilisation efficiency. The Group implements full-process scientific management across its water supply and sewage treatment projects, placing equal emphasis on water conservation and efficiency improvement to continuously strengthen the conservation, protection, and scientific utilisation of water resources. We integrate the concept of water conservation across all stages of the value chain, with the goal of improving water use efficiency from source to end-user and steadfastly advancing our development as a water-efficient utility.

The Group's Sustainability Committee is responsible for establishing, guiding and reviewing the Group's sustainable development strategies, including water management strategy, overseeing the performance of water management, and reporting relevant matters to the Board of Directors. The Group's Chief Executive Officer is responsible for the overall strategy of the Group, including water resource management strategy and performance. This encompasses setting the strategic direction for water resource management issues and reviewing the progress made in achieving production water management targets.

We have established a three-level water resource management mechanism including the Group headquarter, four major business regions and water supply business unit, and subsidiary enterprises, and formed a steering group to oversee and promote the implementation of water resource management-related work. The steering group is mainly responsible for formulating the Group's water resource management rules and systems, implementing responsibilities, and supervising execution; working with relevant departments to formulate water intake targets, water consumption targets, and tracking the target progress, formulating annual plans for water resource management actions to achieve targets, and target adjustments and reporting.

Under the premise of ensuring water quality safety and excellence, BEWG strengthens water resource management from the source and actively explores the utilisation of alternative water sources. We promote water conservation programs across the entire Group, covering sewage treatment, water supply, and solid waste businesses and in major office areas. We explore opportunities for water conservation and ensure efficient utilisation of water resources during project operations and daily work.



We strengthen self-use water management, promoting separate metering of different water use processes in areas such as water treatment plants and office buildings, conducting water quantity analysis, and further controlling self-use water quantities. Among these efforts, controlling water leakage is regarded as a management priority in the water supply business. The Group continues to advance pipeline network upgrades, technology adoption, and management improvements, resulting in a year-on-year reduction in the overall leakage rate. For relevant details, please refer to the "Pipeline Network Leakage Control" section in this chapter.



We continuously optimise production process technologies, upgrade existing technologies, and promote the research, development, and application of new technologies to achieve efficient utilisation of water sources.



We strengthen the reuse of water resources in processes, such as optimising the collection of supernatant from reuse water tanks and sludge discharge strategies to improve the collection rates of sludge water and backwash water.



We install reclaimed water reuse systems in newly built water treatment plants and encourage the addition of reclaimed water reuse systems in old water treatment plants, stipulating the priority use of reclaimed water in equipment flushing, plant greening, and other processes.



We carry out water conservation publicity and education activities in accordance with the *Measures for Water Resources Management of BEWG*, so as to remind people to save every drop of water and foster a water-saving culture within the Group.

The Group, leveraging its advanced water treatment facilities, has created immersive water conservation education scenarios tailored to different stakeholders across the value chain. Furthermore, by building a systematic public education system for water conservation, the Group effectively raises public awareness of water resource protection, thereby forging an innovative model of government-enterprise collaboration in building a water-saving society.

Case

Educational Programs on Water Conservation at BEWG Yinchuan No.1 Reclaimed Water Treatment Plant

BEWG Yinchuan No.1 Reclaimed Water Treatment Plant integrates the water-saving concept into public education. Adopting the advanced "AAO + Efficient Sedimentation Tank + V-type Sand Filter" process, the plant ensures effluent meets the stringent quasi-Class IV surface water quality standard. Based on this technology, it has created a composite space combining sewage treatment, popular science education, and interactive experiences, empowering the public to enhance water conservation awareness with active participation. The water treatment plant has developed a Water Conservation Theme Park centred on an integrated "Plant-Park-Museum" design concept. It features multiple age-specific children's activity areas, incorporating elements such as interactive hydraulic installations and non-motorised play facilities, creating a composite child-friendly space that combines ecological landscaping, popular science education, interactive experiences, and play areas. By virtue of this, the Water Conservation Theme Park was successfully selected for the list of national best practices for developing child-friendly urban spaces.

Beyond that, the plant also holds regular thematic publicity activities such as "Leading the Way for a Beautiful China: Exploring Environmental Facilities" and World Water Day. The activities are conducted through graphic displays, process observation, and interactive Q&A sessions. Meanwhile, the plant has established a comprehensive publicity system that includes "exhibition displays + guided tours + themed activities + online outreach". This approach has significantly heightened public awareness of water conservation and strengthened their willingness to oversight, providing an innovative model for promoting urban green and low - carbon transformation and creating a water-saving society.



Water Conservation Theme Park at BEWG Yinchuan No.1 Reclaimed Water Treatment Plant

Case

Water Conservation Publicity Campaign at BEWG Pengzhou

In May 2025, as part of the "National Urban Water Conservation Publicity Campaign", Beijing Enterprises Pengzhou Water Supply Co., Ltd. actively responded to the national call for water conservation. In collaboration with municipal government departments, local communities, and various social stakeholders, the company organised a series of public engagement activities, including water-culture science education, demonstrations on reclaimed water reuse, and the dissemination of water-saving knowledge. These efforts aimed to convey the sustainable development concept that "saving water means reducing emissions and enhancing efficiency". The campaign helped to build a public-participatory water resource protection system and contributed professional expertise to advancing a water-saving society.



Water Conservation Publicity Campaign

Case

Water Conservation Incentives at BEWG Binzhou

In an innovative approach, Binzhou Water Supply Company has adopted a multi-scenario and comprehensive outreach strategy to engage key areas such as communities, enterprises, and schools. Through activities like displaying water conservation banners and distributing educational materials, the company ensures that water-saving knowledge and essential information on water supply services reach diverse groups. Additionally, customised water-saving gifts are provided to incentivise consumers and the public to practice water conservation actively. This initiative aims to foster a scientific water usage mindset among citizens, promoting the values of cherishing, protecting, and conserving water resources.



Water-saving Incentives

Resources Recovery

To effectively promote the improvement of the Group's water resource utilisation efficiency, we formulate production water management targets for the water supply and sewage treatment businesses in the Chinese Mainland and monitor the annual progress toward achieving the targets.

Production Water Management Targets¹³

Water supply plants:

The self-use water ratio¹⁴ for plants that engage in process water reclamation should be $\leq 1\%$.
The self-use water ratio for plants that do not engage in process water reclamation should be $\leq 3\%$.

Sewage treatment plants:

The proportion of production water¹⁵ $\leq 5\%$.

Achievements of production water management targets in 2025: Achieved the management target of production water

Water supply plants:

The self-use water ratio in the Group decreased from **1.39%** in 2024 to **1.37%** in 2025, marking a **1.4%** year-on-year decrease. All water supply plants achieved the production water management targets.

Sewage treatment plants:

The proportion of water used in the production of the Group's sewage plant is controlled to **3%**.

In 2026, the Group will continue to pursue targets above and carry out water resource management.

Fresh Water Consumption of BEWG in 2023-2025

Indicator	Unit	2025	2024	2023
Water business in the Chinese mainland	m ³	3,557,566	3,711,548	3,731,841
Overseas water business	m ³	1,244	743	792
Solid waste business	m ³	1,205,130	1,146,540	1,415,513
Office building	m ³	68,782	45,947	33,043
Total fresh water consumption	m ³	4,832,721	4,904,778	5,181,189
Fresh water intensity	m ³ /RMB 10,000 revenue	2.19	2.02	2.11

Note: The intensity of fresh water = The amount of fresh water / The Group's revenue for the year.

Consumption and Ratio of Self-use Water by Water Supply Plants of BEWG in 2023-2025

Indicator	Unit	2025	2024	2023
Self-use water consumption	m ³	22,901,567	22,063,448	22,059,279
Self-use water ratio	%	1.37	1.4	1.4

Note: The national standard *Code for Design of Outdoor Water Supply Engineering* (GB50013-2018) released by the Ministry of Housing and Urban-Rural Development in 2018 states that, the self-use water ratio of water plants can be set at 5%-10% of the design scale.

¹³ As of 31 December 2025, the coverage of these targets: the businesses that account for 83% of the profit attributable to shareholders of the Company.

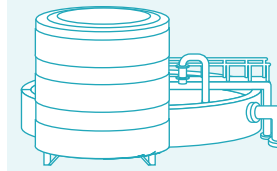
¹⁴ Self-use water ratio refers to the percentage of water consumed by a water supply plant for its operational needs during the production process, compared to the total water intake.

¹⁵ Production water refers to the amount of tap water and reclaimed water used in the production process.

Development of Alternative Water Sources

The Group is deeply committed to developing unconventional water sources and regards wastewater resource utilisation as a core component of building a resilient water system. While optimising the internal recycling of reclaimed water within our sewage treatment plants, we are actively creating multidimensional application scenarios encompassing industrial wastewater reuse, ecological replenishment, and municipal miscellaneous uses. Through the collaborative development of reclaimed water, rainwater, flood water, and desalinated seawater, the Group continues to transform wastewater resources into strategic supplies, effectively alleviating regional water shortages and establishing an efficient, sustainable water resource recycling system.

Reclaimed Water Supply Performance of BEWG in 2025



Number of reclaimed water plants - The Chinese mainland

48

Annual volume of water treated - The Chinese mainland

433,584,523 tonnes

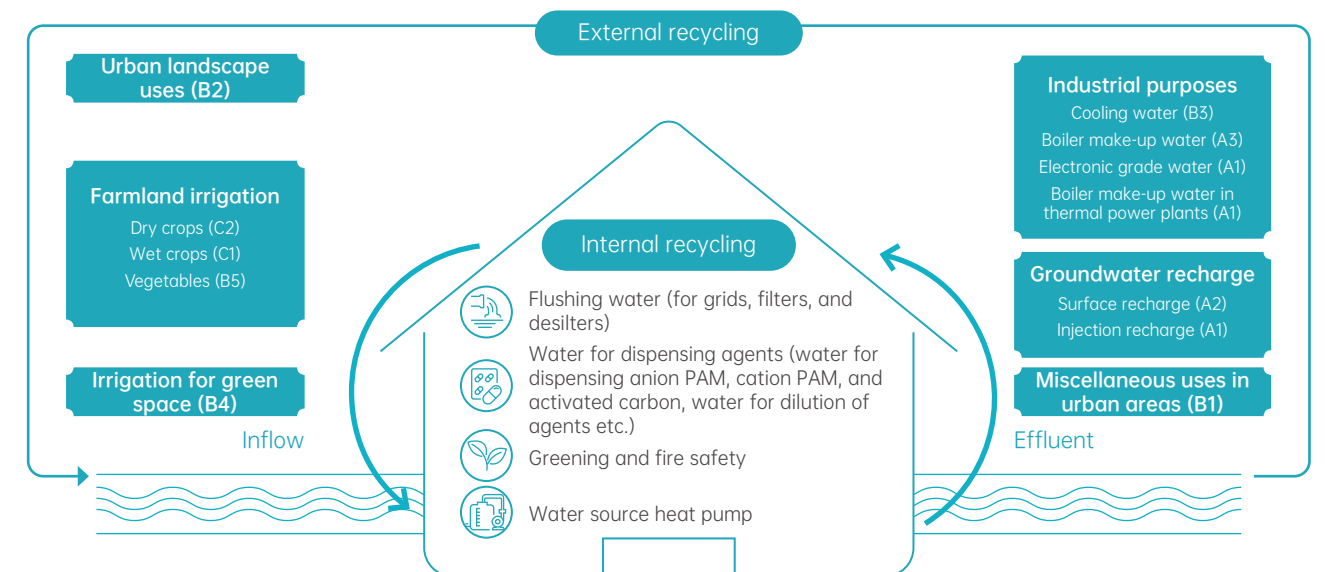
Number of reclaimed water plants - Hong Kong SAR, Macao SAR, Taiwan Province, and overseas regions

6

Annual volume of water treated - Hong Kong SAR, Macao SAR, Taiwan Province, and overseas regions

74,210,529 tonnes

Diagram of Dual-Cycle Reuse of Reclaimed Water Inside and Outside Sewage Treatment Plants



Case

Leading the Way in "New Water Sources", BEWG's New Practices in Circular Economy

Adhering to the philosophy of "turning wastewater into resources", BEWG deeply explores the multidimensional value of reclaimed water. Through benchmark projects such as the one in Taiyuan, the Group has established a circular economy system featured "technology empowerment + model innovation", expanding the use of reclaimed water to a wide range of sectors, including industrial, ecological, and energy applications. In the Taiyuan Reclaimed Water Project, BEWG adopted a quality-based water supply¹⁶ approach as its core strategy. By implementing the "UF-RO process"¹⁷ technology, the project converts wastewater into high-quality demineralised water, with a daily supply capacity of 60,000 tonnes. This not only provided stable water sources for industrial users but also effectively reduced the water intaking costs for these users. Meanwhile, through the intelligent scheduling across a 164-kilometer pipeline network, reclaimed water is accurately allocated to support the ecological replenishment of the Fen River, landscape irrigation, and various municipal uses. Furthermore, the project has innovatively adopted waste heat recovery technology to supply clean heating services to the surrounding area, embodying the principle of "multiple use of water" to maximise resource efficiency.

¹⁶ Quality-based water supply refers to the practice of providing reclaimed water at different quality grades via specific treatment processes, tailored to meet varied downstream requirements.

¹⁷ The UF-RO process refers to the use of ultrafiltration (UF) and reverse osmosis (RO) membrane technologies to treat reclaimed water.

03

Digital Intelligence

Smart Water Revolutionising the Industry (Intelligence)

Driven by digital transformation, BEWG is advancing intelligent management and fostering sustainable development. Leveraging standardisation and digital intelligence, we have deepened intensive management to continuously enhance the operational efficiency of large-scale assets and drive accelerated business transformation. On the innovation front, the Group actively fosters a strong research culture and a collaborative ecosystem, facilitates the practical application of technological innovations, and partners with industry peers to drive collective progress. Through ongoing exploration and practice, we aspire to lead the water utilities industry towards an intelligent, green, and sustainable future, creating enduring value for society.

The coverage rate of water plant business systems reached

100%

The coverage rate of regional intensive water plants reached

100%

The SED platform was selected as a

"Typical Case of Smart Water" by the Ministry of Housing and Urban-Rural Development of the People's Republic of China

Secured

156 newly granted authorisations

Obtained

245 new patents

Total authorised patents reached

1,555

Passed the annual review of

ISO 27001 Information Security Management System Certification

Obtained

ISO 38505 Information Technology - Governance of Data



Intelligent Plant Operation

By leveraging standardised management and intelligent technologies, BEWG has deepened intensive management to continuously enhance the operational efficiency of large-scale assets and accelerate business transformation. On the innovation front, the Group actively fosters a strong research culture and a collaborative ecosystem, facilitates the practical application of technological innovations, and partners with industry peers to drive collective progress. Through ongoing exploration and practice, we aspire to lead the water utilities industry towards an intelligent, green, and sustainable future, creating enduring value for society.

Standardised Plant Development

We have been working to standardise the operations of our water plants. By integrating the ISO 9001 quality management system with the Group's long-standing operational experience, we have systematically established a standardised framework covering data standards, business processes, and management practices, which has been fully implemented across all water plants under the Group. Meanwhile, built on our self-developed operation management platform "Smart Execution of Drainage" (SED), we have completed a SaaS¹⁸ migration, digitising once-fragmented management practices into standardised online workflows. This transformation has overcome geographical and organisational constraints, allowing for the rapid replication and scaling of proven operational models.

To improve the operational quality and efficiency of water plants, we have established a star-level evaluation system for enterprise operation. Under this system, plants are comprehensively assessed along 5 dimensions, including process management, operational quality, business results, personnel capabilities, and digital operational capabilities. In 2025, we evolved this framework from the "Standard Star-level" to "Digital Star-level", enabling water plants to continuously improve their operational performance.

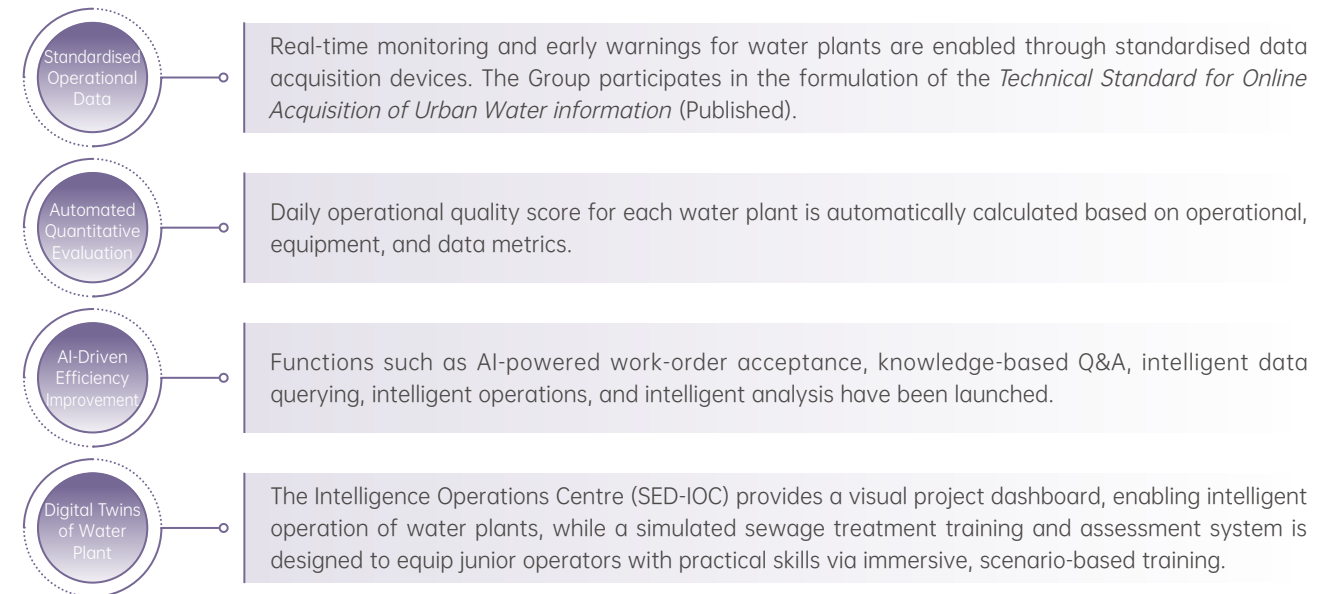
Digital Operations and Management

BEWG advances high-quality operations in water supply and sewage treatment businesses by digitising its water plants. All of our water supply companies have fully digitised their marketing and customer services, enabling users to "pay bills without leaving home and handle business with minimal effort". Supported by our SED platform, we have established a closed-loop system based on "monitoring – disposal – evaluation", empowered by AI for critical decision-making. This upgrades plant operations from a reactive, manual model to an intelligent system characterised by proactive prevention, process control, and traceable performance.

In 2025, BEWG completed the SaaS migration of the SED platform, introducing enhanced functionalities such as work order-linked compensation and safety oversight. On this basis, we have refined an integrated management model encompassing production operations, equipment and facilities, laboratory testing, and data logging and analytics, which can now be cost-effectively and flexibly adopted on-demand by industry peers. In recognition of its innovative contribution, the SED platform was selected as a "Typical Case of Smart Water" by the Ministry of Housing and Urban-Rural Development of the People's Republic of China in 2025.

¹⁸ SaaS (Software as a Service) is a model that delivers software applications to users over the internet. Users typically access the software on a subscription basis, without the need for local installation or maintenance. Offered on a subscription basis, the software vendor is responsible for system updates, maintenance, and security, allowing enterprises to lower IT costs and rapidly deploy digital solutions. For water plant operators, this model allows them to obtain standardised operational services through a subscription.

Driving Water Plant Efficiency Through Digitalisation



SED Agent Dashboard

AI-powered Work-order Acceptance

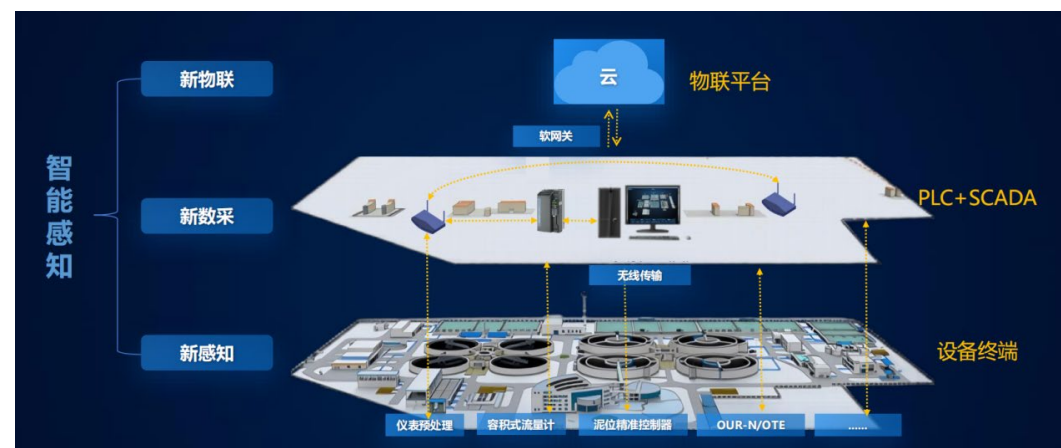
In 2025, BEWG launched an AI-powered work-order acceptance system, which can automatically determine whether acceptance criteria have been met by comparing before-and-after photos of the site, then issue a pass or fail conclusion, achieving an accuracy rate of 89%. This deployment has significantly improved operational management efficiency across the Group's water plants.

Intelligent Plant Operation

Intelligent Perception and Regulation

BEWG has developed a comprehensive smart water operating system that covers the entire chain of "perception – analysis – regulation". Through a unified framework for data collection and governance, this system enables in-depth perception and insight of the entire process. By adopting a "Cloud Brain + Plant Side" collaborative control paradigm, it translates AI-driven decisions into automated, optimised equipment operations, thereby transforming plant operations from experience-dependent practices to an intelligent, data-driven model.

A key advancement in 2025 was the establishment of a standardised process system and the pilot deployment of dedicated process AI initiatives, including the Process Intelligent Control System and the Enki AI Agent. These solutions could deliver a comprehensive and in-depth analysis of full-plant operations, enabling a transition from experience-based to data-driven intelligent control. As a result, we achieved stable compliance with effluent ammonia-nitrogen standards while reducing both the cost per cubic metre of water in biological treatment unit and the comprehensive cost per cubic metre of water, covering water, electricity, chemicals, and sludge.



Schematic Diagram of the Water Plant Intelligent Perception System

Process AI Initiative

Process AI uses the OPC Server to collect real-time operational data from sewage treatment plants and uploads it to ENKI, a cloud-based large model. This enables end-to-end integration of plant-level perception data, laboratory test data, and cost data, thereby effectively tackling industry-wide data-quality issues such as sensor drift, data gap, and noise. This cloud-based large model conducts a plant-wide analysis of all process operations every 10 minutes. It can identify potential risks and provides adjustment recommendations via the EMR-OPC Intelligent Control System, which are then regulated by the SCADA system to close the production control loop. This year, BEWG's Zaozhuang and Huadu Projects completed the standardisation of control logic paradigms for all their core treatment units, with the baseline deviation for aeration energy consumption per cubic metre of water in the biological tanks gradually narrowing. Additionally, a total of 30 sewage treatment plants initially completed the standardisation of their process control logic, which facilitated standardised operations among process engineers, automation engineers, and operational staff while yielding a modular framework that can be locally deployed and reused by other plants, both within and outside the Group.

BEWG has developed and deployed a series of intelligent IoT facilities, including data collection software gateways, wireless communication modules, instrument pre-processing devices, volumetric flow meters, and constant sludge-level controller, to gain a full perception of plant operations and achieve intelligent control. Concurrently, the Group utilises an IoT cloud platform to network plant equipment and enable data applications, while building in-house expertise to strengthen capabilities in data collection and program control. By the end of 2025, the Group's automatic control technicians coverage rate had reached 96%, the average program control rate for core water treatment units had been 78%, the completeness rate for key signal collection exceeded 96%, the coverage rate of water plant business systems had been 100%, the number of online devices exceeded 170,000, and the annual quantity of business work orders exceeded 1.95 million.

Data Collection Software Gateway (BE-DCSG)

To address the constraints of traditional hardware-based data collection, such as slow deployment, high cost, and reliance on specialised engineers, BEWG developed its proprietary Data Collection Software Gateway (BE-DCSG). This solution employs a "software-defined" architecture to fundamentally redesign the data collection process. In 2025, we piloted the gateway at 6 water plants, including the Daoxianghu (Phase II), Eshan, and Dalang projects. The trials achieved a 62% reduction in deployment time, lowered the skill threshold from engineers to operational staff, and cut single-plant maintenance effort by approximately 40%. These outcomes demonstrate that water plants are entering a new era of "agile data collection and reliable operations & maintenance".

Volumetric Flow Meter (ISS-VFM)

BEWG has implemented the Volumetric Flow Meter (ISS-VFM) to intelligently upgrade the chemical dosing systems across its water plants. This technology enables precise metering of small-volume chemical dosing with an accuracy rate exceeding 95%, while also providing pipeline leak detection and accurate multi-line dispensing. In practice, the ISS-VFM effectively resolves the longstanding challenges of inaccurate measurement and uneven chemical dosing, which improves system stability, reduces the need for manual intervention and inspection, and unlocks substantial potential for chemical cost savings.



Volumetric Flow Meter

Constant Sludge-Level Controller (ISS-CSC)

BEWG's self-developed Constant Sludge-Level Controller (ISS-CSC) continuously monitors sludge-level dynamics in high-density sedimentation tanks and intelligently adjusts sludge-discharge frequency to stabilise sludge bed thickness, thereby enhancing flocculation and retention efficiency while recovering residual chemicals adsorbed by the sludge bed. The solution reduces phosphorus-removal chemical dosage by 15%-20%, significantly increases the concentration of discharged sludge, and allows higher treatment capacity under the same influent conditions. Also, it reduces chemical and power consumption in the sludge-dewatering stage, achieving the dual objectives of cost reduction and efficiency improvement.



Intelligent Plant Operation

Intensive Management Transformation

BEWG is driving the transition to intensive management across all regions. By transforming business mechanisms and upgrading supporting management systems, we are facilitating the integration and sharing of regional resources while progressively building specialised service capabilities. This year, aligned with the implementation requirements of the new operational paradigm of "Cloud-Chain-Unit", we consolidated practical experience from intensive transformation, refined standardised program control logic, compiled the *Guidelines for Program Control Requirements and Evaluation of Sewage Treatment Plants*, and developed standardised program control modules for integration into the cloud-based OPC (Open Platform Communications) system library. We are systematically advancing intensive management, having completed transformation acceptance for 18 regions and conducted planning reviews and phased evaluations for 12 regions. Concurrently, we are promoting automation at individual plants and standardisation of water production and raw water plants, all of which are integrated into our regional intensive management planning.

As regional intensive transformation deepens, we are focusing on key initiatives such as work order and labour hour analysis, talent skill level certification, and specialised services. Through these efforts, we are helping regions strengthen plant-level standardisation, cultivate high-skill talent teams, and standardise specialised services, thereby supporting continuous regional management improvement and enhanced operational efficiency.

By the end of 2025

The Group has completed intensive transformation across all regions with the intensive coverage rate of

100%

Case

Intensive Management at BEWG's Regional Companies in Shenzhen and Shantou

In 2025, BEWG successfully achieved a transition from "single-plant automation + regional intensive management" to an integrated "cross-city, multi-business intensive management" in Shenzhen and Shantou. The region spans Shenzhen and Jieyang, encompassing 13 projects across municipal sewage treatment, rural and township sewage treatment, pipeline networks, and sludge treatment, with a total treatment capacity of 783,500 tonnes per day. By establishing a digital operations system that covers all businesses and fully implementing work-order-based management, we have effectively consolidated operational resources and capabilities across the region.

Taking the Hengling Water Plant in Shenzhen as a model, the region continuously enhances its automation level and operational resilience through coordinated process-equipment optimisation and intelligent control upgrades, reaching a maximum daily treatment capacity of 850,000 tonnes. Furthermore, through regional resource sharing and an optimised workforce structure, our employees' overall capabilities and productivity per capita have significantly improved. Efficient collaborative models, such as "On-Site Night Duty", have been implemented across multiple plants, achieving a dual leap in operational efficiency and service quality.



BEWG's Configuration Diagram for Shenzhen-Shantou Region

Digital Management Enhancement

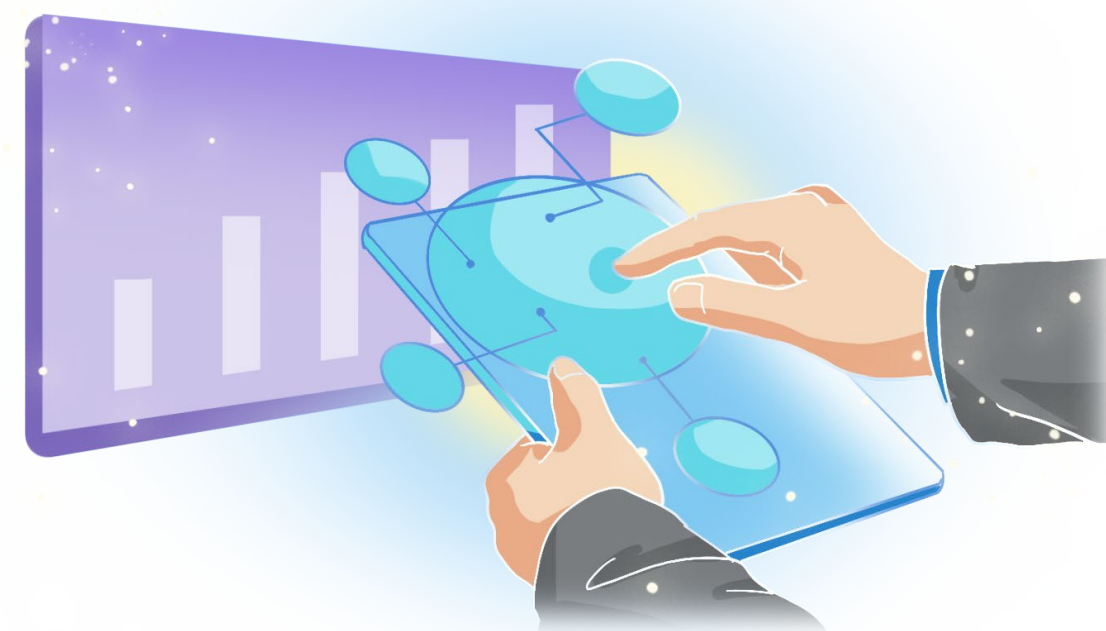
Under the guidance of its digitalisation strategy, BEWG has successfully integrated business and finance, thereby connecting the core management processes and establishing a unified and reliable data foundation at the Group level. Adopting an "application-driven governance" approach, BEWG systematically advances data governance and is taking the lead in embedding AI agents into management workflows. This enables an upgraded operational paradigm and drives a systematic transition from process reengineering to AI empowerment.

Business-Finance Integration

In 2025, BEWG launched a Group-level business-finance integration platform, which completed the systematic reengineering and standardisation of 10 core management processes, from procurement and contracts to investment and financial reporting. Built on a unified framework of processes, data and rules, and refined through hundreds of iterations, the platform has significantly enhanced the Group's internal control compliance, operational data transparency, and traceability. It now serves as a unified and reliable business and data foundation for budget management, business analysis, data governance, and AI applications.

Intelligent Finance

In 2025, adopting the "application-driven governance" approach, BEWG systematically built a data-driven intelligent finance system. By unifying data standards, governing master data, and launching key management dashboards, we digitised nearly 200 core performance and operational metrics, shifting our operating paradigm from "offline data collection" to "online data visibility and intelligent decision-making". Based on this, we have deeply integrated AI technology, deploying AI Agent in high-compliance scenarios such as contract review and financial document auditing. Through this "digital-first management" strategy, we have significantly improved risk identification accuracy, approval efficiency, and process automation.



Innovation Leadership

BEWG identifies technological innovation as the core driver for its sustainable growth and operational excellence, regarding it as a fundamental strategic support for high-quality development. The Group is dedicated to turning innovative concepts into practical solutions and accelerating the conversion of scientific and technological achievements into real-world productivity. To fuel this process, BEWG has implemented targeted incentive mechanisms and fosters a vibrant innovation ecosystem to unlock internal potential. In parallel, BEWG places strong emphasis on cultivating outstanding talents and is actively establishing industry-academia collaboration platforms that bridge education with industrial application. By integrating these resources, the Group aims to steer the water utilities industry toward a new phase of high-quality, innovation-driven development.

Our innovation achievements have received the following recognitions during the reporting period:

- Key Technologies and Applications for Intelligent Control of Efficient Resource Recovery from Municipal Wastewater won the First Prize of the 2025 Outstanding Achievement Award for Scientific Research (Natural Sciences and Engineering Technology) awarded by the Ministry of Education.
- Key Technologies and Applications of Intelligent Perception and Autonomous Control Systems for Wastewater Reclamation Processes won the First Prize of the 2025 Science and Technology Progress Award of Inner Mongolia Autonomous Region.
- Novel Process and Equipment for Anaerobic Ammonium Oxidation of Kitchen Waste Digestate won the First Prize of the 2025 Hunan Provincial Environmental Protection Science and Technology Award.
- LEBC - Low-Carbon High-Efficiency Biological Control System and Smart Energy Management Retrofit of the Water Source Heat Pump System at Yanjiao West Plant in Sanhe City were selected into the Typical Cases of Green and Low Carbon Development in 2025
- Research on Slope Runoff Interception and Purification Based on TRIZ Theory won the Third Prize in the finals of the 2025 Beijing Municipal Innovation Methodology Competition & China Innovation Methodology Competition (Beijing Division).

Scientific and Technological Innovation

Guided by the principle of "customer as the source and innovation as the way", BEWG positions technological innovation as the core driver for transforming and upgrading the water utilities industry. To support the effective implementation of the Group's innovation strategy, we continue to scale up our R&D investment. Through a dual-drive mechanism that integrates internal R&D with external partnerships, we are systematically integrating cuttingedge technologies into all business scenarios. This enables us to deliver high-performance, eco-friendly, and highly-intelligent solutions, thereby propelling the industry toward a more sustainable and higherquality future.



Innovation Mechanism Assurance

To reinforce the role of technological innovation as a core driver, the Group has established a collaborative innovation system that integrates "strategic planning - resource coordination - application implementation". This system defines a three-tier organisational structure, comprising the executive, management, and execution levels, with clear roles and responsibilities. This closed-loop management, from top-level strategy formulation down to on-ground execution and validation, ensures efficient allocation of S&T resources as well as results translation, providing a solid governance foundation for addressing long-term challenges, including climate transition. In 2025, we introduced the *Core Product and Technology Directory Management Rules of BEWG* and revised the *Incentive Scheme for Scientific and Technological Innovation Achievements of BEWG*. By refining incentive mechanisms and detailing reward criteria, we have further motivated our R&D teams, providing strong assurance for the generation and commercialisation of scientific and technological innovation outcomes.



R&D Team Development

While maintaining high-intensity and sustained R&D investment, BEWG actively drives innovation among its member companies, establishing a structured pipeline of innovation capabilities. Centred on the core principles of "technology-driven advancement, industry-academia integration, and ecosystem collaboration", BEWG has built a multi-dimensional system for cultivating R&D talent.

We are committed to driving innovation through the integration of high-end talent with business needs. To this end, we have assembled a team of industry-leading experts in key areas such as wastewater treatment, water supply, and dual-carbon initiatives. Their contributions, through on-site engagement, technical problem-solving, and collaborative think tank development, provide the essential expertise needed for breakthroughs in critical technologies. We recruit talent through various channels and have forged partnerships with renowned domestic and international universities and research institutions to attract high-level professionals.

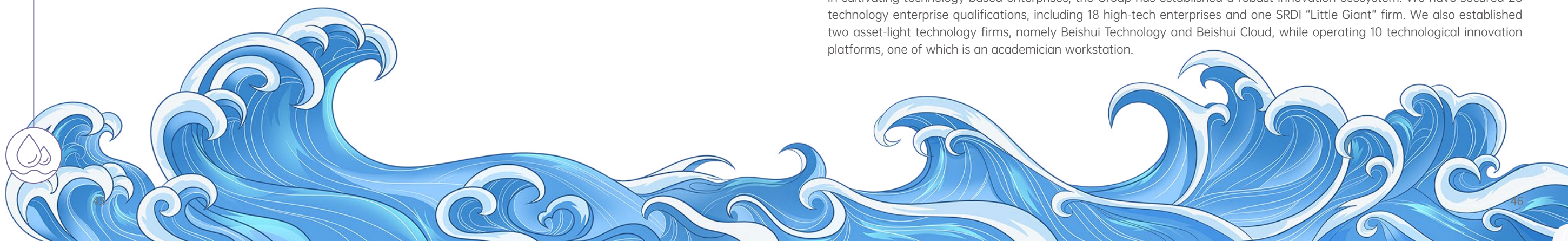
BEWG Academician and Expert Workstation

In alignment with the Group's functions and business needs, and building on the project for the development and application of advanced AOA (Anaerobic-Oxic-Anoxic) sewage treatment technology conducted in collaboration with Peng Yongzhen, an academician of the Chinese Academy of Engineering (CAE), we organise relevant scientific and technological activities and talent development programs, with a focus on technological R&D and problem-solving, and a priority on the commercialisation of research outcomes. As of the end of the reporting period, the workstation has cumulatively applied for 30 patents, including 15 invention patents.

BEWG Postdoctoral Research Workstation

Established with the approval of the Ministry of Human Resources and Social Security of the PRC and the National Postdoctoral Management Committee, the BEWG Postdoctoral Research Workstation has seen 5 postdoctoral researchers complete their research projects and graduate since its inception. In 2025, there are 2 postdoctoral researchers specialising in research related to sewage treatment and process studies.

In cultivating technology-based enterprises, the Group has established a robust innovation ecosystem. We have secured 28 technology enterprise qualifications, including 18 high-tech enterprises and one SRDI "Little Giant" firm. We also established two asset-light technology firms, namely Beishui Technology and Beishui Cloud, while operating 10 technological innovation platforms, one of which is an academician workstation.



Innovation Leadership



Innovation Resource Integration

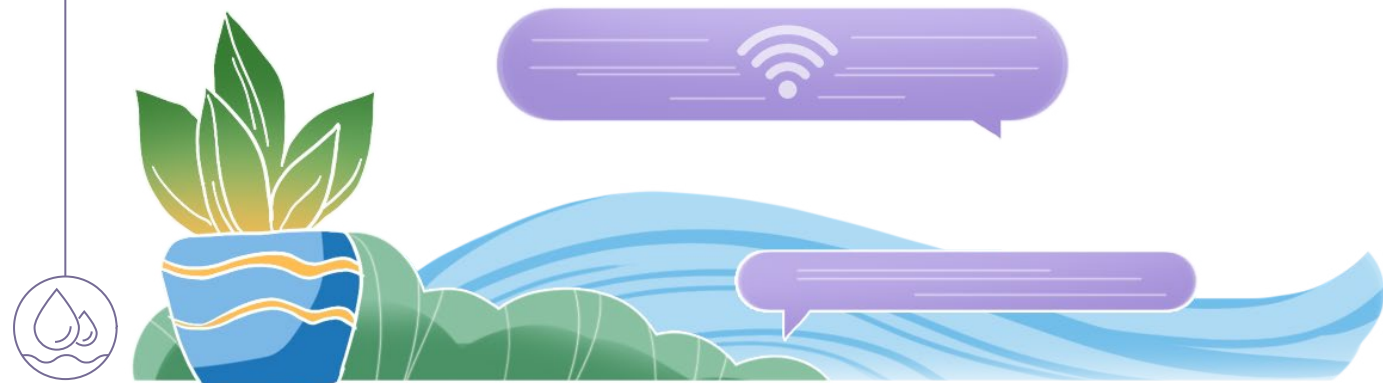
We are committed to building an open and collaborative innovation ecosystem that leverages systematic mechanisms to integrate internal resources and generate sustainable value. Internally, we thoroughly explore the potential value of operational scenarios, innovatively recover and reuse waste heat from sewage treatment, and apply the core technical capabilities we have accumulated in smart water sector in various industries. Furthermore, through our technology innovation platform, we have deepened the synergistic mechanism of “technology - strategic investment - education - market”, establishing an open innovation system encompassing “R&D - incubation - industrialisation”. Guided by clear strategic roadmap and standardised collaboration processes, we explore diverse cooperation models such as “virtual business units” and incubate independent companies. These efforts actively attract and nurture internal and external innovation and entrepreneurial forces, accelerating the commercialisation and market adoption of technological achievements.

During the reporting period, several technologies of BEWG were selected for national-level research programs.

Ministry of Housing and Urban-Rural Development: <i>Key Technologies and Equipment for Sustainable Urban Development</i>	New Energy Island, Smart Pipeline Network Technology
Ministry of Ecology and Environment: <i>National Major Science and Technology Project on Environmental Comprehensive Governance in Beijing-Tianjin-Hebei Region</i>	AOA Technology, BESWIFT Intelligent Decision-making Technology

Case New Energy Island - Sewage Source Heat Pump

New Energy Island - Water Source Heat Pump Smart Energy Management System combines AI technology with traditional high-energy-consuming processes. It upgrades the existing equipment with an IoT monitoring system at minimal cost, enhancing the intelligence level of the original heat pump system and utilising the heat energy generated from sewage treatment to provide distributed cooling and heating for sewage treatment plants. The system can predict load variations based on historical data, optimise scheduling strategies, and enable real-time energy consumption monitoring and dynamic adjustment. This ensures the system consistently operates at its optimal state, addressing the pain points of traditional systems, such as excessive cooling in summer, overheating in winter, high energy consumption, and inconvenient regulation. As a result, user comfort has significantly improved, while operating costs have markedly decreased. After the renovation, the system achieves a comprehensive energy-saving rate of 30%-40%, providing a replicable “intelligent + low-carbon” management model for scenarios such as sewage treatment plants and industrial parks.

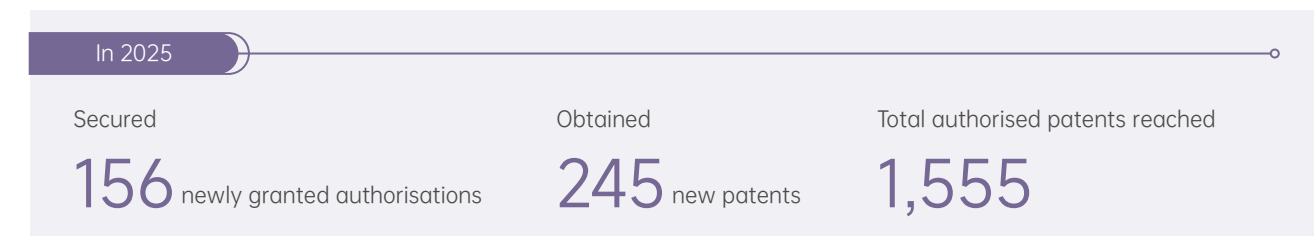


Intellectual Property Management

BEWG actively supports national science and technology strategy by firmly committing to technological innovation and intellectual property protection. We strictly adhere to laws and regulations such as the *Patent Law of the People's Republic of China* and the *Trademark Law of the People's Republic of China*, and implement internal policies such as the *Intellectual Property Management System of BEWG*. We manage intellectual property throughout its entire lifecycle, including application, transfer, use and confidentiality, while promoting centralised procurement of agency services to systematise our operations. At the organisational level, we continue to refine our technological innovation system and strengthen top-level design, with the Technology Decision Committee making all key decisions to ensure that R&D outcomes are effectively translated into products and realise their market value.

In 2025, we revised the *Intellectual Property Management System of BEWG*. By optimising its structure and clarifying the responsible departments and approval processes, we further strengthened the systematic management of intellectual property. We also refined the procedures for patent lifecycle management. In particular, we introduced evaluation and review mechanisms for patent transfers, routine maintenance and lapsed patents, to enhance the standardisation and security of our intellectual property portfolio.

This year, the Group secured 156 newly granted authorisations and obtained 245 new patents, increasing the total number of authorised patents to 1,555, effectively enhancing the Group's intellectual property advantages.



Note: The data covers the Group's consolidated entities for the fiscal year 2025.

Leading Industry Progress

With innovation at its core, BEWG advances technological upgrades, explores new service models, and fosters industry-wide collaboration to lead progress and enhance value across the water utilities industry. Meanwhile, the Group actively promotes industry-education integration, cultivating specialised talent through university-enterprise partnerships to support the sustainable future of the environmental protection industry.



Industrial Interconnection Platform

Focusing on improving asset management efficiency in the water utilities industry, BEWG has developed “Yunlianwang”, an industrial interconnectivity platform guided by the new operational paradigm of “Cloud-Chain-Unit”. Built on “Data + Standards” and enabled by ecosystem connectivity, Yunlianwang provides the industry with a one-stop upgrade solution that integrates four core functional modules, i.e., data & AI, assessment & diagnostics, solutions, and products & services. The platform systematically connects government agencies, operators, and service providers. It supplies regulators with accurate and reliable data, offers operators an authoritative evaluation system based on quantitative data, and grant accredited, tiered certification to qualified service provider, thereby driving industry-wide resource integration through trusted data. Yunlianwang is developed to overcome the industry's challenges of “small scale, fragmentation, and operational inefficiency”, with the goal of steering the water utilities industry toward a more transparent, intensified, and competitively healthy future that supports high-quality growth. In 2025, we completed the development and launch of Yunlianwang 1.0, and successfully integrated and released its inaugural suite of quality datasets, models, standards, core products, and solutions.



Industry Innovation Practices

Based on cutting-edge industry advancements, BEWG actively collaborates with industry partners to steadily advance the “X Water¹⁹” blueprint, supporting the industry's steady transition into a new phase of development.

¹⁹ BEWG introduced the concept of “X Water” and worked together with the Jingjinji National Centre of Technology Innovation to establish the X Water Research Centre, to conduct interdisciplinary, cross-industry, and cross-sector research. The aim is to jointly explore new scenarios and paradigms for the upgrading and development of the water industry with the broader sector, providing direction for the future of the water utilities and ecological environment industries.

Innovation Leadership

In 2025, BEWG participated in a number of industry forums, systematically presenting the Group's innovative concepts and practical achievements, and promoting knowledge sharing and coordinated development in the water utilities industry. By establishing open dialogue platforms, we aim to foster industry exchanges, accelerate technological innovation, drive industry progress, and empower sustainable development.

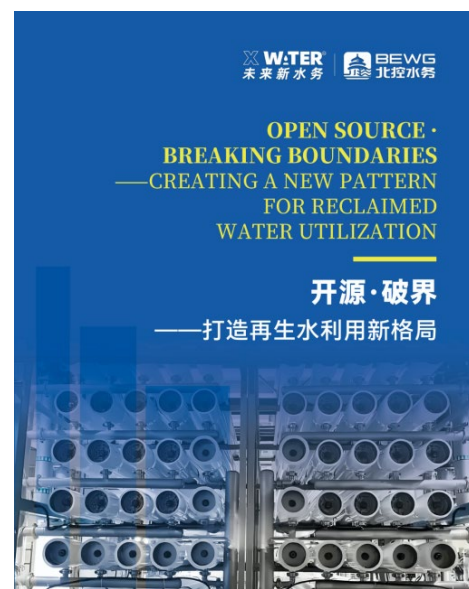
- In March, we unveiled the "Smart Water Dual Engine" intelligent solution and a series of low-carbon technology products at the ZGC Forum.
- In May, we co-hosted the "X Water" thematic forum at the International Conference on the Evolution of China Urban Water Environment and Ecology, gathering industry insights to collectively map out actionable pathways for building a "Beautiful China".
- In July, BEWG organised a dedicated session on "Aerobic Granular Sludge (AGS) Technology" at the Qingdao International Water Conference and Water Exhibition, accelerating the industrialisation of this low-carbon technology.

In 2025, the X Water Expert Group convened three plenary meetings to systematically advance the top-level framework, covering overall objectives, blueprint design, and implementation pathways, thereby laying a strategic foundation for industry transformation. During the year, two thematic forums were also held, focusing on critical issues such as "Water System Restructuring, Climate Change Adaptation, and New Development Scenarios" as well as "Overflow Pollution Control". Through multi-dimensional discussions, such forums helped build industry consensus, clarified directions for technological innovation and engineering practice, and vigorously propelled cutting-edge exploration in the water sector regarding sustainable and resilient development.

Currently, the ongoing research projects under X Water include the *Roadmap for High-Quality Drinking Water Development in China*, the *Research on a List of Treatment Technologies for New Contaminants (Water Supply)*, the *Research on Innovative Pathways and Technology Products*, the *Overflow Pollution Control*. All these studies adopt the "leading enterprise + expert network" collaborative innovation model, ensuring positive interaction among think tank, platform, and technology.

Case X Water Unveils Key Research on Reclaimed Water

In 2025, the X Water Expert Group released a pivotal research report *Opening Source · Breaking Boundaries: Creating a New Pattern for Reclaimed Water Utilisation*, positioning reclaimed water as a strategic pillar for national water resource security and a key pathway to restructuring water systems and building a "Beautiful China". The research focuses on systematically integrating reclaimed water into the "National Water Network Construction Project", exploring new models for multi-water coordination and local recycling. By leveraging technology to address the intertwined challenges of water scarcity, water pollution, and carbon emissions, this initiative contributes to building a sustainable and resilient urban-rural water circulation system.



The Report *Opening Source · Breaking Boundaries*



Innovative Industry-Education Integration

Dedicated to the principles of "voluntariness, equality, cooperation, and win-win results", BEWG collaborates with universities, research institutions, industry associations, and leading enterprises to jointly explore sustainable mechanisms for university-enterprise cooperation, with a focus on building an industry-education integration ecosystem featuring shared governance and shared benefits. By building a talent value chain of "government, industry, education, research, application, innovation, and finance", we innovatively implement the "Job - Course - Competition - Certificate Integration" talent cultivation model, effectively deepening industry involvement in education, improving diversified education mechanisms, and promoting collaborative education between universities and enterprises. Through this approach, we help advance national strength in education, science and technology, and workforce, while cultivating high-quality professionals in line with the development needs of the industry.

Case

National Ecological and Environmental Protection Industry Industry-Education Integration Community

BEWG, in collaboration with Nanjing University and Changsha Environmental Protection Vocational College, co-founded the National Ecological and Environmental Protection Industry Industry-Education Integration Community in 2023. The Community is dedicated to integrating resources to foster educational collaboration and tripartite partnerships among government, enterprises, and universities. By doing so, we aim to bridge market needs with technical expertise and establish an industry-demonstrative model for industry-education integration. In 2025, we organised several Community working conferences and hosted the inaugural "BEWG Cup" Eco-environmental Practical Teaching Innovation Ability Competition. We also successfully established the Employment Promotion and Entrepreneurship Education Alliance, as well as the Joint Conference on Party-Building Collaboration between Universities and Enterprises in the Environmental Industry Chain. This year, the Community released the *2025 Report on Talent Demand in China's Ecological and Environmental Protection Industry* and the *2025 Analysis Report on the Development of China's Ecological and Environmental Protection Industry*.



2025 Annual Work Conference of the National Ecological and Environmental Protection Industry Industry-Education Integration Community



"BEWG Cup" Eco-environmental Practical Teaching Innovation Ability Competition

Case

BEWG Partners with the Government to Host the International Eco-Environmental Venture Competition to Build an Innovation Platform for Industry-Education Integration

In November 2025, the finals of the Shenzhen Eco-Environmental Technology Innovation Competition and the 5th BEWG International Eco-Environmental Venture Competition were successfully held. Co-organised by BEWG in collaboration with the Ecology and Environment Bureau of Shenzhen Municipality, the Science, Technology and Innovation Bureau of Shenzhen Municipality, and the National Ecological and Environmental Protection Industry Industry-Education Integration Community, the competition achieved government-enterprise cooperation for the first time. Drawing on Shenzhen's vibrant industrial innovation ecosystem, the competition aggregated multi-party resources to establish a more robust platform that connects industry, capital, and market opportunities. Since its launch in May, the competition had attracted 698 high-quality projects from 12 countries and regions, covering 17 cutting-edge fields such as new contaminants management and digital-intelligent solutions. With total participants exceeding 2,000, the competition set new records in both the quantity and quality of projects.

Case

BEWG Selected in Beijing's First Batch of "Industry-Education-Assessment" Skill Ecological Chain Leading Enterprises (2025)

In July 2025, the Beijing Municipal Bureau of Human Resources and Social Security officially announced the first batch of "Industry-Education-Evaluation" skills ecological chain leading enterprises. BEWG was successfully selected as the sole leading unit in the ecological and environmental protection sector. This recognition acknowledges BEWG's sustained commitment to university-industry collaboration and industry-education integration, and would propel the vertical advancement of BEWG's "Industry-Education-Evaluation" framework, driving synergistic growth across industry, education, and talent development.

Innovation Leadership

Case BEWG Modern Industry College

Using the modern industry college as a platform, BEWG has established a collaborative education system between enterprises and schools. By integrating resources from the industrial chain with the academic expertise of eco-environmental-related departments in universities and colleges, we have created a digital industry-education integration platform centred on "education + technology". We continue to advance the construction of specialised disciplines such as Environmental Engineering, Water Supply and Drainage, and related interdisciplinary majors, forming a distinctive and pragmatic model for talent cultivation. In May 2025, the "Yunnan Water Resources and Hydropower Vocational College - BEWG Modern Industry College" and the "Gansu Forestry Voctech University - BEWG Modern Industry College" were established, bringing the total number of our modern industry colleges to 15. Together with our partner institutions, we will harness collective resources advantages to support the high-quality development of talents in the eco-environmental industry.



Yunnan Water Resources and Hydropower Vocational College - BEWG Modern Industry College

Case Special Training Program of Vocational Education for On-Site Engineer

In response to the call of the Ministry of Education, BEWG has partnered with four institutions, including Hebei Vocational University of Industry and Technology, to jointly launch the "Special Training Program of Vocational Education for On-Site Engineer". BEWG selected the Group's representative water plant projects and employs a project-based teaching model, with enterprise technical professionals providing guidance throughout the process, covering pre-job training, skill certification, internships, and practical training. By integrating theoretical learning with hands-on practice, this model is designed to systematically enhance students' technical expertise, professional conduct, and overall capabilities. As of the end of the reporting period, more than 160 students had participated in this joint training program.

Case Industry-Education Integration Practice Centre

Relying on representative water plant projects and based on its designation of the Ministry of Education's "National Vocational Education Teacher Enterprise Practice Base", BEWG has established an industry-education integration practice centre that integrates practical teaching, social training, production operations, and technical services. In 2025, the College of Civil Engineering at Taiyuan University of Technology organised 80 students to go to the Dongguan-Huizhou Regional Industry-Education Integration Practice Centre of BEWG in Dongguan City, Guangdong Province for internships and training.



Practical Training at the Industry-Education Integration Practice Centre

In July, we held general and special training courses for enhancing the engineering practice ability of faculty members at universities nationwide specialising in ecological and environmental sciences, providing training and immersive on-the-job practical experience for instructors from numerous higher education institutions across the country.

Information Security Assurance

As BEWG advances its digital and intelligent transformation, it places a secure and reliable operational network environment at the core of its efforts, so as to ensure the information security and privacy of both users and the Group.

Information Security Management

The Group strictly adheres to laws and regulations such as the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and the *Personal Information Protection Law of the People's Republic of China*. We formulate and continuously improve internal policies related to information security and privacy protection, including the *Information Security and Privacy Protection Policy of BEWG*, the *Information Security Management System of BEWG*, the *Digital Operation and Maintenance Management System of BEWG* and the *Management Measures for External Personnel Accounts and Digital System Permissions*.

The Group maintains a "zero-tolerance" attitude towards violations of information security and privacy protection regulations, and has implemented a series of control measures. We have assigned dedicated personnel to handle privacy protection-related work. Any privacy-related issues or suspicious situations can be reported through internal feedback channels. Once verified, we will take serious action in accordance with relevant regulations. During the reporting period, BEWG completed the external information security audit in full compliance with the requirements of the ISO 27001 Information Security Management System certification and the ISO 38505 Information Technology - Governance of Data.

The Group's privacy protection policy has applied to the entire Group and extended to all suppliers and third-party partners. The policy has undergone a systematic review and update in alignment with new regulations and the principles of compliance and employee conduct set forth in the ISO 38505, ensuring that all data governance activities remain lawful and compliant.

BEWG has built a three-tier information security management structure consisting of executive, management and execution and continues to improve the management responsibilities of information security at each level. The Group's senior management is responsible for the ongoing oversight of information security matters. This year, building on our existing perimeter defence and emergency response capabilities, we have introduced a threat analysis function, marking a shift in our security approach from reactive operations and response to proactive intelligence analysis.



Information Security Assurance

Executive	Information Security Leadership Team	- Coordinate the overall strategic planning of the Group's information security; - Make decisions on major issues related to the information security of the Group; - Review and monitor the information security within the Group; - Coordinate and promote the daily information security work of the Group.
Management	Information Security Management Team	- Conduct daily information security management; implement the organisational structure and strategic direction established by the Information Security Leadership Team; and coordinate the maintenance and continuous improvement of the Group's information security management system; - Provide professional support and guidance for the information security of the Group; - Assess the Group's information security risks; - Undertake threat analysis; - Organise the supervision and inspection of the Group's information security.
Execution	Enterprise Digital Centre	Implement the Group's information security policies and objectives, develop future plans for information security construction, and continue to carry out information security construction of the Group.
	Information security specialists from all centres, regions and business units	Cooperate with the information security management team to complete work related to information security, such as communication and tracking on implementation of security system requirements, coordination and promotion of continuous management of information assets in the department, timely reporting of security incidents and cooperation in response, etc.

Information Security Technology and Operations

By continuously optimising its information security technology system and strengthening internal management, BEWG has systematically fortified its information security defences and effectively safeguarded user data and privacy.

This year, to address increasingly sophisticated cyber threats and enhance our overall governance and risk management capabilities, the Group identified endpoint security, particularly protection against novel malware and phishing emails targeting employees, as a key area of defence. Through comprehensive upgrades to our endpoint protection and email security systems, we have substantially enhanced the automated detection and blocking of advanced threats. We also established an internal risk alert mechanism and launched initiatives to raise employee awareness, issuing a total of 15 targeted threat advisories throughout the year.

In 2025, the Group had



0 significant information security incident



0 customer complaint regarding privacy issues

Key Initiatives for Information Security and Privacy Protection

Cybersecurity

Deploy an integrated security capability suite that includes next-generation firewalls, Intrusion Prevention Systems (IPS), advanced threat detection, Web Application Firewalls (WAF), and vulnerability management to ensure full compliance with the Level 3 requirements of the Multi-Level Protection Scheme (MLPS); institutionalise cybersecurity protection practices through unified policy management and real-time monitoring to reinforce a multi-layered defence against potential intrusions. This year, we classified and registered newly added critical systems and scheduled compliance retests for systems that have reached their evaluation cycle.

Vulnerability Scanning and Remediation

Establish a vulnerability scanning and remediation mechanism by embedding security testing into the pre-launch process; leverage the cloud-based security management platform and work order system to conduct monthly vulnerability scanning, ensure closed-loop tracking, and enforce timely remediation.

Data Security

Implement off-site disaster recovery and database audit strategies for core systems, and strengthen security controls and full lifecycle management of the data middle platform; prevent the leakage of sensitive information and source code through technologies such as web watermarking and secure space isolation.

Disaster Recovery Simulation Drills

Establish a disaster recovery system to ensure business continuity, and prevent and mitigate operational security risks in information systems; conduct disaster recovery simulation drills for the financial system; verify the reliability of the system, the recovery ability from disaster and the feasibility of emergency plan for important information systems; improve the disaster recovery and security operation of information systems; and enhance the organisation's capabilities in emergency response, crisis communication and coordination among departments. In 2025, we engaged in two external cybersecurity attack and defence exercises, successfully defending our core systems without a single breach.

User Privacy Protection

Establish a mechanism for protecting user privacy data, clearly define data classifications, and commit to ensuring data integrity; implement strict access controls, full lifecycle tracking of third-party collaborations, and standardised incident response procedures to ensure closed-loop management of data collection, usage, storage, and destruction; implement a series of measures, including encrypted storage and transmission of sensitive data, deployment of firewalls and intrusion detection systems, and regular security assessments and vulnerability scans, to protect data from unauthorised access, tampering, or destruction.

Operation and Maintenance Service Management

Establish a process management platform and optimise the operation and maintenance management process system, covering core processes such as service requests, incident management, problem management, change management, release management, and demand management; standardise operation and maintenance mechanisms, improved the response speed and problem-solving capabilities of operation and maintenance services, and achieved closed-loop management of the Group's digital operation and maintenance services.

Responsible AI

Protect personal data and comply with applicable data protection laws when designing, developing, and operating AI systems; clearly define the business boundaries within which AI may operate; and empower designated personnel with the highest authority to intervene in, override, or escalate AI-driven decisions.

Information Security Awareness Education

BEWG makes continuous effort to raise employee cybersecurity awareness. In 2025, we rolled out two cybersecurity awareness training sessions for all employees, including an online cybersecurity course mandated by the State-owned Assets Supervision and Administration Commission (SASAC) and an internal online information security training program. These sessions covered seven topics, including relevant laws and regulations, account and password security, and telecommunications and internet fraud. We further reinforce information security awareness through online platforms and website splash screens. Besides, we have conducted specialised training and assessments on information security awareness, focusing on cybersecurity, data security, email and password security, and ransomware prevention. These initiatives have comprehensively deepened employees' understanding of cybersecurity and personal data protection, providing a solid foundation for the Group's cybersecurity and IT management.



Responsibility in Action

Harmonious Development Amplifying Social Value (Satisfaction)

BEWG upholds the development philosophy of "customer as the source and innovation as the way", and while advancing its core businesses, deepens the practice of social responsibility. We listen attentively to our customers, nurture our employees carefully, and safeguard employees' health and safety diligently. In addition, we drive continuous innovation in supply chain management at all stages, and serve the community wholeheartedly, fully embracing our role as a responsible corporate citizen.

Gave high priority to the development of business ethics culture. Business ethics training covered

100% of employees

Placed emphasis on safety awareness training, with a total of

32,746 hours of safety education and training

conducted throughout the year

Proactively learned about customer needs, with the annual customer satisfaction rate²⁰ reaching

99.84%

Strengthened ESG management of suppliers, with the review rate of ESG clauses for new suppliers²¹ reaching

100%

Integrated the fulfilment of corporate social responsibility into long-term development planning. We carried out public welfare practices focusing on community services, ecological education and rural revitalisation, with total charitable donations amounting to approximately

RMB **1.902** million

including

4 anti-corruption training sessions for the Board of Directors

covering

166,988 participants

²⁰ Customer satisfaction rate is a comprehensive evaluation index formed by weighting "process indicators + outcome indicators", integrating service process performance such as service response efficiency and on-site service timeliness, as well as operational outcome performance such as water quality and water pressure stability.

²¹ Review rate of ESG clauses for new suppliers refers to the proportion of newly added suppliers during the reporting period that signed and committed to abiding by the *Standard Terms of ESG Audits on Suppliers*. Newly added suppliers refer to those that passed the Group's supplier entry review and established cooperative relationships with the Group for the first time during the reporting period.



Compliant Operations

BEWG recognises that compliant operations are the cornerstone of sustainable corporate growth. We focus on building a robust corporate governance framework, establishing a rigorous risk management system, and defining a firm stance on business ethics. Through measures such as strengthening the standardised operation of the Board, improving risk management mechanisms, and systematically promoting business ethics training, we strive to foster a transparent, stable, and responsible sustainable operating environment.

Corporate Governance

BEWG has been improving its corporate governance structure, providing strong support for the Group's long-term stable development. As the core of the Group's governance system, the Board is responsible for coordinating and enhancing corporate governance standards, ensuring full and transparent information disclosure to all stakeholders, effectively safeguarding the legitimate rights and interests of shareholders and other stakeholders, and continuously creating long-term value for shareholders.

The Group implements a director rotation and retirement mechanism, whereby one-third of directors must rotate at each annual general meeting, with each director stepping down at least every three years, to ensure the continuous renewal and standardised operation of the Board. Candidates for directorship must be assessed by the Nomination Committee before being submitted to the Board for consideration. Board elections follow HKEX diversity rules, with comprehensive consideration given to professional skills, relevant experience and diverse perspectives, to ensure alignment with the Group's business development needs. In January 2025, the Group revised the Rules of Procedure for the Board of Directors, clarifying and adding a number of matters requiring review and approval by the Board, further optimising governance decision-making arrangements, and enhancing operational standardisation and governance transparency.

BEWG convenes annual general meetings in strict accordance with the Articles of Association and listing rules. Additionally, the Group provides shareholders with necessary documents such as Board's report and financial statements before the meeting, to ensure shareholders are fully informed and able to participate in decision-making. An independent third party is appointed as the scrutineer at general meetings to ensure the voting process is fair and impartial. The Group has established a diversified shareholder communication mechanism, whereby shareholders can communicate with the Board via channels such as corporate contacts, written correspondence or general meetings. In addition, shareholders can exercise rights such as convening extraordinary general meetings and submitting proposals on non-director election matters in accordance with the law.

Effectiveness of the Board of BEWG

Board diversity

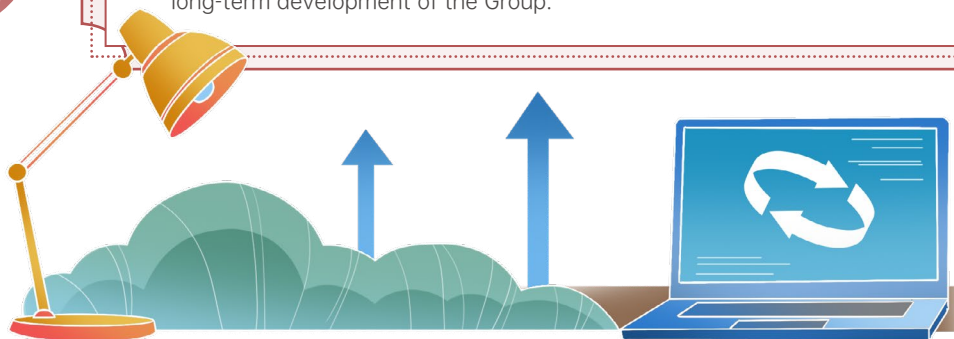
- The *Board Diversity Policy* clearly stipulates that the composition of the Board follows the principle of diversity, ensuring a reasonable balance between executive directors and independent non-executive directors to enhance the independence and decision-making objectivity of the Board; A diversity target has been set requiring the inclusion of at least one director of a different gender to ensure and maintain gender diversity at the Board level. As of 31 December 2025, the Board had 3 female directors.
- The Board members are appointed based on merit to ensure they provide balanced skills, experience and diverse perspectives required by the Group.
- When nominating candidates, the Nomination Committee takes multiple factors into consideration, including but not limited to gender, age, cultural and educational background, professional experience, skills, expertise and length of service.
- The Nomination Committee conducts regular reviews on the implementation of board diversity.

Board engagement

- A total of **5** Board meetings were held in 2025

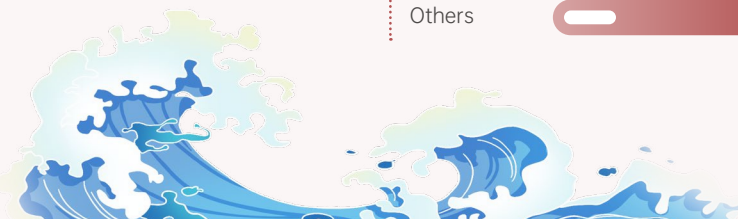
Board succession planning

- The Nomination Committee regularly reviews and assesses the Board succession plan, and actively identifies candidates with appropriate skills and diverse backgrounds in the light of the overall needs, term limits and step-down arrangements of the Board. By doing so, the Committee supports the effective operation of the Board and the long-term development of the Group.



Board Diversity of BEWG (as of 31 December 2025)

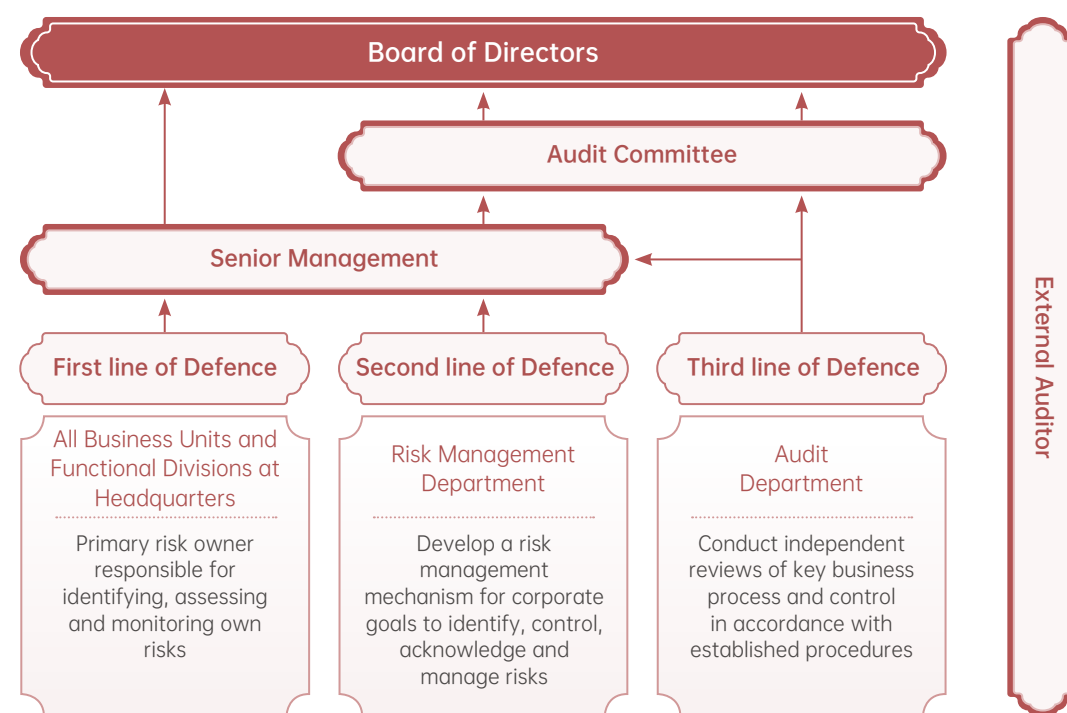
Position	Cultural and Educational Background	Directorship in other listed companies
Executive director	Bachelor	0-1 companies
Independent non-executive director	Master	2-5 companies
Non-executive director	Ph.D.	
Term of service	Age	Professional background
0-4 years	46-50	Finance
5-9 years	51-55	Law
10 years or above	56-60	Environment
Gender	Above 61	Business management
Male		Others
Female		



Risk Management

A robust and efficient risk control mechanism is a solid cornerstone for the long-term sustainable development of an enterprise. The Group advocates for a risk management culture of “Everybody Participates”, making every employee an active promoter of risk compliance. The Group’s Board of Directors is fully responsible for risk assessment and identification, ensuring that the risk management and internal control systems remain sound and effectively operational. The Group clarifies the direction of risk management framework development through the *General Principles of Risk Management of BEWG*, and coordinates efforts to gradually improve the risk management system; through the *BEWG Overall Risk Management Policy*, the Group standardises the risk management mechanism, and systematically defines the processes of risk identification, assessment, monitoring and response. By doing so, we strengthen the continuous management of internal and external risks, safeguarding our assets and operations. In 2025, the Board reviewed the key risks of focus for the year, and conducted a special assessment of the scope of risk review, risk status and relevant preventive measures.

The Audit Committee, entrusted by the Board, supervises the management's performance of duties in the design, implementation and supervision of the risk management and internal control systems. Drawing on the COSO ERM framework, BEWG has established a risk management system of "three-tier structure + three lines of defence". Additionally, we have clarified the management processes and operational specifications for risk identification, assessment and response. While ensuring the operation of the risk monitoring and early warning mechanism, we have formed a closed-loop management system for continuous supervision and improvement.



BEWG Risk Management Framework

In terms of risk identification and response, BEWG continuously updates its risk library, focusing on the analysis and response to emerging risks. This year, in addition to existing climate risk identification, policy-related risks such as debt resolution policies were incorporated into the risk management system, and corresponding response measures were implemented. In terms of risk assessment, BEWG has systematically optimised its risk assessment mechanism, and upgraded the traditional assessment model, making the assessment dimensions more comprehensive and objective. To enhance the adaptability of the assessment system to business realities, the Group has conducted special surveys among internal experts, and widely collected opinions from frontline staff through questionnaires. By doing so, we aim to enhance the representativeness, operability and business guidance value of the assessment results.

The Group has been reinforcing the end-to-end control of major risks. We ensure that risk response measures are effectively implemented through regular inspections and closed-loop management, thereby preventing the spread of risks. We conduct special investigations across the Group every six months, comprehensively monitoring the occurrence and handling of risk events. By doing so, we ensure timely identification and response of risks, and effectively control their scope of impact. For major and important risk matters, the Risk Management Centre takes the lead in establishing a systematic risk monitoring indicator system, and organising relevant responsible entities to regularly collect and analyse indicator data, so as to provide reliable data support for risk-related decision-making. We synchronously embed risk assessment criteria into the product and service development and project initiation processes, taking major risk indicators as preconditions for business decisions, so as to ensure that new business expansion is consistent with risk control requirements.

Business Ethics

Good business ethics are not only a cornerstone for maintaining a company's reputation but also a reflection of its commitment to social and legal responsibility. BEWG adheres to relevant laws and regulations, such as the *Anti-Unfair Competition Law of the People's Republic of China* and the *United Nations Convention against Corruption*. In addition, we have formulated internal policies such as the *Code of Business Conduct of BEWG*, the *Anti-Bribery and Anti-Corruption System of BEWG*, the *Overseas Anti-Corruption System of BEWG* and the *Implementation Rules for Supervision and Inspection at Critical Milestones*. These management frameworks govern the execution of anti-corruption measures and the prevention and control of integrity risks, entrenching the foundations of business ethics and compliance.

The Group has established a business ethics control responsibility system with clear powers and responsibilities, ensuring that all requirements are implemented at all levels. The Board is responsible for formulating and coordinating the Group's governance codes and anti-corruption strategies, and building an incorruptible and compliant management framework. The management is responsible for implementing the decisions of the Board, ensuring that integrity and compliance requirements run through every aspect of the Group's production, operation and talent management. In addition, we have established a leadership group for ethics and compliance, which is responsible for supervising the implementation of employees' professional ethics, urging all employees to act in accordance with laws and regulations, and coordinating the handling of violations of professional ethics. While strengthening professional compliance management, the Group gives full play to the supervision, guarantee and implementation role of the discipline inspection bodies. Under the leadership of the higher-level Discipline Inspection Commission and the Group's Party Committee, the Group's Discipline Inspection Commission Office assumes the responsibilities of supervision, disciplinary enforcement and accountability. The office supervises and inspects the performance of duties and integrity of Party members - both leaders and staff members - and handles complaint letters and visits, reports and problem clues, striving to reduce the occurrence of corruption incidents. The Group signs the *Letter of Responsibility for Party Conduct and Clean Government Development* with each direct-affiliated Party organisation, carries out commitment and promise activities for Party members' clean professional conduct, fosters clean government culture, and promotes integrity.

To enhance the effectiveness of supervision and implementation, the Group has been improving the audit framework and violation accountability mechanism, ensuring that all key links such as audit plan formulation, project implementation, problem rectification result application and accountability have institutional basis and are implemented in an orderly manner. The Group's Audit Centre conducts internal audit work every year, covering business ethics compliance content and achieving audits of all operations every three years. We maintain continuous supervision on key areas such as supplier performance, fraud risks and integrity discipline. We transfer integrity problems and clues found in audits to relevant responsible departments of the Group for handling, ensuring that all problems are dealt with in accordance with regulations. Therefore, a closed-loop management mechanism of audit supervision, problem rectification and accountability has been formed. This year, the audit work focused on core businesses and expanded wider, incorporating safety management into the key audit scope for the first time, and broadening the dimensions of business ethics compliance supervision.



Solid Institutional Foundation for Business Ethics

BEWG operates in China and overseas, and we comply with local laws and international business ethics standards. In addition, based on the actual situation of the Group, we urge employees to enhance their awareness of business ethics in the performance of their duties. We have zero tolerance for any violation of the Group's code of business conduct. Any employee found to have directly or indirectly violated the requirements of the code will be subjected to disciplinary action, including dismissal. Meanwhile, we incorporate the degree of compliance with the code of business conduct into employee performance appraisal, which is linked to compensation. The Group has formulated the *Action Plan for Building an "Six-in-One" Integrated Supervision and Coordination Mechanism of BEWG*. According to the plan, we have created a "six-in-one" supervision and coordination mechanism led by intra-Party supervision and supported by disciplinary inspection, inspection and patrol, investor, audit, employee democratic, and social supervision. It integrates supervision resources for closed-loop management to enhance supervision and governance effectiveness.



Multifaceted Training on Integrity Awareness

BEWG deeply integrates integrity into corporate culture and governance processes, and through systematic and multi-level training programmes, continuously enhances the integrity awareness and compliance capability of employees and contractors. In 2025, the Group, focusing on key positions and business risks, carried out targeted integrity education and risk prevention and control training, with a view to building a comprehensive defence line for integrity. This year, BEWG's business ethics training covered 100% of employees (including contract employees, interns and outsourced personnel).

Business ethics training for directors and Group executives

- ◉ We organised **4** anti-corruption training sessions for the Board, focusing on human resources management, procurement, ICAC case studies, etc. Each director spent an average of **2** hours on these sessions.
- ◉ We conducted **4** anti-corruption training programs for executives, with each executive averaging **170** minutes of training.

Business ethics training for all employees and management

- ◉ We held a special promotion meeting themed "Case-based Management, Strict Accountability" for all employees, covering more than **19,700** person-times, online and offline. Led by senior leaders, the event focused on key areas such as integrity, safety management and environmental compliance. The meeting adopted a combination of guidance and disciplinary awareness training to heighten the awareness of integrity and compliance among all employees.
- ◉ We carried out a themed activity "Integrity and Dedication Start from the Heart" for all employees. More than **700** management staff were organised to conduct special discussions on typical issues violating the spirit of the Eight-Point Regulation; By watching disciplinary education videos, analysing warning cases of disciplinary violation, etc., employees' consciousness of abiding by laws and disciplines was enhanced, and a culture of integrity and compliance was fostered.
- ◉ We included a themed lecture on integrity and self-discipline in the "Lijian Programme" Regional Business Talent Training. **51** business management personnel participated in the session, improving their awareness of compliant operation of regional businesses.



Special Promotion Meeting themed "Case-based Management, Strict Accountability"

Business ethics training for suppliers and contractors

- ◉ We sent anti-corruption emails to suppliers and contractors, and provided business ethics awareness promotion and training for them to enhance their anti-corruption awareness.

In 2025, BEWG had



0

business ethics-related violation incidents²² such as discrimination, customer privacy data leakage, conflict of interests, insider trading, etc.



Whistleblowing Mechanism to Reinforce Whistleblower Protection

We adhere to the *Rules for Discipline Inspection and Supervision Organs to Handle Accusations and Reports* and the *Provisions of the Supreme People's Procuratorate on Protecting the Rights of Citizens to Make Accusations*. Additionally, we have been enhancing our reporting mechanism through internal policies such as the *Confidentiality System for Whistleblowing and Accusation of BEWG*, the *Whistleblower Protection System of BEWG*, and the *False Accusation Investigation and Punishment System of BEWG*. We have also established a systematic management framework covering the entire process of acceptance, investigation and handling. The Group has special personnel responsible for report acceptance and investigation to ensure the reporting mechanism operates independently.

We encourage stakeholders to disclose any issues that violate national laws, regulations, or Group policies. Whistleblowers can submit reports without disclosing their identity information. The Group allows anonymous reports and does not require contact information as a precondition for acceptance. Meanwhile, we advocate and encourage real-name reporting, guide the orderly reporting of issues in accordance with the law. We prioritise real-name reports in acceptance, processing, and feedback, to improve the effectiveness of issue resolution and the satisfaction of whistleblowers. BEWG offers diverse reporting channels, publicly displayed in the "Integrity Compliance" section²³ on our official website, including email, telephone, mail, and in-person visits, providing convenient and varied feedback options.

For received reports, we commit to handling them in accordance with laws and regulations through methods such as interviews, preliminary verification, temporary storage, or closure, with zero tolerance for any disciplinary or illegal acts. In 2025, the Discipline Inspection Commission of the Group accepted a total of 37 issue clues from letters and visits, and handled all of them in accordance with the prescribed procedures. We also actively identify issues through inspections, audits, and daily supervision, broadening channels for collecting clues to ensure that relevant concerns are addressed in a standardised, multi-faceted manner.

BEWG firmly implements whistleblower protection policies, prohibiting any threats or retaliation, and safeguarding the legal rights of whistleblowers. We require reporting handlers to strictly observe confidentiality, sign the *Confidentiality Commitment Letter*, and prevent leaks. We also firmly investigate and deal with any false accusations.

²² During the reporting period, the Group was involved in one case of bribery involving non-state functionaries, and all individuals involved were subject to criminal penalties.

²³ <https://www.bewg.net/en/gwym/ljhg/>

Talent Management

BEWG always regards talent as the core strategic resource for sustainable development. Adhering to principles of fair, equal, diverse and inclusive employment, we provide all employees with equal opportunities for career advancement. The Group upholds a people-oriented development philosophy and dedicates itself to fostering employee growth and well-being. For example, we have been improving our talent promotion and development systems and have established diversified career progression channels. Also, we tailor training programmes with enriched content to address employees' diverse development needs. Through this systematic cultivation mechanism, we empower employees to achieve their full potential. This synergy between individual growth and organisational support enables employees to realise their value while driving the Group's high-quality, sustainable development forward.

Recruitment Management

We actively broaden our talent pool across all global operations through various channels, including social recruitment, internal referrals and applications, as well as campus recruitment. We strive to foster a fair, lawful, equal and non-discriminatory recruitment atmosphere at every operational location. Any form of forced labour or child labour is strictly prohibited in our hiring practices. We oppose all forms of employment bias throughout the recruitment process. Discrimination based on race, nationality, gender, disability, religious belief, or other similar grounds is not tolerated. Any identified violations are dealt with strictly in accordance with both Group requirements and applicable laws and regulations.



Fair and Transparent Recruitment Environment

During the recruitment stage, we ensure every candidate receives a fair and objective assessment through competency evaluations. We consistently implement an ability and performance-oriented hiring principle. In 2025, the Group further strengthened the implementation and end-to-end supervision of the *Recruitment Management System of BEWG*. We organised specialised training and assessments on compliant recruitment for all recruitment managers. By enhancing the professionalism and compliance awareness of recruitment staff, we effectively ensured every candidate received fair evaluation and equal employment opportunity. In 2025, no collective labour disputes occurred at BEWG.

Case

BEWG Hong Kong Kai Fat Company Participated in the Career Briefing Session at Hong Kong Sea School

In 2025, Hong Kong Kai Fat Company²⁴, as an industry representative, reaffirmed its support for cultivating local maritime talent, and participated in the Career Briefing Session at Hong Kong Sea School. Through workshops and seminars, we shared work experiences and career insights from the maritime industry with students. The company also addressed job-seeking inquiries, supporting young people in joining the marine cleaning sector. This initiative not only helped build a talent pipeline for the marine cleaning industry, but also promoted a new influx of skilled professionals. Beyond talent development, it also communicates to Hong Kong society BEWG's professional commitment to environmentally friendly and sustainable shipping practices.



Career Briefing Session

²⁴ Hong Kong Kai Fat Company is a subsidiary of BEWG, which is dedicated to providing local marine cleaning services in Hong Kong.

Case

Localised Talent Strategy Supported Water Operations in Portugal

In 2025, BEWG continued to advance its localised talent strategy in Portugal. To meet the operational needs of water projects, we recruited local young talent specialised in water supply/drainage and environmental engineering, primarily through campus recruitment and structured internship programs. The recruitment process strictly followed equal employment principles with professional background and practical ability as the core selection criteria, free from restrictions based on nationality or gender. Interns were deeply involved in practical work like plant operations and data management. Working under the guidance of experienced local staff, they effectively assimilated into BEWG's diverse and inclusive work environment.



Safeguards for Employee Rights and Interests

We respect employees' basic human rights and work conditions, strictly abide by local labour laws and support international human rights standards like the *Universal Declaration of Human Rights*. The Group maintains a zero-tolerance policy towards all forms of harassment and discrimination.

Trade unions have been established at the Group headquarters and all subsidiaries and branches. In addition, we have been actively building mechanisms for employee appeals expression and rights protection. By the end of 2025, trade union coverage reached 100% of employees within the Group's Beijing headquarters and all subordinate units. In addition, we regularly organise employee communication events, with the aim of promoting the mutual growth and development of employees and the Group. In 2025, we upgraded the "Wenbei" online Q&A platform, transforming it from a simple message board into a collaborative Q&A community for all staff, addressing various work-related queries from employees. Throughout the year, the platform served 7,064 employees with nearly 280,000 visits, which generated 9,164 posts and over 76,000 interactive comments. This fostered a culture of "ask freely, share openly" within BEWG. Furthermore, the Group has established diversified communication channels, including regular management forums and specialised surveys, and built a two-way, interactive, and transparent internal communication mechanism. By doing so, we have effectively enhanced management transparency and employee engagement and driven employee care policies onto a virtuous cycle of "policy design – two-way communication – continuous optimisation", ensuring their standardised iteration and sustained improvement.

The Group strictly adheres to the fundamental principle of equal pay for equal work regardless of gender. We regularly conduct market benchmarking surveys for compensation and dynamically calibrate salary levels based on job evaluations with market cost-of-living benchmarks. This ensures that our base salaries meet basic living needs and our compensation system remains competitive within the industry. We concurrently monitor and assess gender pay gaps, and continually calibrate the implementation of equal pay for equal work. This helps mitigate risks related to hidden pay inequality. In 2025, we revised the *Compensation and Benefits Management System of BEWG*. This revision systematically optimised the salary structure, benefits security system, and long-term incentive mechanisms, so that compensation distribution is deeply linked to performance, and benefits provision integrated with employee care. This safeguards, at an institutional level, that employees are remunerated fairly and share the Group's development achievements. Additionally, the Group strictly enforces national legal requirements regarding reasonable working hours and overtime management. We dynamically monitor employee working hours to prevent excessive overtime, and ensure employees receive time off in lieu or overtime pay in accordance with the law.

In 2025



The platform served

7,064 employees



with nearly

280,000 visits



generated

9,164 posts



76,000+

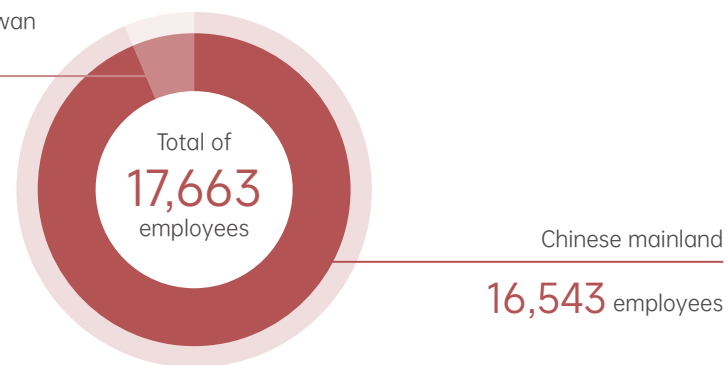
interactive comments

Talent Management

As of 31 December 2025, BEWG had a total of 17,663 employees, including 16,543 employees in the Chinese mainland and 1,120 employees in Hong Kong SAR, Macao SAR, Taiwan Province, and overseas regions.

Hong Kong SAR, Macao SAR, Taiwan Province, and overseas regions

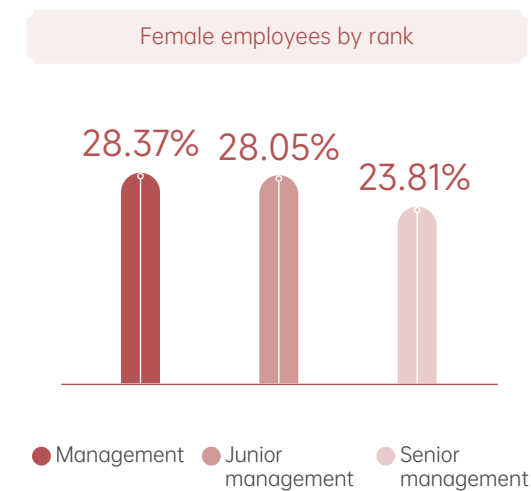
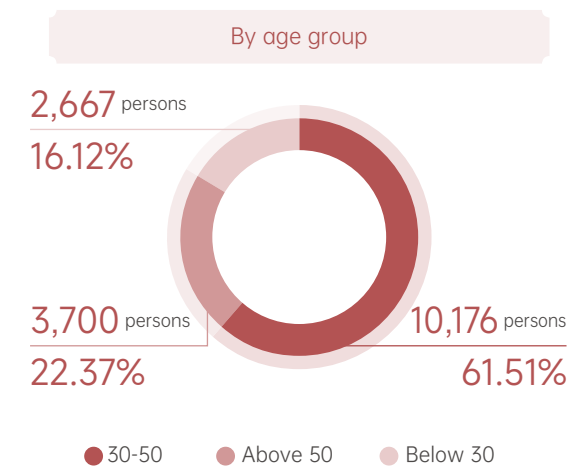
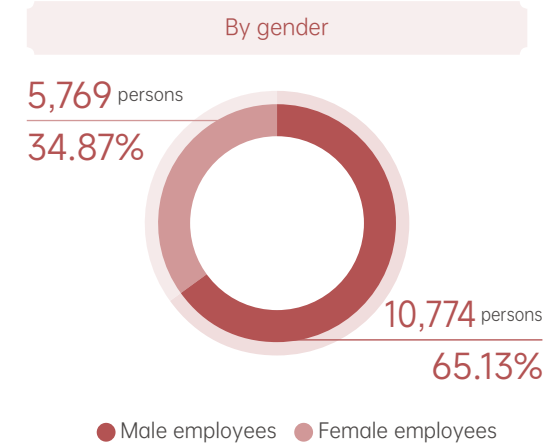
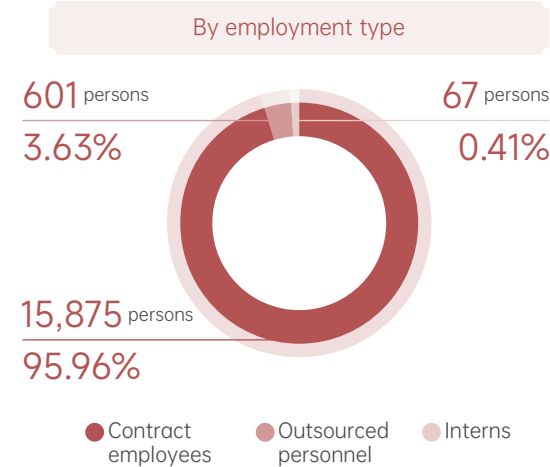
1,120 employees



Total number and proportion of BEWG employees by category in the Chinese mainland in 2025²⁵

Number of new contract employees in the year
722 persons

Proportion of new contract employees in the year
4.36%



²⁵ Considering that the business of BEWG is mainly concentrated in the Chinese mainland, so only the information of employees in the Chinese mainland is disclosed.

Total number of BEWG departing employees²⁶ and turnover rate by gender and age in the Chinese Mainland in 2025²⁷

Number of departing employees by gender			Number of departing employees by age group		
	Number of departing	Turnover rate		Number of departing	Turnover rate
Male employees	1,097	10.18%	Under 30	520	19.50%
Female employees	558	9.67%	Between 30 and 50	783	7.69%
			Over 50	352	9.51%

Talent Development

Focusing on cultivating human capital value, we have been making concerted efforts to build a comprehensive and systematic talent development ecosystem, and integrating talent development into the Group's sustainable development governance framework.

Training Management System

The Group has established a comprehensive and efficient training management system that aligns with the Group's strategic development pace and business iteration needs, so as to strengthen the foundation of employees' comprehensive capabilities in all aspects.

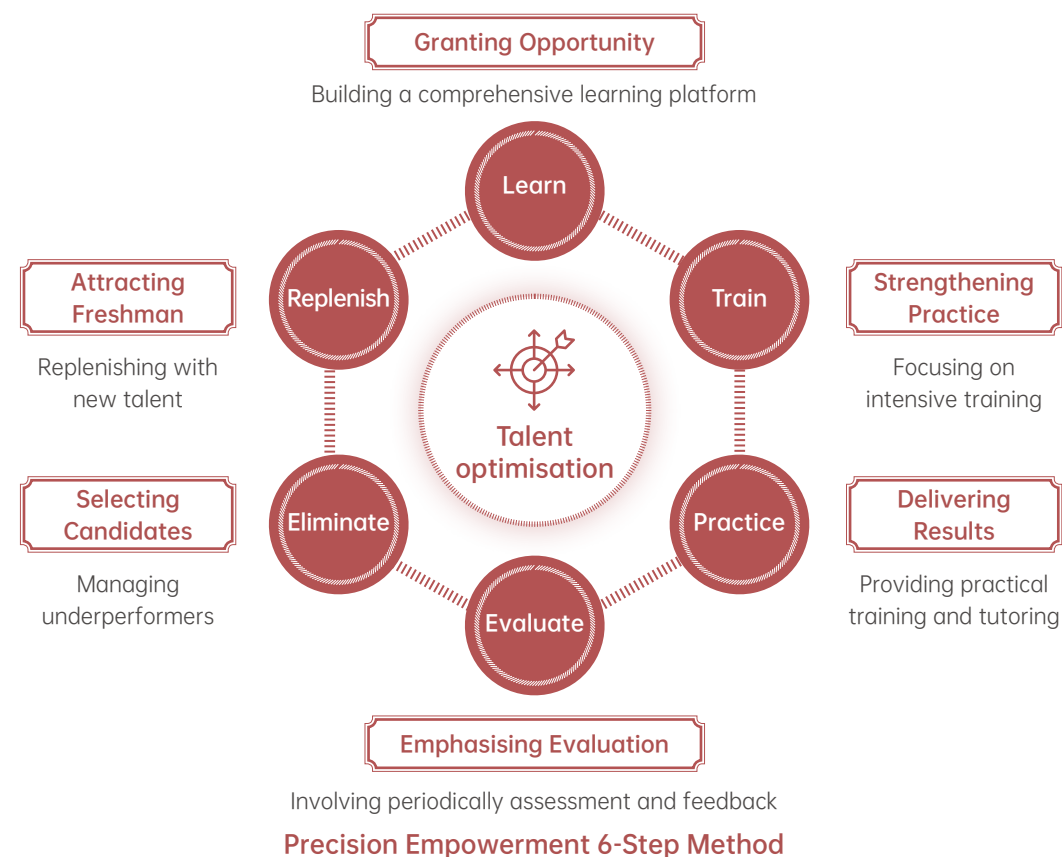
Human Resources Committee	✦ Responsible for approving the Group's training systems and annual training plans.
Finance Committee	✦ Responsible for approving the Group's training budget.
Human Resources Centre	✦ Responsible for building the training system and formulating the training management system ✦ Implementing Group-level training activities.
Head Office	✦ Developing annual training plans and programmes based on the empowerment requirements of the Group.
Regions/ Business Units	✦ Planning and implementing training plans based on the training management system and empowerment requirements.

²⁶ Considering that the business of BEWG is mainly concentrated in the Chinese mainland, so only the information of employees in the Chinese mainland is disclosed.

²⁷ Turnover rate for each category = Number of departing employees in that category / Total number of employees in that category * 100%.

Talent Management

BEWG has adopted the "Precision Empowerment 6-Step Method", involving "learning, training, practical experience, evaluation, elimination, and replenishment", for talent management. This end-to-end closed loop management drives the efficient transfer and transformation of employees' professional competencies, enables the iterative upgrade to the existing talent structure and continuously unleashes the development potential of the talent pool.



Diverse Training Courses

BEWG considers talent development a key foundation for its long-term sustainable competitiveness. The Group continuously improves its training governance structure and learning mechanisms, with a view to building a systematic development system covering all employees, including part-time staff. Driven by the dual engines of a digital learning platform and an internal trainer system, the Group has integrated training management into the HR governance framework. This creates a "strategy-led – capability transformation – value creation" closed loop for talent development, ensuring that training resources evolve in synergy with business growth and sustainability strategies.

The Group's training system focuses on capability transformation, leadership enhancement, and technological innovation application. Through mentorship, internal knowledge transfer, and team co-learning mechanisms, we promote the continuous flow of knowledge within the organisation. This ensures training outcomes translate into improved business efficiency and enhanced organisational capability.



Leadership Training

The Group has been forging ahead with pipeline development programmes for young management personnel and key regional business talents. These programmes strengthen strategic comprehension, team leadership, and business coordination capabilities.

Case Young Leadership Class – Young Leadership Development Programme

In 2025, the Group used the Young Leadership Class as the core vehicle to systematically cultivate its next generation of managers. Adhering to the principles of developing "young, high potential, and adaptive" talent, 60 young key talents born after 1985 were selected for management training. The programme adopted a "phased intensive training + continuous follow-up" model. Strategy interpretation, practical projects, and scenario-based training were utilised to drive the transformation of young talents from "individual contributors" to "team leaders". During the training, Ms. Du Na, a MBA from Renmin University and a partner of New Generation of the Workforce®, was invited to give "Leadership Rubik's Cube" lecture. The session focused on practical exercises for new managers' role transition and leadership enhancement, receiving unanimous praise from participants.



Young Leadership Class Management Training

Case Lijian Programme – Regional Business Talent Development

Building on the cultivation of regional business talent, BEWG uses the "Lijian Programme" as its core vehicle to systematically advance the effort. We focus on developing versatile professionals that "understands customers and excels at operations", aiming to provide solid talent support for the high-quality development of the Group's core business. In 2025, the Group organised two centralised training sessions under the "Lijian Programme", in which 124 regional management talents participated. The curriculum was designed around key competencies in regional business practices, team collaboration, and risk prevention. Both internal and external experts were invited to deliver lectures, equipping participants with the skills needed to enhance both regional organisational capabilities and operational performance.



"Lijian Programme" Training

Digital transformation training

The Group considers digital capability a key component of future core competitiveness and therefore systematically proceeds with AI empowerment training.

Case Upgrading Learning Academy – Enhancing AI Competence

In 2025, BEWG's "Upgrading Learning Academy" developed a dedicated course matrix for AI application, structured around three pillars of "cutting-edge cognition + practical application + case study". We delivered 26 training sessions throughout the year, with a cumulative attendance of 22,668 person-times. Among them, 21 AI-focused sessions saw 19,441 person-times of participation. The training courses are targeted at key positions such as management personnel, young leaders, scientific and technological innovation talents, and their reserve pipelines. After the training, employees could directly apply the newly acquired AI skills to their work, effectively enhancing their digital application capabilities.



Upgrading Learning Academy AI-Themed Training

Case Developing AI Micro-Classrooms to Enhance Employee AI Skills

To promote organisational efficiency and address the pain points of high technical barriers and lengthy learning curves for AI adoption, BEWG introduced an innovative "15-minute AI Micro-Classroom" in 2025. Adopting a "lightweight, efficient, and practice-focused" approach, it starts from a non-technical perspective. Using BEWG's language and cases, it breaks down practical AI techniques for scenarios like strategic planning, team management, and process optimisation. In this way, employees could "learn and apply immediately" AI technology using only fragmented time.

Additionally, the Group completed a major upgrade of its internal digital learning platform. The upgraded platform commands 15,000 annual active users. It hosted 987 online training sessions throughout the year, reaching over 280,000 employee person-times, with a total online learning duration of 180,000 hours. Together, these initiatives have successfully established a regular, self-directed digital learning ecosystem at BEWG.

The upgraded platform

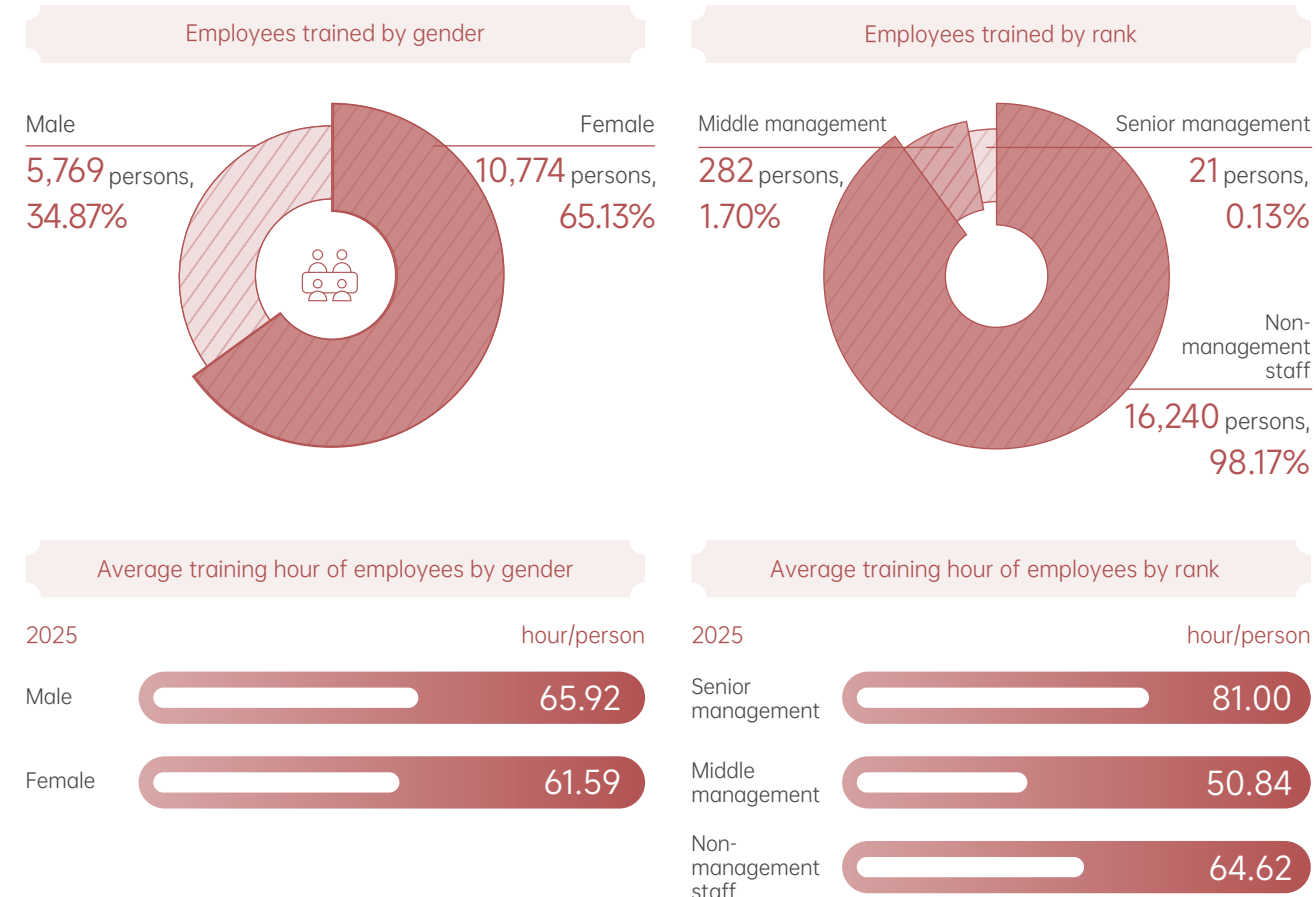
commands annual active users	hosts 987 online training sessions throughout the year	reaches 280,000+ employee person-times	with a total online learning duration of 180,000 hours
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Vocational Skills Certification and Professional Talent Cultivation

Through internal instructor development and knowledge-sharing mechanisms, the Group strengthens experience transfer and mentorship-based cultivation. In 2025, a total of 290 internal instructors were onboarded into the digital management system, delivering over 800 teaching hours annually. Through the "Tempering Plan" internal instructors training, 30 instructors were certified, supporting the development of frontline skills and business talent courses. Employees improve capability through mentorship, team learning, and case co-creation, driving the continuous expansion of the organisational learning network.

In 2025, the Group continued to advance skill-level assessments and vocational qualification certifications, conducting frontline skill-level assessment and vocational skill-level certifications for industrial wastewater treatment operators (Level 4), to strengthen frontline professional capabilities. These efforts facilitate employees' personal career development while providing technical assurance for high-quality operations. During the year, skill-level assessments cumulatively involved 8,283 person-times. For more details, please refer to the "Quality Culture Development" section in Chapter 02.

BEWG employee training performance in 2025²⁸



²⁸ Considering that the business of BEWG is mainly concentrated in the Chinese mainland, so only the information of employees in the Chinese mainland is disclosed.

Talent Management



Fair Performance Appraisal Mechanism

We are committed to building a fair, transparent, and incentive-based employee performance management system. We conduct comprehensive and fair evaluations of employees and managers through bi-annual performance appraisals based on performance indicators, key task completion, and alignment with corporate culture and sustainability philosophy. The Group has established the Performance Management System, and created a performance management and incentive mechanism covering individuals and teams. Relying on goal management and multi-dimensional performance evaluation, as well as a team-based assessment framework, we align individual performance with organisational goals, team collaboration, and sustainability responsibilities.

BEWG implements differentiated goal structures for managers and employees. Manager performance evaluation highlights strategy execution, team management, and sustainability accountability, and incorporates team performance indicators like "organisation and talent delivery". Employee performance evaluation, factoring in job responsibilities and value elements, guides individual behaviours to align with the enterprise's long-term development goals. Concurrently, the Group fully implements the *Individual Objective Responsibility Agreement* for managers. Strategic objectives are broken down level by level and sustainability-related goals like intensive management and energy conservation are included, ensuring that the performance system covers all staff.

We have established a comprehensive performance feedback and appeals mechanism. Following appraisals, managers conduct performance interviews with employees, forming a closed-loop communication system of "appraisal - feedback - improvement". Together, managers and staff create personalised development plans based on work highlights, areas for improvement, and capability development needs. We also provide continuous performance communication channels for employees. Should there be any disagreement with appraisal outcomes, employees may appeal to the HR Department through the complaint channel for timely and fair treatment.

Employee Care

BEWG prioritises employee care, aiming to create a supportive and people-oriented work environment. In 2025, the Group continued to deepen its efforts in employee care, with the aim of building a comprehensive protection system for employees, covering work to life, and extending from individuals to their families.



Comprehensive Leave and Benefits

We provide all employees with various types of paid leave, including annual leave, parental leave, and nursing leave, as well as corporate pension plans and diverse festival benefits. In 2025, BEWG officially issued the *Leave Management System of BEWG*. This system integrated and clarified various paid leave benefits like parental leave, nursing leave, and sick leave. While safeguarding employees' statutory rest rights, we also provide specific benefits to support employees in achieving work-life balance. For female employees, we launched exclusive benefits to meet their needs at different stages, such as antenatal leave, maternity leave, breeding leave, and childbirth subsidies. We also equip offices with nursing rooms and supporting facilities, offering care and support for working women. In 2025, the Group provided employees with a cumulative total of 1,346 weeks of paid parental leave, equating to 6,730 working days.

In 2025



The Group provided employees with a cumulative total of

1,346 weeks
of paid parental leave



equating to

6,730
working days

Case

The "Well-Rounded Working Woman – Happy Work, Happy Life" Theme Event



In March 2025, BEWG invited an external professional mentor to host a special care-focused event for its female employees titled the "Well-Rounded Working Woman - Happy Work, Happy Life". The event was conducted through both online and offline channels, revolving around topics like female career development, emotional management, and work-life balance. Through case sharing and interactive exchanges, participants discussed how to achieve dynamic work-life balance. The event attracted over a thousand employees, providing a platform for learning and exchange. It further fostered a workplace atmosphere that features respect for women and care for all employees.



"Well-Rounded Working Woman – Happy Work, Happy Life" Theme Event

Additionally, the Group has established a leave utilisation tracking mechanism to ensure employees take their full statutory paid annual leave, safeguarding employees' physical and mental health and work-life balance.

Meanwhile, the Group continually refines its compensation and benefits system. Beyond statutory social insurance, we provide multi-tiered supports like corporate pension plans, and distribute gifts or subsidies to employees during traditional festivals and special anniversaries. This allows employees to tangibly feel care and warmth.



Healthy and Safe Working Environment

To maintain a healthy and safe working environment, we place greenery in office areas to create a comfortable atmosphere and install "Staff Medicine Kits" in all workplaces to address sudden health incidents. Managed by the BEWG Trade Union, these kits are strategically placed on each floor for rapid access during emergencies and are regularly replenished with essential supplies, including haemostatic bandages, plasters, quick-acting heart relief pills, nitroglycerin tablets, and CPR face shields. This provides immediate medical support to reduce the risk of delayed treatment for injuries or illnesses, thereby safeguarding employee health and work safety. We also collaborate with professional institutions to conduct mental health awareness activities and training, helping employees relieve stress.

We maintain comprehensive medical protection for employees, including supplementary medical insurance, accident injury insurance, critical illness insurance, disease and death insurance, and children's medical insurance. This ensures employees and their families receive timely and effective support when facing health challenges. In 2025, we upgraded the "Family Guardian" scheme by expanding commercial insurance coverage to provide more comprehensive protection for employees and their families, covering supplementary medical, accident injury, and critical illness, among others. We also optimised our annual health check-up plans. Based on feedback and common workplace health issues in recent years, we added specialised check-up items, including tumour marker tests and checks for blood lipids, thyroid, and cervical spine. We also relaxed the timeframe limit for health checks, aiming to safeguard employee physical health to the greatest extent while enhancing the flexibility and convenience of the check-ups.

Talent Management



Diverse Cultural Activities

In accordance with internal policies like the *Welfare Regulations of BEWG* and the *Management Measures for Organisation and Implementation of Corporate Culture Activities (Interim)*, we organise diverse cultural activities and provide employees with dedicated facilities, including fitness equipment and reading spaces. By doing so, we aim to enrich employees' daily activities, enhance their happiness, and foster stronger team cohesion.

Case

Organising Yoga Activities to Promote Employees' Physical and Mental Well-Being

In July 2025, the Group's Trade Union re-purposed underutilised floor space into a yoga studio, bringing in an external professional coach to offer weekly sessions for employees. As one of the regular employee wellness programmes, the yoga sessions help employees alleviate physical fatigue and mental stress caused by prolonged desk work through scientific stretching and breathing exercises. More than just a fitness activity, the initiative encourages a greater focus on worklife balance and were well received among employees.

Case

The "Hydrating Autumn, Walking Together" Event

In October 2025, the Group's Trade Union organised the "Hydrating Autumn, Walking Together" themed event. Based on participants' cumulative monthly step count, the top 10% of participants received incentive rewards. The event encouraged employees to develop exercise habits in daily life, advocating for a healthy and positive lifestyle. By integrating exercise into the employee care system, the walking event enhanced team interaction, as well as employees' sense of participation and belonging, thereby cultivating a healthier, more vibrant, and cohesive organisational atmosphere.



Safety and Health

Work safety is the foundation of corporate sustainability. Placing high importance on safety management at production sites, we systematically eliminate potential safety hazards, implement effective safety prevention and control measures, and build a safety consensus among all employees. We also conduct regular safety training to foster a safety culture. By doing so, we comprehensively safeguard employees' health and safety, thereby continuously enhancing employees' sense of safety and customers' trust.

Work Safety

Upholding the working principle of "Safety First, Prevention-Focused, Comprehensive Management", we have established a comprehensive work safety governance structure. At the Board level, the Sustainability Committee is responsible for formulating, guiding, and reviewing BEWG's sustainability strategy, including health and safety strategy. At the management level, the Work Safety Committee serves as the highest-level leadership and decision-making body for Group-wide safety, enabling coordinated control and standardised management of all work safety matters.



The Group has set annual health and safety targets

By the end of the reporting period, we had fully achieved the 2025 health and safety management targets to ensure effective control of safety risks during the production process.

Health and Safety Targets

Progress

The annual total Lost Time Incident Rate (LTIR)²⁹ for employees and contractors shall not exceed 0.2

Achieved. The LTIR of 2025 for employees and contractors was

0.15



Upgrade of Safety Management Related Systems

The Group strictly complies with laws and regulations such as the *Work Safety Law of the People's Republic of China* and the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*. Additionally, we have issued the *BEWG Statement on Occupational Health and Safety*, applicable to all operational locations and contractors, as an effort to standardise occupational health and safety management across all production stages. In 2025, the Group systematically revised several internal management policies based on relevant legal and regulatory provisions and the requirements of the ISO 45001 Occupational Health and Safety Management System. The revised policies include the *Hazardous Operation Safety Management System of BEWG*, the *Work Safety Reward and Punishment Management System of BEWG*, and the *Related Party Safety Management System of BEWG*. For high-risk operations, we further standardised hazardous operation processes and on-site control requirements, and strengthened operation approval and supervision mechanisms. Regarding work safety management, we improved incentive and constraint mechanisms, and refined reward and punishment criteria to further clarify safety responsibilities for each position. Additionally, we enhanced safety management over the production activities of related parties, including contractors. Business units are required to establish management ledgers, and promptly propose corrective measures and track the implementation of rectifications. By continuously improving the system and management mechanisms, the Group continually elevates its work safety management standards, providing institutional safeguards for the safety and stability of production and operation. In 2025, entities under the Group newly established or revised a total of 2,233 safety regulations and operational procedures, continuously enhancing the applicability and effectiveness of the system.

²⁹ Lost time incident rate (LTIR) = Number of lost-time incidents / Total working hours x 200,000.

Safety and Health



Optimisation of Safety Management Mechanisms

BEWG continues to elevate the safety management standards across all units through performance appraisal, while continuously improving the occupational health and safety accountability system. The Group strictly complies with internal policies including the *Management Provisions on Safety Rewards and Punishments of BEWG* and the *Management Provisions on Safety Production Interviews of BEWG*. Each year, the Group signs safety management responsibility letters with all business units, clearly defining safety targets, assessment scope and related key performance indicators, which are linked to project bonuses. In 2025, the Group further clarified occupational health management requirements by incorporating relevant indicators into performance appraisal s at all levels and specified responsibilities and assessment criteria for personnel in different roles.

Furthermore, the Group has implemented a star-level management system. Projects failing to meet routine safety management standards face downgrades or removal from the rating system, and the "one-vote veto" principle for work safety is strictly enforced. During the year, BEWG headquarters and 20 water plants obtained the ISO 45001 Occupational Health and Safety Management System certification, while 44 subsidiaries met the requirements for work safety standardisation.

In 2025, the Group further strengthened its long-term safety inspection mechanism by establishing a comprehensive supervision chain. This system integrates self-inspection and rectification at the project level, process oversight by regional companies, and comprehensive inspections led by the Group, ensuring full coverage of safety audits across all operations. To enhance the effectiveness of hazard management, the Group systematically analysed common hidden risks identified at various inspection levels and conducted quarterly targeted rectification campaigns to address key risk areas, such as confined spaces, fire safety, and contractor operations. Throughout the year, all units conducted over 146,000 safety inspections and identified nearly 31,000 potential hazards, significantly boosting the efficiency of our safety oversight.

Furthermore, the Group has optimised the management model for high-risk operations by deploying an intelligent dynamic control platform powered by big data and AI, enabling real-time identification and automated feedback of safety hazards, thereby further enhancing safety supervision capabilities.

In overseas operations, the Group strengthens safety supervision and risk control in accordance with local regulatory requirements and tailored to specific project characteristics. For instance, the Singapore subsidiary established a safety management mechanism led by management with dedicated safety personnel, conducted regular on-site inspections and risk assessment reviews, and carried out thematic reporting and case reviews of hazards and incidents to continuously optimise operational processes.

During the year



BEWG headquarters and
20 water plants obtained
the ISO 45001 Occupational
Health and Safety Management
System certification



44 subsidiaries met the
requirements for work safety
standardisation

Throughout the year



All units conducted
146,000+
safety inspections



and identified nearly
31,000 potential
hazards



Refinement of Safety Management Measures

Risk Identification and Control

Adhering to the principle of "prevention first, prevention and control combined", BEWG has clarified occupational health management requirements in accordance with internal policies such as the *Management Provisions on Occupational Health and Safety of BEWG* and the *Management Provisions on Labour Protection Articles of BEWG* aiming to prevent occupational diseases and safeguard employee health. The Group has fully implemented a dual prevention mechanism integrating risk classification control and hazard investigation and remediation, strictly complying with policies including the *Management Provisions on Hazardous and Harmful Factor Evaluation of BEWG*, the *Management Provisions on Major Hazard Sources of BEWG* and the *Management Provisions on Safety Control of Dangerous Materials of BEWG*. Regular identification and assessment of occupational health risks in the working environment are conducted, resulting in a maintained list of occupational hazard factors that details their sources and corresponding control measures. In 2025, project companies enhanced on-site occupational health management through targeted measures to standardise practices and improve effectiveness. These included upgrading on-site safety signage, providing and maintaining nationally compliant personal protective equipment (PPE) for employees, and conducting training on the proper use of occupational protection equipment.

The Group conducts regular hazard identification and risk assessments, actively involving frontline employees in identifying and grading risks. This ensures effective employee participation in occupational health and safety management. At the same time, we have set up safety risk bulletin boards in prominent locations and key operational areas, displaying job-specific risk notification cards that specify risk types, potential consequences, controls measures, emergency responses, and reporting channels. This system enables real-time monitoring and serves as an on-site early warning mechanism.

In addition, third-party organisations are commissioned to conduct occupational health hazard testing, with results publicly disclosed. Annual occupational health examinations or all relevant employees are organised based on testing results and job categories.

Emergency Management and Incident Response

BEWG continues to improve its emergency management system by formulating the *Comprehensive Emergency Response Plan for Emergencies of BEWG* and revising the *Management Provisions on Reporting, Investigation and Handling of Production Safety Accidents of BEWG*, which further clarify emergency response procedures and responsibilities. The Group has established a management mechanism of "plan development - emergency response - review & evaluation - continuous improvement". This mechanism is reinforced by routine risk identification and scenario-based drills to enhance preparedness. When incidents occur, graded responses and information reporting are activated following standard procedures. Post-incident, special reviews and investigations are conducted, with lessons learned systematically integrated into policy revisions, training programs, and resource allocation. This enables the dynamic optimisation and continuous enhancement of the emergency management system, ensuring timely and effective responses that minimise casualties and property losses.

As of 31 December 2025

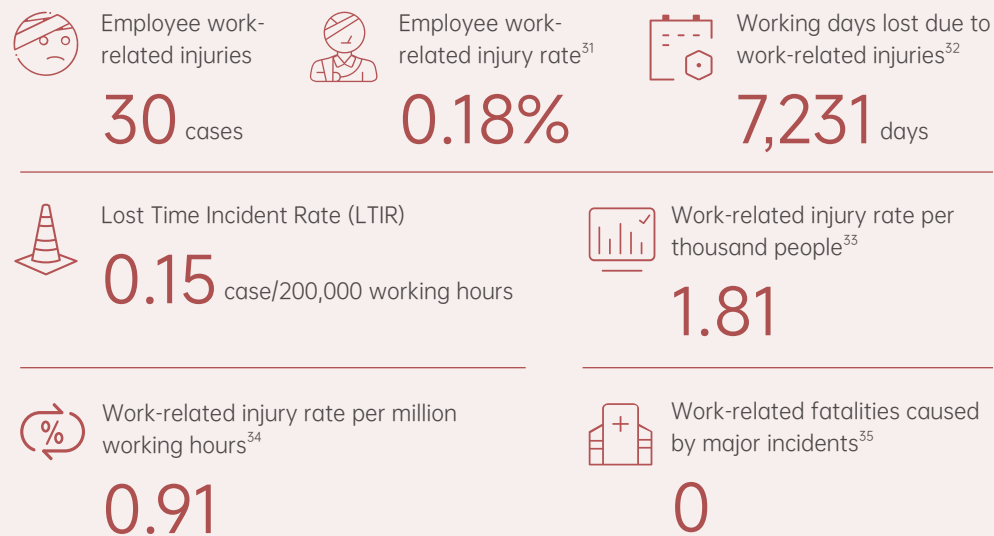


The Group invested a total of
RMB **44.854** million in work safety



Safety and Health

BEWG Safety and Health Key Performance Indicators in 2025³⁰



Number of Fatalities Caused by Major Work Safety Incidents in the Past Three Years

2025	2024	2023
0	0	0

Safety Culture

BEWG recognises the significance of fostering a safety culture and cultivating safety awareness for sustainable operations. Through regular safety training, thematic safety activities and emergency drills, we continuously strengthen employees' safety consciousness, encouraging compliance with safety procedures, proactive risk identification and elimination, and continuous improvement of safety competencies. In 2025, a total of 32,746 hours of safety training were conducted, reaching 166,988 participants.



³⁰ Considering that the business of BEWG is mainly concentrated in the Chinese mainland, so only the information of employees in the Chinese mainland is disclosed.

³¹ Employee work-related injury rate = Number of employee work-related injuries / Total number of employees.

³² One safety accident occurred during the reporting period. In accordance with the Classification Standard for Casualty Accidents of Enterprise Workers (GB6441-86), the accident resulted in a total lost time count of 6,000 person-days.

³³ Work-related injury rate per thousand people = 1,000 × Number of work-related injury cases / Total number of employees.

³⁴ Work-related injury rate per million working hours = Number of work-related injuries × 1,000,000 / Total working hours.

³⁵ In 2025, one accidental incident occurred, resulting in one fatality. BEWG responded in accordance with established procedures and had properly handled the aftermath.



Comprehensive Safety Education Coverage

In 2025, BEWG further enhanced its safety training system by implementing tiered training programmes tailored to different roles, comprehensively improving employees' safety awareness and practical capabilities. A key focus was expanding specialised certification for high-risk operations. Using a blended "online learning + offline assessment" model, the Group completed qualification certification for 5,465 key personnel. This effectively promotes the standardised, regulated, and professional management of hazardous work and strengthens on-site safety assurance. In addition, specialised training for safety management personnel was conducted via short videos and online assessments to ensure the effective implementation of safety management requirements. A total of 1,204 participants were covered during the year. We also leveraged the "BEWG Cloud Education" platform to deliver safety awareness education to all employees, enhancing their capabilities in hazard identification and prevention.

Under initiatives like "My Safety, My Responsibility" and "Work Safety Month", BEWG mandates all operating units to conduct at least one emergency drill per month. Drill scenarios encompass confined space accidents, fire evacuation and suppression, electric shock response, and chemical leaks. Through regular and diverse practical drills, the Group continuously strengthens its emergency rescue teams and comprehensively enhances emergency response efficiency and incident management capabilities.

Case "Work Safety Month" Event

In 2025, the Group organised the 24th National "Work Safety Month" event, launching a series of activities encompassing awareness campaigns, education and training, hazard inspections, and emergency drills. Digital methods such as online interaction and virtual experiences were innovatively adopted to disseminate safety knowledge. These initiatives collectively enhanced employees' capabilities in risk prevention and emergency response, reinforced the safety awareness, and deepened the cultural consensus of "My Safety, My Responsibility".

Case The 7th "Ankang Cup" Competition

In 2025, the Group held the 7th "Ankang Cup" competition, engaging a total of 136 employees from its four major geographical regions (East, West, South, North) and the Water Supply Business Division. Designed around the practical safety needs of the water sector, the competition consisted of four key modules, i.e., online safety knowledge assessment, confined space operation and emergency rescue drills, safety knowledge competition and safety speech contest. This multi-faceted approach provided a comprehensive evaluation of participants' integrated competencies in safety management, operational skills, and cultural awareness.

By merging digital tools with human-centric engagement, the competition effectively elevated the standardisation, digitalisation, and humanisation of our safety management system, delivering strong support for our commitment to employee health and safety.



The 7th "Ankang Cup" Competition

The Group's overseas operating units have concurrently advanced their development of occupational health and safety training systems in alignment with local regulations and project-specific operational characteristics. Our Singapore-based subsidiary reinforces employees' competencies in workplace health management, first aid, 6S management, and protection during high-risk operations through daily safety briefings and specialised training. It also strictly reviews risk assessment documents prior to operations and continuously refines operational procedures through case-based reviews. Our Saudi-based subsidiary has organised offline safety training for all staff and conducts ongoing specialised drills on confined space entry, electrical shock response, and chemical leaks management. Our Portugal-based subsidiary delivered 131 safety and health training sessions in 2025, totalling 8,442 training hours, while conducting regular confined space operation and emergency evacuation drills to build a robust safety culture and enhance workforce competence.

Customer Service

BEWG continues to deepen its business philosophy of "customer as the source and innovation as the way". With a focus on strengthening customer communication, optimising customer management and elevating customer experience, we continuously consolidate the foundation of our service quality. We also innovate service models and communication channels, standardise responsible marketing practices, and deepen long-term customer partnerships, aiming to continuously improve customer satisfaction and trust.

Responsible Marketing

BEWG establishes long-term and stable relationships with customers through a responsible, standardised and transparent marketing system. Under the premise of strict compliance with integrity and regulatory requirements, we carry out investment and marketing activities, present product and service information truthfully and objectively, and ensure that marketing information is accurate and verifiable. The Group continuously understands customer needs through diversified communication mechanisms such as customer seminars, service training and on-site exchanges. Leveraging our integrated digital "Business - Finance" system, we connect the entire process from "market - investment - product - delivery - operation", thereby enhancing our responsiveness to customer needs and overall service quality. Meanwhile, as a water utility enterprise, the Group actively engages in public environmental education and sustainability advocacy, fostering broader public participation in ecological and environmental protection.

Multi-dimensional Customer Communication

BEWG treats customer communication as a core element in deepening strategic partnerships. By leveraging diversified platforms and maintaining regular interaction mechanisms, we continuously expand the scope and depth of our customer services. During the year, the Group utilised industry exhibitions, technical summits and policy forums as platforms to systematically present our independently developed technology solutions. These engagements served to establish high-level dialogue across the government, industry, academia, and research sectors, thereby extending our communication reach and enhancing our industry influence. At the same time, supported by standardised management tools and full lifecycle customer management mechanisms, we have enhanced the effectiveness of strategic interactions, thus laying a solid foundation for sustainable cooperation.

Case Participation in the Beijing Water Innovation Conference to Strengthen Technical Exchanges

In 2025, as a core supporting organisation, BEWG participated in the "Beijing Water Innovation Conference 2025". At this national event, we demonstrated our proprietary innovations, including BEAOA and BESWIFT, in dedicated exhibition spaces and shared our industry-oriented technological innovations during the main forum. The conference served as a face-to-face platform for technical exchange, enabling collaborative solution development and experience sharing with customers and industry partners. Through this engagement, the Group further deepened communication with key market customers and strengthened the foundation for technological cooperation.



Beijing Water Innovation Conference 2025 and the Exhibition Booth



Hou Junshu, Member of the Party Leadership Group and Deputy Director of the Standing Committee of the Beijing Municipal People's Congress, and Yang Jinhui, First-Level Inspector of the Beijing Water Authority, visited the BEWG Exhibition Booth

Case

Hosting Sci-Tech Culture Week to Build a Platform for Government-Industry-Academia-Research Exchanges

As the Secretariat of the Water Pollution Control Committee of China Association of Environmental Protection Industry, the Group leveraged its technological innovation platform to co-host the "First BEWG Sci-Tech Culture Week and the Fourth Beijing-Hong Kong Environmental Technology Forum". Through activities such as thematic exhibitions, expert roundtables, the release of the *Collaborative Innovation Declaration*, and an ecological innovation competition, the event successfully established a premier government - industry - academia - research exchange platform. The event brought together industry experts and association leaders to deliberate on the future of technological innovation and industrial convergence. By providing customers and partners with forward-looking insights and cooperation opportunities, the event powerfully reinforced BEWG's role as a leader in the water pollution control sector.



Roundtable Dialogue at the Main Forum of BEWG Sci-Tech Culture Week



BEWG Exhibition Booth

Case

Policy Insight Sharing to Support Industry Development

BEWG strategically embeds policy research into its customer services by leveraging its bridging role as the secretariat of the industry association. At forums such as the Standing Council of the Water Pollution Control Committee of China Association of Environmental Protection Industry, we interpret and disseminate central policy directives, focusing critical discussions on operational priorities such as "receivables clearance," "water infrastructure upgrading," and "dual-carbon initiatives". By sharing forward-looking research on topics such as the "15th Five-Year Plan" and asset optimisation, and convening industry dialogues to formulate collaborative strategies, BEWG provides precise policy navigation for its partners. This approach demonstrates our commitment to fostering the industry's sustainable growth and strengthens strategic trust with our clients and peers.



Standing Council of the Water Pollution Control Committee of China Association of Environmental Protection Industry



In terms of customer segmentation and targeted communication, the Group has systematically optimised its customer management strategy. Based on classification and prioritisation principles, resources are allocated to key cities, major projects and projects with potential for securing policy funding. By developing the *Guidelines for Senior Management Engagements* and supporting standardised tools, we have established a comprehensive management mechanism covering the entire process, from target selection and plan formulation to implementation tracking and impact assessment. During the year, the Group conducted 70 senior management government visits, spanning 20 provinces, over 50 prefecture-level cities and more than 200 of their branches. The execution rate of planned activities increased significantly year-over-year, effectively strengthening the foundation for long-term cooperation.

Customer Service

Customer Experience Enhancement

BEWG continuously refines its customer management system, with a dual focus on precision management and collaborative value creation. On the one hand, we assist government partners in diversifying funding sources through policy-driven marketing and the integration of complementary customer resources. On the other hand, we upgrade customer experience through standardised tools and digital-intelligent solutions, covering G-end (government), B-end (business) and C-end (consumer) scenarios.

In 2025, the Group advanced its customer satisfaction assessment system, refining organisational mapping and key decision-maker profiles to provide a robust data foundation for targeted service and optimal resource allocation. With a core focus on receivables management, we drove synergies between policy-based funding opportunities and customer engagement. For key projects, this involved assessing policy support potential and identifying high-level engagement needs. From the planning phase, we delivered integrated solutions that combines "policy-based marketing plans + executive engagement approaches". Besides, we improved the effectiveness of senior-level engagement visits by optimising dedicated toolkits, pre-defining critical discussion topics, and establishing follow-up tracking mechanisms, so as to translate strategic consensus into actionable outcomes, thereby accelerating government decision-making and payment realisation.

Leveraging a suite of diversified approaches, the Group accurately identifies customer needs and pain points, and continuously refines its service models, driving a comprehensive enhancement of the overall customer experience. In 2025, the Group achieved notable results in customer service efforts.

Building a Capability-based Customer Management System

In 2025, the Group established a multi-dimensional regional assessment system centred on "customer satisfaction", covering 28 provinces and 214 operational units. Through a three-dimensional model incorporating market potential, competitive advantages and operational health, regional profiles were developed, enabling approaches such as deep cooperation, targeted support or asset optimisation, thereby achieving more profound customer collaboration.

Establishing Standardised Service Processes

BEWG enhanced its water supply service management by mandating that all water supply projects establish standardised, end-to-end service protocols. These protocols cover all critical touchpoints, including customer service engagement, application processing, and payment settlement. At the same time, diversified payment channels were established and business processes simplified, enabling customers to enjoy "zero-visit" convenient services.

Empowering Customer Service with Digital Intelligence

In 2025, BEWG's water supply companies adopted digital-intelligent and refined management approaches, leveraging AI and data-driven service innovation to improve response efficiency and upgrade hotline services and complaint handling, significantly enhancing service efficiency and customer satisfaction.



Case AI-Powered Customer Service System Boosting Water Supply Service Efficiency

BEWG's Daqing subsidiary has redefined its customer service by deploying an Alpowered voice service system and an intelligent call quality inspection platform to transform its service processes. This integrated AI solution handles both inbound inquiries and outbound communications, efficiently managing highvolume requests such as water outage updates and billing questions while proactively issuing critical alerts for potential leaks and payment reminders. Complex cases are seamlessly escalated to human specialists. Since implementation, response timeliness has reached 99.8% and customer satisfaction has reached 99.95%. The system has issued nearly 42,000 leak alerts via the smart water platform, helping to reduce property damage and conserve water resources, and has earned strong approval from the community.

Since implementation



Response timeliness has reached

99.8%



Customer satisfaction has reached

99.95%



The system has issued nearly

42,000 leak alerts via the smart water platform

Optimising Service Quality

This year, to continuously strengthen water supply service quality, the Group further optimised its customer satisfaction survey methodology. A combined approach of "online questionnaires + in-person visits" was adopted to efficiently reach a broad user base while deeply engaging with residential, non-residential and special-needs groups, ensuring diversity and representativeness of samples. Based on identified service gaps, targeted improvements were implemented in coordination with relevant departments, enabling continuous service quality enhancement.

In 2025, water supply companies conducted approximately 475,000 service satisfaction surveys, achieving a satisfaction rate of 99.84%.

In 2025



Water supply companies conducted approximately

475,000 service satisfaction surveys



achieving a satisfaction rate of

99.84%

Supply Chain Management

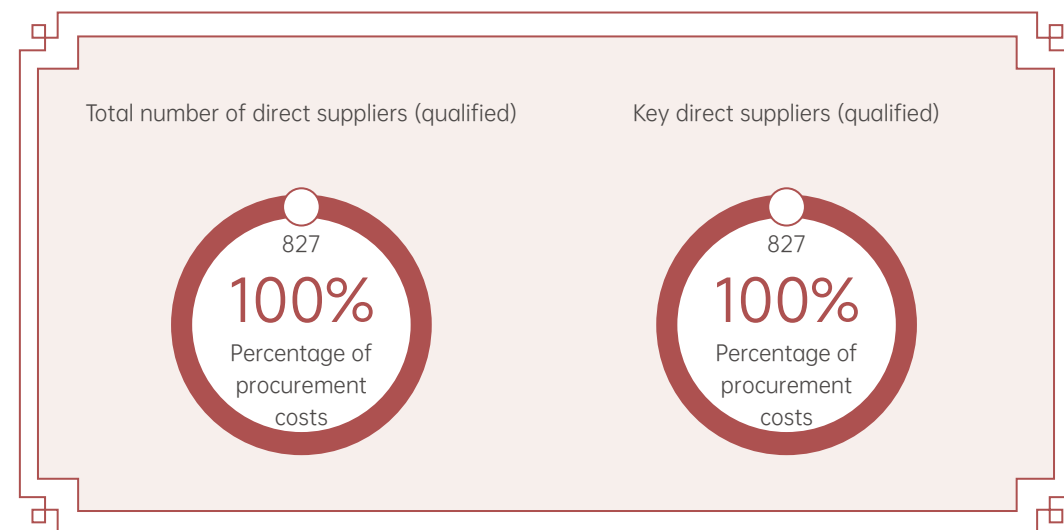
BEWG strictly complies with laws and regulations including the *Bidding Law of the People's Republic of China* and continuously optimises its supply chain management system. We are committed to building an efficient, stable and mutually beneficial partner network. To this end, we fully integrate ESG principles into every stage of supplier lifecycle management, from qualification and auditing to performance evaluation and exit, implementing stringent controls and diligently assessing environmental, social, and governance risks. By prioritising eco-friendly and green products and services, we collaborate with our partners to advance a business environment that is not only environmentally responsible but also grounded in integrity and transparency.

As of 31 December 2025



The Group had
1,355 qualified
domestic suppliers in its
database

Procurement from BEWG's Direct Suppliers in 2025³⁶



Number of Direct Suppliers by Region in 2025



³⁶ Note: The total number of domestic suppliers in 2025 refers to qualified suppliers in BEWG's supplier database, totalling 1,355, including 827 direct and 528 indirect suppliers. Direct procurement relates to production inputs (e.g., water treatment equipment), while indirect procurement refers to non-production items (e.g., administrative supplies). Potential suppliers are those not yet included in the qualified supplier database.

Supplier Lifecycle Management

BEWG has established the *Supplier Management Policies of BEWG*, which clearly defines supplier responsibilities in four key areas of labour and human rights protection, occupational health and work safety, environmental protection and anti-corruption. A closed-loop management mechanism covering supplier qualification, auditing and evaluation has been established.

All suppliers are required to comply with the *Anti-Bribery and Anti-Corruption System of BEWG* and adhere to applicable anti-corruption laws in all countries and regions of operation, conducting business in a transparent and ethical manner. Any form of corruption, inducement, extortion or embezzlement is strictly prohibited. Suppliers are also prohibited from directly or indirectly offering, promising, paying or soliciting money or other benefits (through bribery or facilitation payments), or obtaining improper benefits through intermediaries. For detailed requirements regarding supplier anti-corruption and anti-bribery, please refer to the *Supplier Management Policies of BEWG*.

In terms of management tools, BEWG actively embraces digital technologies to modernise its supply chain management. We operate an integrated online supply chain platform that manages the entire process, from procurement and contract management to order processing, goods receipt, inspection, payment settlement, and financial accounting, with flexible, stage-specific controls. By implementing standardised workflows, we streamline procurement operations and significantly enhance overall supply chain efficiency. As for project implementation, we have platformised critical processes for engineering quality control and contract performance inspection, which enables end-to-end management of project delivery through a unified platform.



Supplier Qualification

BEWG has established rigorous and standardised supplier qualification procedures and approval mechanisms to ensure procurement transparency, fairness, and sustainability. Suppliers are assessed using the *Supplier Qualification Assessment Form*, covering commercial qualifications, technical capabilities, production facilities and product samples. The assessment spans 28 critical dimensions, including R&D design, environmental impact, ESG management systems, and product safety.

At the qualification stage, ESG performance is a decisive factor. Particular attention is given to ESG certifications, system implementation, risk identification and management, EHS corrective measures, hazardous material management, and compliance with the *Supplier Code of Conduct of BEWG*. Suppliers with strong ESG performance are prioritised. Those failing to meet minimum ESG requirements within the specified timeframe will be suspended from bidding until corrective actions are completed and verified. In addition, independent audit teams are introduced to review supplier qualification and selection processes, ensuring compliance and transparency. The Group also places paramount importance on supplier integrity. All suppliers are required to sign an *Integrity and Self-discipline Commitment Letter* as part of their tender documentation and commit to adhering to key clauses regarding integrity, honesty and confidentiality.

In 2025, we achieved 100% coverage in ESG clause reviews for new suppliers. During the year, a total of 131 new suppliers underwent comprehensive capability assessments, covering key dimensions including technological R&D, production quality, cost control, warehouse management, and safety and compliance. All suppliers of the Group signed the *Integrity and Self-discipline Commitment Letter*, with a signing rate of 100%.

In 2025



We achieved
100% coverage in ESG clause
reviews for new suppliers



A total of
131 new suppliers underwent
comprehensive capability assessments

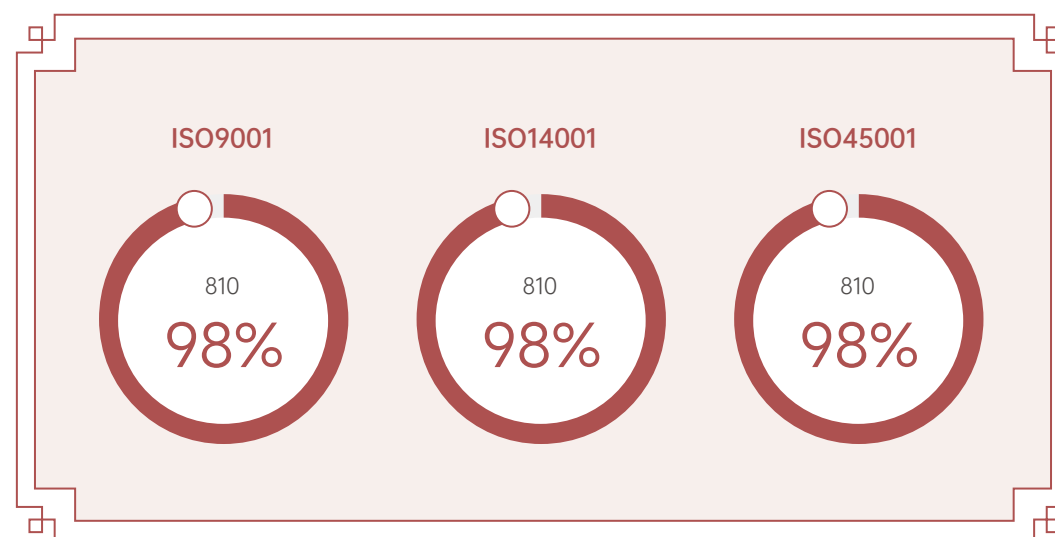


Supply Chain Management

Supplier ESG Assessment Standard Clauses

ESG System Certification	An ESG management system has been established and relevant certifications for environmental, health and safety management have been obtained, such as ISO 9001, ISO 14001 and ISO 45001.
ESG Management System	Comprehensive ESG-related management policies are in place, complying with relevant laws and regulations (e.g., prohibition of child labour, adherence to business ethics).
Hazard Identification and Management	The hazards in the equipment and process are systematically identified and handled, with clear on-site hazard identification signage and control measures in place.
EHS Corrective and Preventive Actions	Root cause analyses are conducted for environmental, health and safety incidents, with corrective measures formulated and implemented, and effectiveness objectively evaluated to form a closed-loop management system.
Waste and Hazardous Substance Management	Processes and management standards are established for identifying and controlling hazardous substances such as wastewater, waste gas and solid waste, and are strictly implemented.
Compliance with Group Policies	The requirements of the <i>BEWG Supplier Code of Conduct</i> are strictly observed.

Suppliers with ISO certifications in 2025³⁷



³⁷ Note: Among the 827 qualified direct suppliers registered in BEWG's supplier database in 2025, 98% (810 suppliers) have obtained ISO 9001, ISO 14001 and ISO 45001 certifications. The remaining 2%, comprising agents and trading companies, have undergone and passed compliance reviews in accordance with the Group's requirements.



Supplier Maintenance and Evaluation

BEWG places strong emphasis on communication and collaboration with suppliers and organises regular meetings to support suppliers in continuously enhancing their performance capabilities. This year, the Group introduced an innovative dual-framework model covering both procurement-sales and energy management models. This model provides project companies with more adaptable operational options, facilitates differentiated partnership, and consequently enhances the application efficiency and market adoption of our process package technologies.

We encourage suppliers to prioritise environmental protection, properly manage waste, and reduce pollutant emissions to minimise environmental impact. Suppliers are required to establish and comply with processes or management standards for the identification and control of hazardous substances, including wastewater, waste gas and solid waste. Such performance is designated as a critical "veto item" in ESG assessments, clearly demonstrating BEWG's zero-tolerance stance towards environmental damage. In addition, we conduct annual performance evaluations of suppliers covering quality, safety, progress and commercial management, forming the basis for annual performance ratings. In 2025, to ensure safety throughout the construction project lifecycle, the Group integrated contractor safety into a unified risk management system, promoting coordinated safety governance through systematic admission, dynamic performance inspections and closed-loop rectification mechanisms.

The Group conducts regular ESG audits and assessments of suppliers based on their type and scores, in order to identify and mitigate ESG risks within the supply chain. Based on evaluation results, suppliers are categorised into four tiers, namely "Excellent", "Developing", "Rectification Required" and "Unqualified", with corresponding management strategies implemented. For ESG non-compliance issues identified during on-site audits, suppliers are required to formulate and initiate corrective measures within 15 days upon receiving a rectification notice, and to complete rectification within 1 to 3 months, depending on the complexity of the issue. The Group conducts document reviews or on-site verification of corrective action plans to ensure feasibility and effectiveness. At the same time, we provide suppliers with capability enhancement guidance and management optimisation recommendations to support continuous improvement. For suppliers that violate the *BEWG Supplier Code of Conduct* or fail to meet requirements after two rounds of rectification, cooperation will be terminated immediately.

Case Green Procurement

BEWG continuously implements and refines its green procurement strategy, prioritising environmentally certified products and services and actively promoting supplier "green upgrading" to advance sustainability across the entire value chain.

Given the large volume and significant expenditure of raw material procurement, it is critical to the Group's sustainable operations. To implement green procurement practices, we have increased the weighting of "green factory" criteria in our supplier evaluations for water treatment chemicals. Different scoring standards are applied based on national-, provincial- and municipal-level green factory certifications. Priority is given to suppliers that achieve intensification, harmless raw materials, clean production, resource recovery of waste and low-carbon energy use. Through this approach, we guide suppliers of water treatment chemicals to establish green factories and promote green development across the value chain.



Social Compassion

BEWG consistently upholds its core corporate values of being "Responsibility, Value, and Sharing" and incorporates the fulfilment of corporate social responsibility into its long-term development strategy. Focusing on community services, environmental education and rural revitalisation, the Group continuously carries out public welfare initiatives, promotes environmental awareness among the public, and contributes to the improvement of social well-being. As an active advocate and practitioner of corporate social responsibility, we standardise donation activities in accordance with the guiding principles, division of responsibilities and approval procedures set forth in the *External Donation Management System of BEWG*. In 2025, the Group's total charitable donations amounted to approximately RMB 1.902 million.

In 2025



The Group's total charitable donations amounted to approximately

RMB **1.902** million

Ongoing Environmental Education

BEWG fulfils its responsibilities as an environmentally responsible corporate citizen by integrating environmental education into its business practices and establishing a science popularisation system that reaches a wide range of audiences. Leveraging various environmental facilities as education platforms, the Group strengthens cooperation with government and universities, systematically disseminating environmental knowledge and promoting sustainability concepts. These efforts effectively raise public awareness of ecological protection and foster a society-wide ethos of shared responsibility for environmental protection, laying the essential groundwork for a more harmonious and sustainable society.

Case

Expanding Science Outreach through Digital Environmental Livestreams

In 2025, BEWG's subsidiary in Taiyuan was selected as a demonstration site and invited to feature in the Ministry of Ecology and Environment's national environmental livestream initiative, "Beautiful China Starts with Me: Exploring Environmental Facilities". The event was simultaneously broadcast across multiple social media platforms, presenting the entire wastewater treatment process through immersive visuals and attracting over 8,000 online viewers. This initiative broadened public access to environmental knowledge, enabling students and the general public to better understand water treatment processes and enhance awareness of water environment protection. Furthermore, the recorded livestream has been archived as a permanent digital educational asset, continuing to support environmental education programs in schools and communities.



BEWG Taiyuan Participating in National Environmental Livestream Showcasing Wastewater Treatment Technologies

Case

Building a Multi-dimensional Environmental Education System through Open Facilities

In 2025, Yinchuan No.1 Reclaimed Water Plant and Luoyang New District Sewage Treatment Plant under BEWG, continued to carry out environmental education activities as nationally designated public education facilities. Yinchuan No.1 Reclaimed Water Plant advanced the development of its environmental education base, organising four thematic events around World Water Day and Environment Day, delivering 58 educational sessions and receiving over 1,500 visitors, including government officials, academic workers, community residents, and international guests. Luoyang New District Wastewater Treatment Plant collaborated with multiple educational institutions to establish teaching and internship bases, further strengthening industry-academia cooperation. The plant pioneered an "Off-Campus Classroom", offering guided tours, process demonstrations and interactive experiences, transforming wastewater treatment knowledge into engaging environmental education. In 2025, the plant received over 1,000 teachers and students, with cumulative visitors reaching tens of thousands.



Environmental Education Activities at Yinchuan No.1 Reclaimed Water Plant



Environmental Education Activities at Luoyang New District Sewage Treatment Plant

Case

Developing an Immersive "Zero-Waste City" Education Base to Innovate Public Science Engagement

BEWG's subsidiary, Guangxi Guigang Environmental Co., Ltd., in partnership with local government, has established the first "Zero-Waste City" experience centre in Guangxi. This innovative facility integrates science education, industrial exhibitions, and environmental practices. Through regular public openings and structured educational programs, it showcases advanced waste-to-resource technologies, deepening public comprehension of and participation in ecological governance. The project was recognised as an "Outstanding Case in Guangxi Ecological and Environmental Education in 2024", providing a replicable model for local environmental education.



Zero-Waste City Guigang Experience Centre

Social Compassion

Community Engagement

BEWG is committed to fostering mutually beneficial relationships with the communities in which it operates and sharing the value generated by its development. In 2025, the Group carried out a range of community service and volunteer activities across domestic and overseas locations. By actively supporting public welfare projects, we strengthened local engagement and expanded our role in global cooperation, collectively amplifying our positive social impact.

Performance

In 2025, BEWG made five donations in the Chinese mainland and the Hong Kong SAR, and one overseas donation:

- ◆ **Disaster Relief:** Donated HKD 2 million to support victims of the fire incident in Hong Fuk Estate, Tai Po, Hong Kong; and RMB 19,000 to Rongjiang Water Affairs Co., Ltd. in Qiandongnan affected by flooding, to aid in restoring operations and community livelihoods;
- ◆ **Grassroots and Rural Support:** Donated RMB 10,000 to Gong County Charity Federation; RMB 30,000 to the Tianmen Village Committee in Xinhua County; and RMB 30,000 to the Agricultural and Rural Service Centre in Pingzhang Township, Xiping Yi and Dai Autonomous County, supporting to bolster rural livelihoods and sustainable service development;
- ◆ **Social Responsibility:** Donated EUR 5,500 to Valongo Municipality in Portugal to support local public infrastructure development.

Case

Extending Warmth and Respect to the Elderly on Chung Yeung Festival

On the occasion of the 2025 Chung Yeung Festival (Double Ninth Festival), volunteers from BEWG's Qinhuangdao Regional Company - Haigang Drainage Office visited the Rende Senior Care Home to extend holiday greetings and deliver essential supplies to the residents. During the visit, the volunteers engaged with the elderly residents in sincere conversations about their daily lives and well-being. They also assisted in distributing food packages and daily necessities, fostering a warm and festive atmosphere that honoured the spirit of the festival and the valued members of the community.



Chung Yeung Festival Visit by Beijing Enterprises (Qinhuangdao) Water Co., Ltd.

Case

Snow and Ice Removal to Safeguard Morning Commuting

In December 2025, a sudden heavy snowfall in Taiyuan, Shanxi Province severely impacted traffic during peak commuting hours. Taiyuan Reclaimed Water Development Co., Ltd., a BEWG subsidiary, promptly activated its emergency response plan and mobilised a team of over 20 volunteers for snow and ice clearance operations. Beginning work at 5:00 a.m. in temperatures of -10°C, the volunteers effectively cleared key roads, ensuring urban traffic flow and safeguarding public commute safety. This proactive engagement in public crisis management demonstrated the company's warmth and sense of responsibility, highlighting its active contribution to enhancing urban resilience and building safer, more sustainable communities.



Volunteer Team of Taiyuan Reclaimed Water Development Co., Ltd.

Case

Participation in Singapore National Trades Union Congress (NTUC) Ordinary Delegates' Conference

BEWG's Singapore subsidiary actively fulfilled its local social responsibility and was invited to participate in the NTUC Delegate Conference. The conference focused on topics such as employee rights, employment promotion and social welfare, providing a platform for enterprises and social organisations to jointly promote sustainable community development. Through participation in such dialogue mechanisms, the company continues to focus on employee well-being and labour conditions, integrating corporate operations with community needs and promoting responsible employment practices and social engagement.



NTUC Ordinary Delegates' Conference, Singapore



Support for Rural Revitalisation

BEWG actively fulfils its responsibilities as a state-owned enterprise by supporting rural revitalisation initiatives. In 2025, the Group and its affiliated trade unions directed a total of RMB 430,000 towards the procurement of agricultural products from regions such as Inner Mongolia, Tibet, Xinjiang, and Qinghai. This targeted expenditure contributed to the development of rural industries and regional economic growth.

Case

Sustained Public Welfare Initiatives for Rural Revitalisation and Care for Grassroots Livelihood Groups

BEWG continues to implement targeted assistance programmes that directly address the needs of grassroots communities. For six consecutive years, the Luoyang New District Sewage Treatment Plant has organised its "Warm Clothing for Winter" campaign, effectively aligning corporate volunteerism with the practical needs of rural residents. In 2025, employees donated over 420 items of clothing, alongside packages of food and other essential supplies. These donations were delivered to families in need in Guduo Village, Huangzhuang Township, Song County, helping to mitigate seasonal hardships and support their basic living needs.

Employees donated

420+ items of clothing. These donations were delivered to families in need in Guduo Village, Huangzhuang Township, Song County



Appreciation Banner Presented by Local Residents

Green Leadership

Low-Carbon Operations for a Sustainable Future (Ecosystem)

BEWG actively responds to the national "dual carbon" strategic goals, firmly establishing and practicing the concept that "lucid waters and lush mountains are invaluable assets". We integrate green and sustainable development into every aspect of our management and business development. The Group actively addresses climate change, focuses on the environmental impact of its operations, continuously strengthens biodiversity protection, and drives the transformation and upgrading of the environmental protection industry through low-carbon technological innovation. This has gradually transformed the original "municipal infrastructure" into a safer, cleaner, and greener safeguard in daily life, becoming a clean element in the new quality productive forces.

Annual renewable energy consumption reached

114,000 MWh

increase

55% year-on-year

Three of the Group's water plants were honoured as the

"Green and Low-Carbon Benchmark Wastewater Treatment Plants" by national ministries and commissions

16 companies
within the Group

obtained

ISO 14001 certification

achieving a coverage rate of

3.7%

We follow the hierarchical action strategy of

"Avoid, Reduce, Regenerate, Restore, and Transform",

adopting a systematic approach to mitigate biodiversity impacts throughout projects.



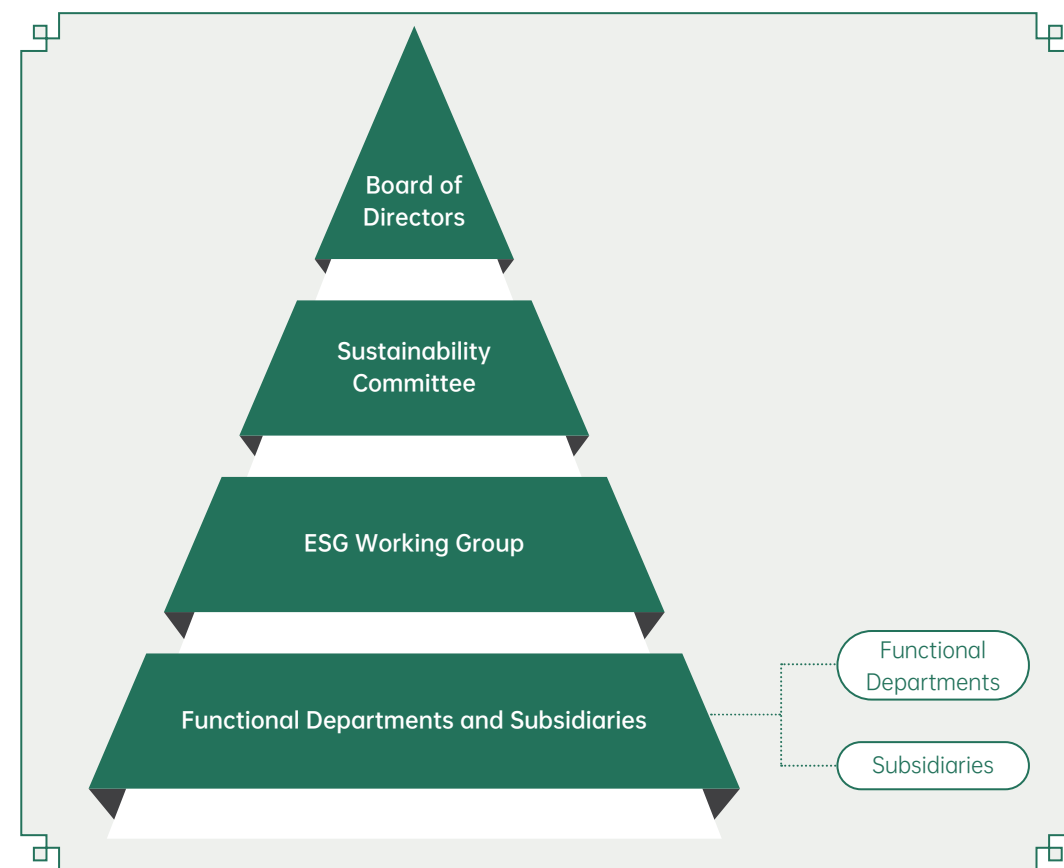
Climate Change

Climate change³⁸ is a common challenge faced by all of humanity. BEWG has deeply recognises the complex challenges and valuable opportunities presented by climate change, striving to achieve harmonious coexistence between the enterprise and the environment. We refer to the *International Financial Reporting Standard for Sustainability Disclosures Standard No. 2 – Climate-related Disclosures (IFRS S2)* issued by the International Sustainability Standards Board (ISSB) and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to continuously enhance our ability to identify and manage climate-related risks and opportunities, and to improve information disclosure. Meanwhile, we consistently enhance the Group's overall capacity to address climate change. By strengthening the climate governance structure, refining climate strategy planning, improving risk management mechanisms, and setting more forward-looking climate targets, we drive the transition of business operations towards low-carbon, support the green development of the industry, and contribute to achieving the national "dual carbon" strategic goals.

Climate Governance

Governance Structure

BEWG has established a governance system, comprising "the Board-the Sustainability Committee-the ESG Working Group-Functional Departments and Subordinate Units". The Board of BEWG has authorized the Sustainability Committee to make decisions on and oversee climate change-related matters. The Sustainability Committee has established an ESG Working Group, which effectively promotes the organisation, implementation, and fulfilment of climate-related initiatives. It coordinates across functional departments and subsidiaries to implement relevant management requirements, establishing an interconnected and well-defined governance structure.



³⁸ The climate report contains forward looking statements involving the Group's future development targets and investment plans. These statements are based on information, expectations, assumptions and estimates available as of the date of this report and are subject to the industry and regulatory environment at that time. These statements involve known and unknown risks, uncertainties, and other factors that may cause our actual results to be materially different from any of those expressed in the forward-looking statements, some of which are beyond our control. Forward-looking statements can generally be identified by the use of words such as "may," "expect," "anticipate," or similar expressions. Unless otherwise required by applicable law, the Group is under no obligation to update any forward-looking statements to reflect new developments or unforeseen events that occur after such statements are made.

Board Responsibilities

The Board serves as the highest governing body responsible for addressing climate-related matters at BEWG. The Sustainability Committee under the Board holds regular meetings annually to deliberate and make decisions on climate-related impacts, risks, and opportunities. During the reporting period, all governing bodies within the Group strictly performed their duties in accordance with established operational rules and internal systems, ensuring the effective operation of climate governance-related decision-making and oversight mechanisms.

BEWG has formulated climate-related management policies, which are subject to regular review and continuous improvement by the Sustainability Committee under the Board. This process provides institutional assurance for the Group's climate risk management and emergency response mechanisms. The Group's Sustainability Committee convenes at least annually to review climate-related matters, including progress toward climate targets, risk management status, and key action plans.

We provide regular ESG and climate-related training for Board members, covering regulatory trends, industry practices, and capacity building in climate governance, ensuring that all Board members possess the professional knowledge and judgement required for their climate oversight responsibilities.

Management Responsibilities

The Sustainability Committee of BEWG is dedicated to embedding green development principles across all aspects of product development and operational management. The Sustainability Committee oversees the work direction and management targets of key decarbonisation projects, reviews and approves climate-related investment projects. The Group prioritises the development of climate expertise within management. In forming the Sustainability Committee and the ESG Working Group, individuals with relevant professional backgrounds were appointed. Furthermore, the Group regularly engages external experts to train management on climate-related topics, equipping them with specialised knowledge needed for competent management and oversight of climate issues. Mr. Guo Rui, a member of the Sustainability Committee, brings industry experience in climate and clean energy from his professional work in the sector, contributing valuable expertise to the Group's climate strategy and related decision-making.

The Sustainability Committee regularly reviews the progress and reports to the Board. The Board and management identify and assess risks, employing scientific and objective methods to prioritise them. These climate-related risks are integrated into the Group's overall risk management system, where key risk lists and mitigation strategies are developed to inform climate strategy and target setting.

BEWG has established an ESG Working Group, which is responsible for strategic planning, policy implementation, resource allocation, target monitoring, and progress reporting on climate-related matters. It provides dynamic updates on climate-related initiatives to the Sustainability Committee.

Climate-related Performance Incentives

A mechanism has been established at BEWG to manage climate targets and metrics. This process begins with the Board's Sustainability Committee, which annually proposes climate-related management requirements. The Committee then tasks the ESG Working Group with formulating specific targets and metrics aligned with these requirements, which are cascaded to functional departments and subordinate units. The ESG Working Group regularly collects, evaluates, and analyses the performance against these metrics and reports its findings to the Board.

To ensure comprehensive climate governance adoption and the timely attainment of climate-related targets, BEWG integrates key climate performance metrics into the performance-linked incentive systems of relevant business departments. These metrics are tied to annual performance evaluations, creating a financial incentive that encourages employee participation in climate-related initiatives and accelerates progress toward achieving set goals.



Climate Change

Climate Strategy

Assessment of Climate-related Risks and Opportunities

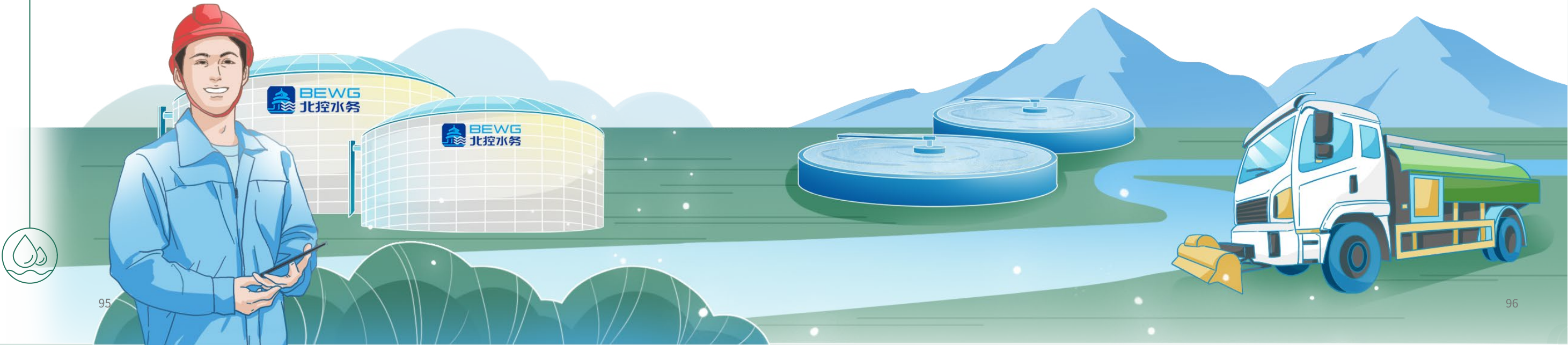
BEWG continuously monitors the potential impacts and opportunities of climate-related risks on the Group's business and financial performance. BEWG has conducted comprehensive identification, analysis, and assessment of climate-related risks and opportunities, covering the main business of the Group's own operations as well as key upstream and downstream segments of the value chain. This primarily includes upstream water source and operational input security, and shifts in downstream customer demand.

Physical Risks

Physical risks primarily consist of acute and chronic types. Acute risks refer to increased frequency and intensity of extreme weather events, while chronic risks include phenomena such as drought and sea-level rise. Physical risks may potentially impact operating costs, asset values, etc. Based on its operational locations, BEWG has identified, analysed, and assessed both acute and chronic physical risks. The primary findings are summarised in the table below.

Risk categories	Risk factors	Description of impact on business model and value chain	Timeframe	Responses
Acute risks	Extreme rainfall/ Floods	Business operations Extreme rainfall and floods may lead to local waterlogging, flash floods, or geological hazards. Water plants and supporting facilities are exposed to water ingress and inundation risks, which could impact the operation of electrical equipment and control systems. This may result in business disruption, impairment of assets such as large equipment, and increased operating costs due to repairs.	Short-term, medium-term, and long-term	- Establish a natural disaster emergency management system, improve standardised operating procedures (SOPs) for emergency response, and allocate dedicated emergency response funds. - Require all water plants to develop and file regional emergency plans, and strengthen coordination with local government departments for dispatch and response. - Implement flood control and drainage renovation, equipment anti-submergence reinforcement, and resilience upgrades for assets in key areas.

Risk categories	Risk factors	Description of impact on business model and value chain	Timeframe	Responses
Chronic risks	Drought	Business operations - For sewage treatment operations, reduced precipitation leads to fluctuations in regional inflow conditions. Changes in influent volume and quality increase treatment complexity, elevating unit energy consumption and chemical demand, potentially raising the Group's operating costs. - For water supply operations, drought may cause insufficient water source volume, affecting supply security. Additionally, declining water source levels may increase water intake head or necessitate periodic reliance on backup water sources, raising energy consumption and supply costs, thereby resulting in higher operating costs for the Group. Upstream and downstream value chain - Drought may impact the reliability of upstream water supply in terms of both volume and quality, potentially necessitating greater chemical inputs and driving up operational costs. Furthermore, water supply operations may require securing supplementary backup water sources to offset shortages caused by drought, which could further elevate operating expenses. - In scenarios of water scarcity, downstream customers are likely to adopt more stringent water management protocols, elevating expectations for operational continuity and water quality consistency. Consequently, the Group may experience a rise in operating expenditures.	Medium-term and long-term	- Enhance plant operational redundancy and dispatching capabilities, while strengthening real-time water quality monitoring and process optimisation. - Refine regional water source coordination and backup water source management, and establish operational assurance plans for drought scenarios. - Advance technological retrofits for energy conservation and consumption reduction, and enhance refined management of energy and chemical usage. - Strengthen demand-side water use coordination and customer communication.
	Sea-level rise	Business operations Coastal groundwater aquifers may be affected by saltwater intrusion. Combined with tidal changes, this poses potential pressure on raw water quality, increasing operational complexity at plants and resulting in higher operating costs.	Long-term	- Incorporate sea-level rise into long-term risk assessment, and continuously monitor water level and quality changes for coastal projects. - Implement regional intensive dispatch and preventive maintenance, and strengthen coastal climate adaptation design in new, renovation, and expansion projects.



Climate Change



Transition Risks

Transition risks refer to risks associated with the global transition to a low-carbon economy, encompassing policy, legal, technological, and market risks. The key climate-related transition risks identified by BEWG are presented in the table below.

Risk categories	Risk factors	Description of impact on business model and value chain	Timeframe	Responses
Policy and regulatory risks	Changes in energy policies	Business operations - National policies continuously raising the proportion of non-fossil and clean energy in consumption necessitate that the Group procure green electricity or construct clean energy installations such as photovoltaic (PV) power generation facilities in suitable plants to align with policy direction. This may increase operational expenditure and management complexity related to energy structure adjustment. - Growing focus from government regulators and capital markets on ESG and climate performance means that inadequate climate management could result in administrative penalties for the Group, thereby increasing compliance costs. It may also hinder efforts to reduce financing costs and limit access to financing channels.	Medium-term and long-term	- Continuously monitor national and state-owned asset management system energy policies, and promote the adoption of distributed photovoltaics and other clean energy sources in suitable plants. - Strengthen energy structure planning and energy conservation management, establish a green electricity procurement mechanism, and incorporate clean energy usage into long-term asset and operational planning. - Integrate climate and environmental performance into strategic management while enhancing ESG governance and the quality of information disclosure. - Continuously enhance sustainability performance to build stronger trust with government regulators and capital markets.
	Tightening of carbon emission policies	Business operations - Increasingly stringent regulatory requirements for carbon tax and carbon trading are likely to bring a greater portion of the Group's water supply operations under compliance oversight. Inadequate compliance management could increase carbon cost expenditures and pose compliance risks. Upstream and downstream value chain - Tighter carbon policies may affect upstream supply costs via energy price pass-through, while downstream customers increasingly demand stronger corporate carbon management and enhanced emissions reduction performance.	Medium-term and long-term	- Actively participate in regional carbon market compliance management, engage in carbon allowance trading to ensure emission compliance. - Establish a carbon emission management mechanism, improve the carbon inventory system, and continuously advance energy-saving, consumption-reducing, and low-carbon technology upgrades.



Climate-related Opportunities

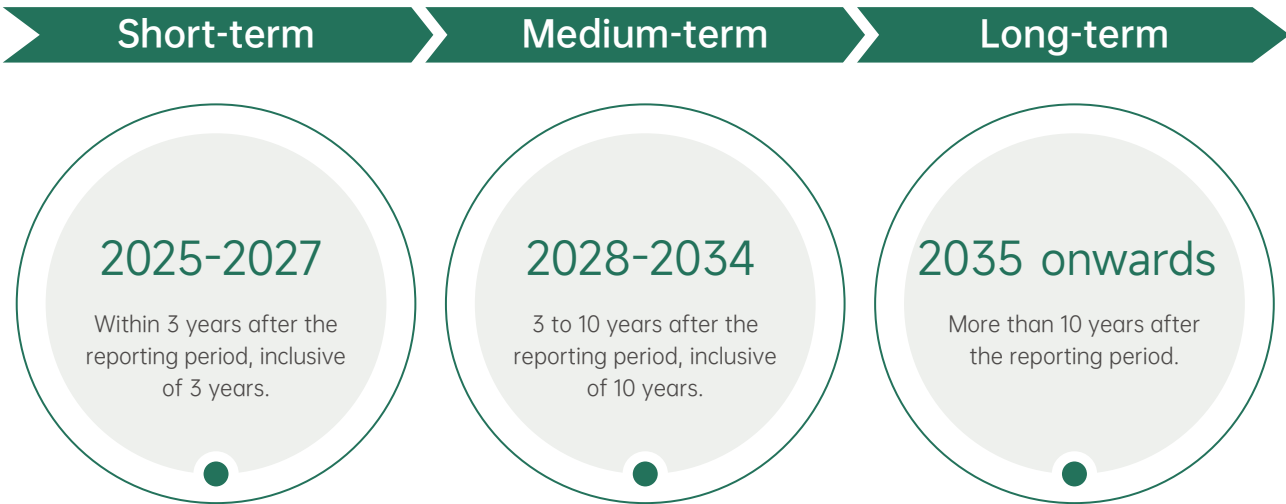
BEWG recognises that climate change mitigation and adaptation also present opportunities for the Group. The principal climate-related opportunities are shown in the table below.

Opportunity categories	Opportunity factors	Description of impact on business model and value chain	Timeframe	Responses
Climate-related opportunities	Energy sources	Business operations The ongoing national drive toward clean energy and low-carbon transition provides a policy window for the Group to advance photovoltaics, green electricity procurement, and integrated energy management within its plants, thereby optimising energy structures and reducing long-term operating costs.	Short-term, medium-term, and long-term	- Proactively engage with national and state-owned asset management system energy policies, and actively seek green policy support and special funding. - Increase the proportion of clean energy application and incorporate low-carbon concepts into long-term strategic planning.
	Smart water technology upgrade	Business operations The Group's implementation of energy-saving, consumption-reducing, and greenhouse gas monitoring technology upgrades enhances water plant operational efficiency, helping to reduce unit energy consumption and improve management refinement.	Medium-term and long-term	Advance smart water and low-carbon technology upgrades, increase investment in energy-saving equipment and digital systems.



Climate Resilience Analysis

Integrating a holistic view of BEWG's long-term strategic positioning, the implementation pace of its decarbonisation pathway, and the overall timeline of societal low-carbon development goals, the Group has systematically analysed the potential impact of climate-related risks and opportunities on the Group across different time horizons. We also continuously monitor and evaluate the effectiveness of relevant measures and resource allocation in response to the aforementioned risks and opportunities. Based on this analysis, BEWG has defined the impact periods and timeframes for climate change, as detailed in the table below.



Climate Change



Climate Scenario Analysis

BEWG refers to the Shared Socioeconomic Pathways (SSP) published by the Intergovernmental Panel on Climate Change (IPCC) and the publicly released climate change scenarios from the International Energy Agency (IEA). Aligned with the Group's decarbonisation pathway planning, applicable low-emission and high-emission scenarios were selected to analyse the potential impacts of key climate-related physical and transition risks on the Group's operations. We employed the IPCC SSP1-2.6 and SSP5-8.5 scenario models to assess potential physical risks, and the IEA Net Zero Emissions by 2050 Scenario (NZE) and Stated Policies Scenario (STEPS) models to assess potential transition risks.

Scenario categories	Risk categories	Selected scenarios	Scenario description
High-emission scenario	Physical risks	SSP5-8.5	The SSP5-8.5 scenario is a high-emission scenario within the Shared Socioeconomic Pathways (SSPs). This reflects a fossil fuel-intensive development pathway characterised by rapid global economic growth, propelled by the extensive exploitation of fossil fuels and energy-intensive lifestyles. Under this scenario, greenhouse gas emissions are projected to roughly double by mid-century, with the global average temperature expected to rise by approximately 4.4°C by 2100.
	Transition risks	Stated Policies Scenario (STEPS)	The STEPS scenario is founded on currently enacted or announced global policies. It anticipates sustained growth in global energy demand, albeit at a decelerating pace, with fossil fuels continuing to dominate the energy mix, while renewable energy and nuclear power gradually reshape the energy mix.
Low-emission scenario	Physical risks	SSP1-2.6	The SSP1-2.6 scenario is a low-emission scenario within the Shared Socioeconomic Pathways (SSPs). It represents a pathway where global society shifts towards a more sustainable pattern, characterised by low-carbon development, rapid technological progress, and low population growth. Under this scenario, global carbon dioxide emissions are significantly reduced according to stringent standards, achieving net-zero by 2050. By 2100, the global average temperature is projected to stabilise at around 1.8°C above pre-industrial levels.
	Transition risks	Net Zero Emissions by 2050 Scenario (NZE)	The NZE Scenario aims to achieve global net zero carbon dioxide emissions by 2050, which necessitates profound decarbonisation of the global energy system, stringent international policies, and a dominant role for clean energy. It is projected to limit temperature rise to within 1.5°C.

Under the selected high- and low-emission scenarios, BEWG identified the most critical physical and transition risks, respectively, as extreme rainfall and floods, and tightening carbon policy risk. The potential impacts of these risks on the Group's business and operations are detailed in the "Assessment of climate-related risks and opportunities" chapter of this report. To date, the Group's financial performance has not been materially affected by any physical risks.



Current and Anticipated Financial Effects Related to Climate

For the key climate risks analysed, we conducted a comprehensive assessment and analysis of their frequency, magnitude of impact, and likelihood using scenario analysis tools. The overall risk is within manageable bounds.

• Current financial effects

Analysis of key physical risks				
Risks	Time horizon of impact	Financial effect channels	Potential financial risks	Current financial effects
Extreme Rainfall/ Floods	Medium-term Long-term	Assets, operating costs	- For sewage treatment operations, extreme rainfall and floods may lead to water ingress and inundation at plants and supporting facilities, resulting in damage to electrical equipment and electromechanical systems. This necessitates emergency repairs and response measures, increasing fixed asset restoration expenditures and operational support costs. If the disaster is severe, it may cause temporary production disruptions, potentially leading to revenue delays. - For water supply operations, extreme rainfall and floods may directly damage stations, raw water pipelines, and supporting facilities. In severe cases, this may trigger production interruptions and result in definitive repair costs and asset losses. Furthermore, extreme weather may cause variability in water volume and quality, increasing treatment complexity and emergency dispatch requirements, thereby raising operational support costs.	- During the reporting period, specific sewage treatment plants operated by the Group in Shenzhen, Beijing, and Baotou incurred asset losses and emergency expenditure of RMB 12.11 million due to extreme weather events; specific water supply projects in Luoyang and Chifeng incurred asset losses and emergency expenditure of RMB 3.23 million. The insurance compensation amount has not been included at this stage. - This year, the Group restored operations promptly following timely repairs, and no production interruptions occurred. Concurrently, the Group continues to advance flood control and drainage upgrades as well as asset resilience enhancements to mitigate future loss risks from extreme weather.

Analysis of key transition risks				
Risks	Time horizon of impact	Financial effect channels	Potential financial risks	Current financial effects
Tightening of carbon emission policies	Medium-term Long-term	Operating costs	As the regulatory scope of carbon tax and carbon trading expands, water supply operations may be subject to stricter carbon compliance frameworks, requiring future expenditure on carbon allowance purchases or carbon tax liabilities. Insufficient compliance management may result in penalties or compliance risks, while also increasing investment in carbon management system development and low-carbon technology upgrades.	- During the reporting period, the Group's Shenzhen-based operations have been brought under the carbon trading management system, resulting in carbon allowance purchase expenditure of approximately RMB 0.33 million. - The Group has established a carbon emission management mechanism and continues to advance energy-saving and consumption-reducing upgrades to mitigate future carbon cost risks.

Based on the existing analysis and assessment, climate-related risks did not have a material impact on the Group's financial position, financial performance, or cash flows during the reporting period, and are not expected to have a material impact on the carrying amounts of assets and liabilities in the forthcoming reporting period. In relation to climate-related opportunities, the Group continues to pursue initiatives in clean energy utilisation and carbon emission management. This includes promoting the adoption of distributed photovoltaic systems and green electricity in suitable plants, enhancing the carbon emission data management framework, and advancing smart water solutions alongside energy-efficient operational practices. Leveraging its established water supply operation framework and technical capabilities, the Group continuously enhances energy efficiency and resource management. These initiatives have been integrated into daily operational and management processes.

Climate Change

• Anticipated financial effects

In response to climate-related physical risks, the Group will, based on the existing systems for disaster prevention and mitigation, and facility maintenance, continuously strengthen equipment maintenance, drainage capacity enhancement, and operational resilience management for water plants in key regions. The Group will also regularly assess the actual impact of extreme weather on asset safety and operational stability, and promptly optimise response measures. While ensuring that the risk level remain aligned with the Group's management requirements, the Group anticipates that it will continue to allocate dedicated maintenance and upgrade costs over the next three years in areas such as flood control and drainage upgrades, equipment anti-inundation reinforcement, and operational support capacity enhancement, in order to reduce the potential impact of extreme rainfall and floods on production operations.

In response to climate-related transition risks—particularly those arising from energy structure adjustments and carbon emission regulations—the Group has integrated energy-saving and consumption-reducing upgrades, clean energy adoption, and carbon management system development into routine capital and operational planning. While ensuring regulatory compliance, the Group will progressively advance green electricity procurement, adopt distributed clean energy, and strengthen carbon emission data management capability. Related expenditures will primarily involve equipment upgrades, adjustments to energy procurement structures, and management system optimisation costs.

Moreover, amid the national low-carbon transition and the development of a new energy system, demand for efficient water resource utilisation, reclaimed water use, and smart water management continues to grow. Drawing on its well-established water operations framework and technical expertise, the Group's progressive development of energy-efficient operations and resource recycling initiatives will create medium- to long-term business development opportunities³⁹ for BEWG.

Climate Risk Management

BEWG has comprehensively identified material ESG risks, including climate-related risks, pertinent to its operations. Climate risk management has been integrated into the Group's overall risk management framework. Targeted response measures have been formulated and are required to be implemented by relevant departments in operational management. BEWG applies a "five-step approach" – comprising risk identification, risk assessment, risk response, risk monitoring, and risk evaluation – to climate risk management, and forms a closed-loop mechanism characterised by "risk identification first, business-led management, and audit oversight follow-up".



Risk Identification

In accordance with the requirements of Part D *Climate-related Disclosure* of the *Environmental, Social and Governance Reporting Guide* set out in Appendix C2 to the *Main Board Listing Rules* on the Stock Exchange of Hong Kong Limited, the TCFD recommendation framework and the *International Financial Reporting Standards S2 - Climate-related Disclosures* (IFRS S2), and taking into account the external environment, industry trends, and the Group's business characteristics, we systematically identify the potential impacts of various types of climate-related risks on our core business operations.



Risk Assessment

Through internal workshops and expert analysis, we identify climate-related risks and opportunities, and prioritise them based on factors such as their likelihood of occurrence, the extent of their impact on business models and value chains, and their relevance to business development.



Risk Response

Based on the assessment results, BEWG formulates a climate change response strategy, defines relevant climate metrics, identifies KPIs, and sets targets and action plans for priority areas to manage risks and seize opportunities through targeted measures.



Risk Monitoring

BEWG has established a dynamic risk monitoring mechanism. The targets and KPIs of the response measures are broken down to the implementation level to form actionable plans. Progress against these KPIs and targets is continuously tracked and monitored to ensure effective implementation and timely adjustment in light of actual developments.



Risk Evaluation

BEWG periodically evaluates the effectiveness of the risk management measures, reviewing their actual performance in mitigating risks and capturing opportunities. This evaluation informs the refinement of the risk management strategy and supports continuous improvement.

In 2025, BEWG applied climate scenario analysis to systematically assess the potential impact of widely-relevant physical risks under different climate scenarios on its business strategy and financial planning. In the future, BEWG will continue to refine its routine management mechanism for climate-related risks, with the objective of making its risk management more systematic and forward-looking.

Climate Targets and Metrics

In active response to the "3060" dual carbon goals, BEWG adheres to the development philosophy of "prioritising environmental protection, reducing carbon emissions and improving efficiency". We have set carbon emission targets, continuously explored our potential for carbon reduction, and actively laid out clean production and green and low-carbon business models. Through these efforts, we strive to lead the green and low-carbon development of the water industry.



Targets

This year, aligning with market trends and evolving demands, and based on its own production, operational realities, and business model, the Group has set the following climate management targets.

Climate target ⁴⁰	Progress
Carbon emission intensity reduction targets* for operations in the Chinese mainland	
By 2030, the carbon emission per unit of revenue (tonnes of CO ₂ equivalent / RMB 10,000 revenue) will be reduced by 2% compared to 2023.	Compared to 2023, in 2025, carbon emission intensity per unit of revenue (tCO ₂ e/RMB 10,000 revenue) increased by 21% .
By 2030, the carbon emission per unit of treated water (tonnes of CO ₂ equivalent / 10,000 cubic metre of water) will be reduced by 4% compared to 2023.	Compared to 2023, in 2025, carbon emission intensity per unit of water treated (tCO ₂ e/10,000 cubic metre of water) decreased by 7% .

*Note: As of 31 December 2025, the coverage of these targets: the businesses that account for 86% of the profit attributable to shareholders of the Company.

⁴⁰ The Company has established climate targets of "By 2030, the carbon emission per unit of revenue (tonnes of CO₂ equivalent / RMB 10,000 revenue) will be reduced by 2% compared to 2023; By 2030, the carbon emission per unit of treated water (tonnes of CO₂ equivalent / 10,000 cubic metre of water) will be reduced by 4% compared to 2023". These targets have not yet been verified by an independent third-party institution. The targets were set primarily with reference to historical carbon emissions data, business development plans and feasibility assessments of emissions reduction measures. The Group has established a target review mechanism under which relevant business departments regularly collect and submit energy consumption and emissions data. The sustainability management team monitors implementation progress on a quarterly basis and reports target achievement annually to the Sustainability Committee and the Board of Directors. We have also established a rigorous internal data collection and monitoring system to ensure effective tracking of progress against the targets. Going forward, the Company will assess the need to introduce third-party verification in the review of target progress. During the reporting period, the Company continued to advance emissions reduction initiatives, including energy-saving upgrades, improvements in energy efficiency and the application of clean energy. Overall progress against the targets was in line with the phased plan.

³⁹ With regard to the specific financial effects of climate-related opportunities, given their relevance to sensitive business plans and strategic arrangements of BEWG, we have applied the relevant clause for commercial sensitivity exemption in climate-related opportunity disclosures under applicable reporting standards.



Metrics

Greenhouse Gas Emissions

We are committed to continuously enhancing the completeness and accuracy of our greenhouse gas (GHG) emissions data. Since 2017, BEWG has progressively disclosed GHG emissions data for its major office locations, and since 2019, has disclosed Scope 1 and Scope 2 emissions by business segment. During the Reporting Period, we conducted the accounting of Scope 3 GHG emissions in accordance with the Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). We systematically reviewed and assessed the Group's Scope 3 emissions boundary. For the emission categories included in Scope 3 accounting, we identified and prioritised categories based on their relative contribution to total GHG emissions, and accounted for and disclosed the principal emissions from Category 1 Purchased Goods and Services, Category 2 Capital Goods, and Category 3 Fuel- and Energy-related Activities. For further details, please refer to the performance table "GHG emissions of BEWG in 2023-2025".

Climate-related transition risks

The Group has identified tightening carbon policy risk as its most significant climate-related transition risk.

To address this risk, the Group has systematically advanced carbon emission management and energy-saving retrofits. Water plants in key regions have completed carbon emission inventories and been incorporated into a unified management system. Certain plants under the Group have reduced operational carbon intensity through green electricity procurement and distributed clean energy applications. Concurrently, energy-saving equipment upgrades and smart dispatch system retrofits are continuously pursued to meet regulatory and client low-carbon requirements. Overall, transition risks remain within a manageable range and are being progressively transformed into operational efficiency advantages through the enhancement of low-carbon operational capabilities.

Climate-related physical risks

The Group has identified the most significant climate-related physical risk as extreme rainfall and floods. As the Group's water assets are distributed across multiple regions globally, this geographically dispersed asset structure mitigates, to some extent, the impact of extreme weather in any single region on overall operations.

As of the end of 2025, extreme climate events have not caused systemic financial losses for BEWG. Related impacts have been primarily confined to temporary emergency repairs and asset restoration expenditures at specific projects. It is estimated that the financial effect of climate-related physical risks on current and future business activities accounts a relatively low proportion of the Group's total revenue. BEWG has established a business continuity management system. Core water plant assets are covered by property insurance and business interruption insurance. Furthermore, flood control and drainage upgrades, alongside facility resilience enhancements, are continuously advanced. Consequently, the overall exposure to climate-related physical risks is considered manageable.

Climate-related opportunities

In alignment with national low-carbon transition and water efficiency policies, demand for energy-efficient water operations, water reuse, and smart water operations continues to grow. The Group has consistently pursued technological upgrades and management optimisation focused on enhancing energy efficiency and digital operations. These capabilities are now extensively applied across water supply and sewage treatment businesses.

Capital deployment

In 2025, BEWG continued to advance key water plant retrofit and equipment upgrade projects, focusing on energy conservation and consumption reduction, enhancement of asset resilience, and the development of smart water infrastructure.

GHG Emissions of BEWG in 2023-2025

Metric	Unit	2025	2024	2023
Water business in the Chinese mainland				
GHG emissions-Scope 1	tCO ₂ e	5,325	5,147	5,641
GHG emissions-Scope 2	tCO ₂ e	1,045,838	1,009,736	1,083,918
Total GHG emissions	tCO ₂ e	1,051,164	1,014,883	1,089,559
Overseas water business				
GHG emissions-Scope 1	tCO ₂ e	2,539	2,183	2,056
GHG emissions-Scope 2	tCO ₂ e	90,991	90,991	88,199
Total GHG emissions	tCO ₂ e	93,531	93,175	90,255
Solid waste business				
GHG emissions-Scope 1	tCO ₂ e	6,503	4,883	5,098
GHG emissions-Scope 2	tCO ₂ e	9,558	9,390	11,530
Total GHG emissions	tCO ₂ e	16,061	14,273	16,627
Office building				
GHG emissions-Scope 1	tCO ₂ e	1,501	1,587	1,268
GHG emissions-Scope 2	tCO ₂ e	3,596	2,710	3,668
Total GHG emissions	tCO ₂ e	5,096	4,297	4,936
Total				
Total GHG emissions (Scope 1)	tCO ₂ e	15,868	13,799	14,063
Total GHG emissions (Scope 2)	tCO ₂ e	1,149,984	1,112,828	1,187,315
Total GHG emissions (Scope 3)	tCO ₂ e	247,956	/	/
GHG emissions (Scope 3): Purchased Goods and Services	tCO ₂ e	142,361	/	/
GHG emissions (Scope 3): Capital Goods	tCO ₂ e	77,035	/	/
GHG emissions (Scope 3): Fuel- and Energy-related Activities	tCO ₂ e	28,560	/	/
Total GHG emissions (Scope 1, 2, 3)	tCO ₂ e	1,413,808	/	/
Total GHG emissions (Scope 1, 2)	tCO ₂ e/RMB 10,000 revenue	0.53	0.46	0.49

Notes:

1. The Group's greenhouse gas (GHG) inventory includes carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O).

2. Scope 1 GHG emissions arise from fuel consumption of stationary sources (diesel and natural gas) and transportation vehicles (petrol and diesel). The emission factors for natural gas, diesel and petrol are referenced from the *Guidelines for Accounting and Reporting of Greenhouse Gas Emissions for Industrial Enterprises in Other Industries* issued by the National Development and Reform Commission of the People's Republic of China on 6 July 2015.

3. Scope 2 GHG emissions arise from the consumption of purchased electricity and purchased heat. The emission factor for purchased electricity is referenced from the *Announcement on the Release of 2023 Carbon Dioxide Emission Factors for Electricity* issued by the Ministry of Ecology and Environment of the People's Republic of China on 31 December 2025, while the emission factor for purchased heat is referenced from the *Guidelines for Accounting and Reporting of Greenhouse Gas Emissions for Industrial Enterprises in Other Industries* issued by the National Development and Reform Commission of the People's Republic of China on 6 July 2015.

4. Scope 3 GHG emissions include the categories of purchased goods and services, capital goods, and fuel- and energy-related activities.

5. In 2025, the statistical scope of the data in the Report changed, we sort out the indicator scope, and some data of previous year is retroactively adjusted.

Low-Carbon Management

Aligned with its corporate strategy and guided by its industry mission, BEWG has established a comprehensive management system for low-carbon development. BEWG has implemented initiatives across five pillars: low-carbon operations, low-carbon technologies, low-carbon construction, low-carbon workplace practices, and low-carbon collaboration. This systematic approach drives energy conservation, consumption reduction, and green efficiency improvements, actively fulfilling its corporate responsibility for green and low-carbon development.

BEWG will continue to increase investment in technological innovation and research & development. BEWG is committed to promoting the deeper integration and broader adoption of advanced low-carbon technologies and green products within the water sector. These efforts are aimed at developing more industry-leading benchmark water plants that exemplify green and low-carbon principles, ultimately contributing tangibly to the industry's transition towards high-quality, green, and low-carbon development.

Low-Carbon Operations

BEWG consistently adheres to relevant national laws, regulations, and industry policies. Based on the core characteristics of water operations and whole-process management practices, the Group has formulated specialised internal control systems such as the *Low-Carbon Operations Management Measures of BEWG*, and the *Enterprise Action Plan for Achieving Dual Carbon Goals*, thereby establishing a comprehensive management framework for green and low-carbon operations.



Energy Management

The Group comprehensively implements a lean energy efficiency management model by applying precise, closed-loop controls to energy consumption throughout production and operational workflows, thereby driving improvements in energy efficiency across all operational stages. Using the previous year's energy consumption data as a baseline, the Group sets scientifically informed energy consumption control targets for the following year. In daily operations, the Group maintains a monthly dynamic energy consumption tracking mechanism. When abnormal consumption data is identified, relevant responsible units are promptly engaged to conduct a rigorous root-cause analysis, with targeted corrective measures implemented based on expert professional advice, continuously enhancing energy efficiency. The Group has developed energy efficiency evaluation models for its equipment and systems. By strictly adhering to industry energy efficiency assessment standards, the Group conducts tiered energy efficiency evaluations of equipment, accurately identifying assets with low energy efficiency. To facilitate this, targeted measures are implemented. These include optimising equipment operating strategies, fine-tuning process parameters, upgrading to high-efficiency equipment, and intelligently adjusting motor power supply frequency, which collectively ensure the high-efficiency operation of its production equipment. In addition focusing on high-energy-consumption equipment such as submersible centrifugal pumps, submersible mixers, and aeration blowers, the Group routinely conducts energy-saving technical retrofits and upgrades.

By the end of 2025

The total investment in BEWG's energy-saving technical retrofit projects reached

RMB **40.56** million

resulting in annual electricity cost savings of

RMB **21.55** million

and annual electricity savings of

34.77 million kWh

By fully integrating intelligent operation with green and low-carbon development, we have developed online process control tools, transforming the most advanced process control methods into platform-based, standardised application tools to improve the stability and reliability of production systems. Within the water supply business, we have innovatively adopted a constant-pressure operation mode for the distribution network to replace the traditional factory constant-pressure mode. This innovative approach ensures the efficient and stable operation of the water supply system while effectively reducing water resource waste.

In 2025, the Group achieved a 0.8% year-on-year reduction in the overall energy consumption per cubic metre of water thanks to the optimisation and upgrade of core energy-consuming equipment across its water supply systems. At key energy consumption nodes, several projects were successfully transitioned from the traditional "water tank + variable frequency drive (VFD)" configuration to an integrated constant-pressure water supply solution utilising "water tank + non-negative pressure" technology. This initiative leverages smart systems and utilises municipal pipeline pressure to significantly reduce the operational load of water pumps. Post-retrofit, pump stations can reduce energy usage by approximately 30% compared to previous levels. Furthermore, during peak water demand periods, stored water from tanks is dispatched to ensure supply, while water replenishment is conducted during off-peak periods, effectively smoothing pipeline network fluctuations and reducing the overall operational energy consumption of the water supply system. Additionally, by promoting the application of high-efficiency units, optimising dispatch algorithms, and strengthening pipeline leakage control, among other diversified measures, the Group has established a multi-dimensional, whole-process management system for energy conservation and consumption reduction. This continuously drives production and operations towards a greener, lower-carbon, and higher-quality outcomes.

Case

Yuxi City's Benchmark Plant for Efficient Pollution Reduction and Energy Conservation

Yuxi Sewage Treatment Plant is a semi-underground facility, with a designed operational capacity of 100,000 tonnes per day. The quality of the effluent strictly complies with the *Grade A standard specified in the Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant* (GB18918-2022). The treated water is utilised through multiple pathways. A portion is reclaimed as a recycled water resource, while the remaining compliant effluent is discharged into the Yuxi River for ecological flow supplementation within the basin. This effectively reduces the total volume of pollutants entering the river, contributing to the continuous improvement of the aquatic ecological environment quality in the watershed.

Through energy-efficient technological retrofits to key production assets, including water pumps, fans, and mixers, coupled with process optimisation and control measures, and complemented by the implementation of zero-external-carbon-source dosing management, the plant has collectively contributed to a production-wide reduction in energy consumption and chemical inputs. In the future, Yuxi Sewage Treatment Plant will install photovoltaic power generation facilities. This initiative aims to increase the self-sufficiency rate of clean energy, reduce reliance on traditional energy sources, and further lower the carbon emissions associated with the plant's operations.



Yuxi City's Benchmark Plant for Efficient Pollution Reduction and Energy Conservation



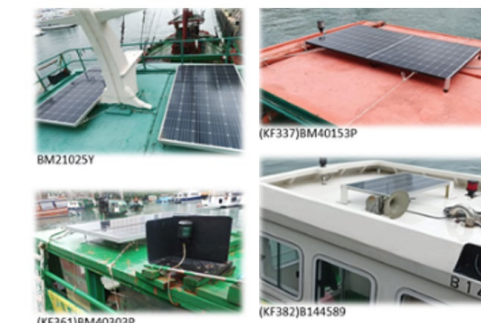
Renewable Energy Substitution

BEWG explores viable pathways for substituting traditional energy sources with renewable energy and low-emission fuels. The Group proactively deploys distributed photovoltaic power generation facilities by utilising available spaces such as plant rooftops to supply clean electricity for plant operations. By the end of 2025, the Group had 50 water plants using solar PV power generation. Through integrated measures including green power procurement and photovoltaic installation, the proportion of renewable energy consumption in the Group's water treatment processes reached 5% of its total energy consumption in this year.

Case

Solar Power System Retrofitting on Vessels by Kai Fat Harbour Cleaning Services

This year, Kai Fat Harbour Cleaning Services Limited, a subsidiary of BEWG, installed distributed photovoltaic power generation facilities on all its vessels dedicated to refuse removal and oil pollution cleanup. After retrofitting, the electricity generated by the photovoltaic facilities can replace a portion of the electricity that would otherwise be generated by diesel combustion. This initiative not only reduces fuel consumption but also effectively lowers the vessels' operational costs. In parallel, the photovoltaic installations effectively block heat from direct sunlight, preventing it from entering the vessel compartments. This reduces the cooling load on the onboard air conditioning systems, leading to a further decrease in energy consumption. In 2025, this photovoltaic project effectively reduced greenhouse gas emissions by approximately 950 tonnes.



Solar Power System Retrofitting on Vessels

Low-Carbon Management

Case

Photovoltaic Power Generation Project at the Group's Singapore Subsidiary

The photovoltaic project of the Group's subsidiary in Singapore commenced formal operation on 14 March 2023. With a total installed area of 9 thousand square metres, it has been running stably and efficiently. In 2025, this photovoltaic project generated daily electricity savings of approximately 6,569 kWh, leading to cumulative annual savings of around 2,397,650 kWh. This has provided substantial support for the company's low-carbon operations.



Energy Recovery

The Group actively promotes energy recovery technologies such as water source heat pumps and anaerobic digestion, continuously enhancing the efficiency of energy recycling throughout the entire process. In wastewater treatment operations, we leverage water source heat pump technology to recover thermal energy generated during the treatment process, providing heating and cooling for office buildings, production areas, and residential zones within the plants. In sludge treatment, we utilise anaerobic digestion to convert sludge into biogas, which is then used to power production processes. The biogas residue, after undergoing deep dehydration, is processed into nutrient-rich soil, achieving both harmless disposal and efficient resource utilisation of sludge. Furthermore, to enhance the application effectiveness of sewage source heat pumps, the Group proactively conducts specialised technical research on water temperature variations throughout the wastewater treatment process, continuously driving innovation, iteration, and practical advancement in energy recovery technologies.

Case

"New Energy Island" Series Products

Leveraging its core strengths in large-scale water treatment capacity and extensive network of water plants, the Group deeply explores the energy potential of wastewater and reclaimed water resources. We have innovatively developed an integrated energy station centred on water source heat pumps - the "New Energy Island" series products - ensuring that the energy efficiency of the heat pump units surpasses the national Level 1 energy efficiency standard. Equipped with a smart energy management system, the energy station fully unleashes the supply potential of clean energy. It not only generates sustainable operational income but also enhances economic benefits alongside carbon emission reduction and environmental protection benefits.

In 2025, building on the specific water temperature and quality characteristics of each water plant, the Group relied on its AI-driven smart energy management system to customise the development of integrated energy stations capable of efficiently utilising the low-grade heat from wastewater. At the Daqing Dongfeng Water Plant, a subsidiary of the Group, a centralised heating system and smart energy management system have been implemented to effectively meet the energy demands for production and daily operations within the plant. Additionally, the Group's Shenzhen Hengling Water Quality Purification Plant has commissioned a highly efficient integrated energy station to provide centralised cooling. This installation replaced part of the air conditioning systems in production workshops, further solidifying energy-saving and carbon reduction achievements.



"New Energy Island" Series Products

Case

Sewage Source Heat Pump Technology of West Sewage Treatment Plant in Haigang District, Qinhuangdao

The West Sewage Treatment Plant in Haigang District, Qinhuangdao utilises sewage source heat pump technology, leveraging raw sewage, treated reclaimed water, and secondary effluent from the plant as heat sources to establish a clean and efficient energy utilisation model. Annually, the project delivers 327 MWh of heating output and 29 MWh of cooling output, achieving a yearly reduction of 241.23 tonnes in carbon dioxide emissions.



West Sewage Treatment Plant in Haigang District, Qinhuangdao

Case

Staged/Phased Anaerobic Digestion Process of Beidaihe New Area Sludge Treatment Plant

Beidaihe New Area Sludge Treatment Plant employs a staged/phased anaerobic digestion process to establish a low-carbon sludge resource recovery and disposal system. In the project, biogas residue is processed into nutrient soil suitable for landscaping, agricultural use, and soil improvement after deep dehydration treatment. The generated biogas is purified, with part used for preheating raw sludge during the pretreatment stage, and the remainder utilised as vehicle fuel. This achieves sludge reduction, harmless disposal, and resource recovery and regeneration.



Staged/Phased Anaerobic Digestion Process of Beidaihe New Area Sludge Treatment Plant

Low-Carbon Management

Low-Carbon Technologies

Over the years, leveraging its extensive experience in the field of sewage treatment, the Group has continuously increased investment in R&D of low-carbon processes and control technologies. As a result, we have successfully developed a series of new low-carbon technological products, significantly improving the efficiency of sewage treatment and effectively reducing energy consumption and operating costs.



Low-carbon Process Technology

BEAOA

BEAOA technology has such advantages as efficient nitrogen removal, energy saving and consumption reduction. Compared with conventional technologies, the BEAOA technology can reduce excess sludge by over 30% and lower the energy consumption of aeration⁴¹ units by more than 20%. This technology has been technically certified by the Environmental Development Centre of the Ministry of Ecology and Environment, receiving a certificate of eco-environmental technology assessment. It has also been successfully selected for inclusion in the *Core Product Technology Catalogue of BEWG* as part of the "2025 Top 100 Scientific and Technological Achievements for New Momentum" curated by the International Scientific Exchange Foundation of China, and has accumulated a total of 30 authorised patents. This year, the Group has implemented 3 sewage plant expansion projects in Henan Province, helping to improve the water ecological environment of the Yellow River Basin and maintain the balance of the water ecosystem by implementing the BEAOA technology.



BESWIFT

BESWIFT Technology is a new technological product independently developed by BEWG based on the characteristics of low-carbon-to-nitrogen ratio sewage in China and based on granular sludge technology. BESWIFT has excellent sludge settling performance. While achieving high-standard removal of COD, ammonia nitrogen, total nitrogen and total phosphorus in sewage, it can reduce energy consumption by more than 20%, reduce the land occupation of projects by 50%, shorten the construction period by 2/3 and save investment by more than 20%. BESWIFT can be quickly applied in scenarios such as decentralised sewage, small and medium-sized urban sewage, industrial point source sewage and sewage in key villages and towns. Moreover, it provides various modes such as prefabricated and mobile ones according to different needs, aiming to provide new efficient and energy-saving technologies for new construction or reconstruction and expansion projects. While achieving high-quality development, it promotes environmentally sustainable development. In 2025, the Group expanded its operational sewage treatment capacity by over 100 thousand tonnes per day, thereby strengthening service capability for urban environmental infrastructure. Till now, BESWIFT has obtained a total of 6 authorised patents, and many operating projects have achieved good results:

- ◆ A 1,000-tonne-level prefabricated project has been in stable operation for five years in Jinan, Shandong;
- ◆ A 10,000-tonne-level renovation project has been in stable operation for more than three years in Foshan, Guangdong;
- ◆ New projects are carried out in a number of places, such as Qingdao, Shandong and Enping, Guangdong.

⁴¹ Aeration is a water treatment technology that involves forcibly introducing air or other gases into water to increase the contact surface area between water and air, thereby enhancing the concentration of dissolved oxygen in the water. In wastewater treatment, aeration is primarily employed in aerobic biological treatment processes to provide sufficient oxygen for microorganisms, facilitating the oxidative decomposition of organic substances.

Anaerobic Ammonium Oxidation (ANAMMOX)

The ANAMMOX technology is a green and low-carbon technological process specifically developed by the Group for kitchen wastewater, landfill leachate, and similar refractory wastewater streams. Its core advantages lie in excellent organic degradation, advanced nitrogen removal, and significant energy and resource efficiency, making it particularly suited to address the low-carbon treatment requirements for high-concentration wastewater. Compared with traditional technology, the operating costs and carbon emissions of the ANAMMOX technology can be reduced by up to 80%.



Low-carbon Control Technology

BEWG's engineering management robot (BE-EMR)

BEWG is advancing the digitalisation and intelligent upgrading of its production operations with the development and launch of its BE-EMR system. This system utilises OPC technology to shift the process control mode from traditional "unit-side control" to "cloud-unit collaborative control". Operating on a closed-loop "perception-decision-execution" control logic, the system intelligently regulates key process units such as water, sludge, gas, and chemicals. This enhances the stability of the treatment process and reduces operational costs.

The BE-EMR system employs a "cloud + unit" collaborative architecture. It is equipped with 58 standardised control programmes and 57 process models, covering the entire process chain including aeration, pumping, chemical dosing, and sludge discharge. The system supports one-click deployment and rapid delivery. Following its official launch in November 2025, the system was deployed and commissioned at 30 pilot water plants by January 2026. At projects such as Guangzhou Huadu BEWG and Zaozhuang BEWG, intelligent control utilisation rates reached 57%–88%, with continuous stable operation exceeding 150 hours. The Group plans to continue its rollout on this basis, with an expectation to extend the system to over 50 additional water plants in 2026. This aims to improve resource efficiency and operational management through intelligent process management.

By January 2026

The system was deployed and commissioned at

30 pilot water plants

At projects such as Guangzhou Huadu BEWG and Zaozhuang BEWG, intelligent control utilisation rates reached

57%–88%

with continuous stable operation exceeding

150 hours

BEWG's low-carbon and efficient biochemical control system (BELEBC)

The BELEBC System is one of the core products in Beishui Technology's Dual Intelligent Engine for Water Agent portfolio. As an integrated hardware-software solution, it integrates BEWG OS intelligent control system with BEWG IoT smart sensing devices. This integration enables fully automated water treatment plant operations, including chemical dosing, detection, cleaning, and control, laying the groundwork for intelligent, high-efficiency plant management. This product has been successfully implemented in over 30 projects, supporting a total treatment capacity of over 1 million tonnes per day. Zaozhuang BEWG Sewage Treatment Plant served as the first demonstration site for this technology. By dynamically regulating biochemical reactions, the system stabilises effluent quality to meet China's Environmental Quality Standards for Surface Water of Grade IV. It has also achieved a reduction in electricity consumption per cubic metre of water treated by 11.9% and a decrease in carbon source dosing by 49.3%. The system realised automated regulation and intelligent operation within biochemical treatment units, transforming the traditional operational model of water treatment plant. It paves the way for lights-out or minimal-attendance operations while laying the technical foundation for the Group's management framework of single-plant automation, integrated O&M, and cross-regional high-value resource sharing.

Low-Carbon Management

Low-Carbon Construction

BEWG values low-carbon construction and makes continuous efforts in R&D to improve construction technology and project application, so as to reduce carbon emissions during construction. We have defined requirements on project energy consumption and material consumption during the construction phase in the *Interim Administrative Measures for Engineering Products Appraisal of BEWG*, guiding the optimisation of process design and equipment selection during the construction phase with low-carbon operation standards during the operation period.

Case Fenghe Wetland Park Project

BEWG selected high-efficiency equipment and recyclable raw materials during the project design and raw material procurement stages, enhancing the sustainability and environmental friendliness of the project from the beginning. During the construction phase, we carried out centralised processing of on-site materials, effectively reducing energy consumption and waste generation caused by dispersed on-site work. At the same time, intelligent dewatering technology and solar lighting systems were adopted to further reduce resource consumption. This project integrates environmental governance with urban park construction. While addressing the issue of the explosive growth of sewage volume in the surrounding area, it creates a diversified, public-friendly and ecological comprehensive park.

Case Well-point Reaction Tank

The well-point reaction tanks adopt the equipment-oriented and installation-oriented design concept, with its core components configured as bolted tanks and skid-mounted equipment. This approach enables significant compression of the construction schedule, as the units are prefabricated in a controlled factory setting and subsequently assembled on-site using standardised procedures. Compared to traditional concrete-steel structure pool bodies, this product reduces the construction period by more than 60% and lowers on-site construction carbon emissions by approximately 30% compared to conventional methods.



Design Diagram of the Well-Point Reaction Tanks

Low-Carbon Workplace Practices

The Group has established daily office-related systems such as the *Measures for Regulating the Use of Meeting Rooms and Video Conferences* and the *Notice on Further Strengthening the Standardised Management of Business Trips* and systematically promoted the concept of low-carbon office from multiple dimensions including energy conservation, water saving and material saving. In 2025, the Group updated daily office management rules including the *Corporate Vehicle Management Rules*, and formulated an electric vehicle promotion plan for corporate fleets, clarifying a phased replacement roadmap. These tangible actions accelerated the green transition of our vehicle fleet, advancing the Group's broader low-carbon transformation goals.

Office energy conservation

- **Electric vehicle deployment:** Over 50 EV replacements were completed in 2025, reducing annual petrol consumption by approximately 100,000 litres.
- **Optimised equipment operation scheduling:** On the premise of ensuring normal office operations, we scientifically adjust run times for equipment such as water boilers and bathroom water heaters. A tiered power-off system is implemented on non-working days to eliminate energy waste from long-term equipment standby.
- **Intelligent control of air conditioning units:** Season-specific operation modes are set, and run times are dynamically adjusted based on indoor ambient temperatures. This initiative reduced electricity consumption by approximately 130,000 kWh in 2025.
- **Refined lighting & air conditioning management:** A post-work inspection system is established to verify that all lighting and air conditioning systems are powered down. Manual control panels are installed in unoccupied areas to enable on-demand operation. Conference room usage guidelines are standardised, requiring the timely shutdown of lighting and air conditioning when rooms are idle.
- **Environmental protection guidelines:** Employees are required to minimize energy consumption in daily activities, including promptly turning off electrical devices, selecting high-energy-efficiency equipment, and designating personnel to conduct regular equipment usage inspections.
- **Group-wide environmental management system:** Employee responsibilities for energy conservation were clarified, with advocacy for timely device shutdown and priority use of high-efficiency equipment. A regular equipment inspection mechanism was established to ensure the implementation of energy-saving requirements, embedding the concept of green offices into corporate culture.

Office water conservation

- **Water-saving fixture replacement:** Water-saving fixtures and faucets were installed across office premises;
- **Water conservation awareness raising:** Water-saving signs were posted in office areas;
- **Enhanced inspection & maintenance:** Daily inspections and maintenance of water-using equipment such as faucets and water boilers were strengthened to reduce waste from leaks and drips;
- **Circular Water Utilisation:** Reclaimed water was recycled for toilet flushing;

Office material conservation

- **Paperless office promotion:** Smart office software was widely adopted, requiring work communications and meeting notifications to be conducted online. Virtual meetings were advocated, effectively reducing the use of office paper and removable storage media;
- **Paperless human resource process:** Through the paperless contracts and the digital contracting of human resources, we have effectively saved paper resources;
- **Simplifying off-line meetings:** We recycle table cards and print less.

Low-Carbon Management

In addition, the Group conducts regular training on green operations and professional skills to enhance employees' capabilities in fulfilling their sustainability responsibilities and to build a solid talent base for low-carbon, water-saving, and efficient operations across the entire process.

Water resource management training

The Group continued to provide specialised operation training for frontline personnel in water supply production. In 2025, the Group organised a 4-day, 32-hour specialised training program for frontline production personnel across all water supply projects. The curriculum focused on key modules such as plant-side process control and self-use water ratio management, comprehensively enhancing frontline employees' capabilities in refined water-resource management and their awareness of responsibilities toward aquatic ecosystem protection.

Low-carbon operations and energy conservation training

In 2025, focused on its core objective of energy saving and consumption reduction, the Group conducted two offline intensive operational training sessions for personnel from production, maintenance, and pipeline network maintenance roles, covering a total of 65 participants over 72 training hours. Besides, all projects have institutionalised initiatives to enhance the operational skills of frontline staff. A closed-loop training system has been established, integrating monthly specialised training with quarterly performance evaluations, strictly aligned with the energy consumption management requirements of each project. The relevant skills training has cumulatively covered over 800 participants, effectively strengthening the practical capabilities of all employees in energy-saving and low-carbon operations.



BEWG Water Resource Management Training

Low-carbon Collaboration

As an energy-intensive sector, the water utilities industry contributes directly and indirectly to greenhouse gas emissions through electricity consumption and chemical usage. BEWG adheres to its business philosophy of "customer as the source and innovation as the way", driving the development of the ecological and environmental protection industry through new technologies, models and paradigms, sharing opportunities in the green economy and contributing to the development of a "Beautiful China".

BEWG and the Jingjinji National Center of Technology Innovation jointly supported the launch of the "X Water" development plan, in collaboration with over ten industry authoritative experts. In January 2025, the *X Water Development Report – New Strategy of Seawater Desalination* and the *X Water Development Report – Urban Sewage Carbon Neutrality Roadmap* were released, presenting national water resource strategies aligned with socio-economic development goals and the world's first industry-level carbon neutrality roadmap proposed by a non-governmental organisation. These reports attracted over one million participants from government bodies, research institutions and industry stakeholders.



"X Water" Development Report

At the same time, we actively participate in water conservation campaigns, promote water-saving awareness among the public, and fulfil our corporate responsibility in water conservation. Leveraging our professional expertise, the Group also actively participates in the development of national, regional, industry and group standards, transforming practical experience into technical specifications, thereby promoting the application of low-carbon technologies and the standardised development of the industry. For further details, please refer to the "About Us – Industry Contribution" section.

Energy Consumption of BEWG in 2023 - 2025

Indicator	Unit	2025	2024	2023
Water business in the Chinese mainland				
Non-renewable energy consumption	kWh	1,970,785,446	1,881,439,864	1,900,571,731
Renewable energy consumption	kWh	74,344,068	37,785,199	31,385,096
Gasoline consumption	tonne	1,041	1,013	1,016
Diesel consumption	tonne	418	364	483
Natural gas consumption	m ³	335,255	355,550	387,244
Purchased steam for heating	GJ	1,270	1,412	203
LPG consumption	tonne	40	51	66
Overseas water business				
Non-renewable energy consumption	kWh	157,442,998	156,618,309	146,966,730
Renewable energy consumption	kWh	5,848,128	2,363,422	2,124,851
Gasoline consumption	tonne	12	13	15
Diesel consumption	tonne	790	681	640
Natural gas consumption	m ³	7,007	/	/
LPG consumption	tonne	2	/	/

Low-Carbon Management

Indicator	Unit	2025	2024	2023
Solid waste business				
Non-renewable energy consumption	kWh	18,013,651	17,499,857	20,216,999
Renewable energy consumption	kWh	33,605,302	33,163,165	36,969,979
Gasoline consumption	tonne	9	9	10
Diesel consumption	tonne	302	263	510
Natural gas consumption	m ³	2,555,460	1,862,425	1,599,575
LPG consumption	tonne	0.12	1	1
Office building				
Non-renewable energy consumption	kWh	6,042,423	4,355,280	5,730,888
Gasoline consumption	tonne	415	463	365
Diesel consumption	tonne	43	29	25
Natural gas consumption	m ³	32,871	26,291	29,461
Purchased steam for heating	GJ	3,508	3,390	3,578
LPG consumption	tonne	11	11	6
Total				
Comprehensive energy consumption	tce	273,102	260,512	262,249
Comprehensive energy consumption intensity	tce/10,000 RMB revenue	0.124	0.107	0.107

Notes:

1. Comprehensive energy consumption is calculated according to the *General Principles for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020)* by covering the consumption of gasoline, diesel, natural gas, electricity and purchased heat.

2. In 2025, the statistical scope of the data in the Report changed, we sort out the indicator scope, and some data of previous year is retroactively adjusted.



Environmental Impact Management



BEWG consistently adheres to the principle of sustainable development, pursuing both economic and environmental benefits, and strives to minimise the environmental impact of its operations. Taking into account the characteristics of different project types, we focus on three key areas—environmental management systems, emissions management and chemical management—systematically enhancing environmental governance capabilities and modernising governance systems, thereby reinforcing the foundation for green development through refined environmental management.

Environmental Management System

BEWG strictly complies with environmental laws and regulations such as the *Environmental Protection Law of the People's Republic of China*. With reference to the ISO 14001 environmental management framework, we have established internal policies including the *Environmental Indicator Assessment System* and the *Environmental Factors Identification, Evaluation and Control Procedures*, ensuring effective identification and assessment of environmental risks and the implementation of targeted control measures to reduce environmental impacts during operations. During the year, 16 companies within the Group and its overseas subsidiaries obtained ISO 14001 certification, representing a coverage rate of 3.7%.

The Group has established environmental objectives of "energy saving, consumption reduction, pollution reduction and efficiency enhancement". Environmental feasibility studies and environmental impact assessments are conducted for new projects, and environmental risks are strictly controlled throughout the entire project lifecycle.

Investment stage

Environmental risk factors are prioritised in investment evaluations. For projects with incomplete environmental compliance procedures or non-compliant emissions, completion of regulatory requirements and operational safeguards through technical upgrades are set as prerequisites for investment.

Design stage

Feasibility studies and environmental impact assessments are conducted in collaboration with third-party institutions. Environmental impacts during both construction and operation phases are analysed in terms of water, air and noise environments, and corresponding mitigation measures are proposed.

Construction stage

Prior to project commencement, contractors are required to strictly implement environmental protection requirements and prepare plans such as the *EHS Construction Management Plans* and *Green Construction Plans*, specifying control measures for construction noise, dust and other pollutants to minimise environmental impact during construction.

Production stage

Environmental protection measures are strictly implemented to minimise operational impacts. Regular monitoring of environmental compliance is conducted, supported by assessment and incentive mechanisms.

This year

The Group recorded **0** major violations of environmental laws and regulations and no significant environmental pollution incidents.



Emission Management

The Group strictly complies with national laws and regulations, including the *Law on Prevention and Control of Environmental Pollution by Solid Waste*, the *Water Pollution Prevention and Control Law*, the *Air Pollution Prevention and Control Law*, and the *Environmental Noise Pollution Prevention and Control Law*. Internal policies such as the *BEWG Management Manual on Quality, Environment, and Occupational Health and Safety* and the *Quality, Environment, and Occupational Health and Safety Procedure Documents* have been established to continuously improve emissions risk management and strengthen routine monitoring of environmental pollution incidents.

Construction Stage

BEWG requires contractors to prioritise the control of wastewater, exhaust gas and noise emissions during construction. Through precise control measures, emissions of noise, dust, harmful gases and solid waste are minimised. Strict identification, classification, monitoring, control and treatment of pollutants are implemented. In addition, the reuse rate of recyclable waste, such as scrap metal and foam materials, is continuously improved to reduce waste generation at source.

Operation Stage

Solid waste

- Solid waste generated from operations primarily consists of sludge produced during wastewater treatment, particularly municipal wastewater sludge. The Group actively promotes sludge reduction, harmless treatment and resource utilisation, reduces landfill volumes, and applies innovative technologies such as sludge carbonisation and advanced oxidation to facilitate resource recovery and minimise environmental impact.

Wastewater

- Pipelines for potable water, rainwater and process water are operated independently within plant areas to prevent cross-contamination. Laboratory wastewater is treated in accordance with laboratory management standards. Equipment is regularly inspected and maintained to prevent sewage overflow or discharge caused by mechanical failures, thereby avoiding negative environmental impacts.

Exhaust gas

- For new projects, exhaust gas collection and treatment systems are installed in areas such as primary sedimentation tanks, anaerobic tanks, sludge concentration tanks and sludge storage facilities to prevent odour leakage.
- For operating plants, additional gas collection and treatment systems are installed. Biological deodorisation systems are deployed for facilities generating specific gases. Strict inspection and maintenance are carried out, with efforts made to minimise confined space operations and improve sealing, thereby preventing odour leakage that could affect employees and surrounding communities.

Noise

- Noise during plant operation mainly originates from mechanical equipment, transportation vehicles and maintenance activities. BEWG adopts measures such as low-noise equipment, installation of sound insulation facilities, prohibition of vehicle horn use within plants, and optimisation of maintenance schedules to minimise noise pollution.

The Group conducts regular waste audits and assessments through record verification, on-site inspections and waste classification analysis. This enables systematic identification of waste types and volumes across operations, focusing on high-volume waste generation processes and implementing targeted reduction and resource recovery measures, thereby improving waste management performance and operational efficiency. Audit results are incorporated into environmental management improvement mechanisms for tracking corrective actions and optimising waste management processes.

In addition, the requirements for waste classification, source reduction and resource recycling are incorporated into employees' daily operational practices, enhancing their understanding and execution of waste reduction and proper handling practices, and promoting the effective and continuous implementation of waste reduction measures at the operational level.

Waste Discharge of BEWG in 2023 - 2025

Indicator	Unit	2025	2024	2023
Water business in the Chinese mainland				
Hazardous solid waste	tonne	1,255	932	256
Non-hazardous solid waste	tonne	3,073,248	2,876,824	2,764,326
Overseas water business				
Non-hazardous solid waste	tonne	65,325	51,821	54,570
Solid waste business				
Total sulphur oxide emissions	tonne	65	69	64
Total nitrogen oxide emissions	tonne	541	522	566
Total smoke particles	tonne	12	10	22
Total boiler residue discharge	tonne	119,847	122,743	154,131
Office building				
Hazardous solid waste	tonne	2	3	2.32
Non-hazardous solid waste	tonne	184	195	142.61
Total				
Total hazardous solid waste	tonne	1,258	935	259
Hazardous solid waste intensity	tonne/RMB 10,000 revenue	0.57	0.39	0.11
Total non-hazardous solid waste	tonne	3,138,757	2,928,840	2,819,039
Non-hazardous solid waste intensity	tonne/RMB 10,000 revenue	1.42	1.21	1.15

Note:

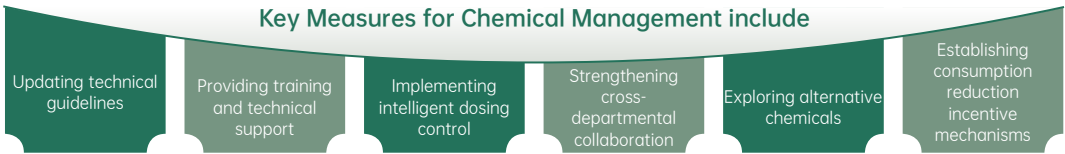
1. The intensity of hazardous solid waste = Hazardous solid waste/ The Group's operating income for the year.

2. The intensity of non-hazardous solid waste = Non-hazardous solid waste/ The Group's operating income for the year.

Environmental Impact Management

Chemical Management

Chemical management is a critical component for ensuring safe and efficient water plant operations and a key control point for advancing low-carbon operations. BEWG strictly complies with laws such as the *Environmental Protection Law* and the *Water Pollution Prevention and Control Law* and has established internal policies including the *Production Operation Management Measures* and the *Chemical Management Measures*, continuously strengthening source control of chemical usage. A dedicated task force has been established to reduce chemical consumption, implementing full lifecycle and end-to-end management across supply, use and discharge stages.



The Group conducts on-site investigations across multiple departments and inspects various composite carbon source suppliers. Through experimental comparison between composite and traditional chemicals, comprehensive evaluations are conducted across production sources, product performance and overall cost, enabling optimal selection of suitable chemicals. In addition, international water experts were invited to carry out pilot projects on "optimisation of phosphorus removal chemicals" in the Taizhou region. Based on pilot results, Group-wide training was conducted on "optimisation and reduction of phosphorus removal chemicals", promoting knowledge sharing and enhancing chemical management capabilities.

Case Intelligent Dosing System for Refined Chemical Management

The Guigang project implemented an intelligent dosing system based on a dual-model architecture. A multi-variable regression model is embedded in the automation system to enable real-time, second-level dosing control, while a self-learning neural network model is introduced as a calibration and optimisation engine, continuously updating operational parameters to improve accuracy and reduce manual errors.

Under the condition of 100% compliance of post-sedimentation turbidity, system stability improved significantly, water quality fluctuations decreased by 42%, and coagulant (poly aluminium chloride) consumption was reduced by approximately 12%, thereby lowering chemical intensity while enhancing operational efficiency and sustainability.

Consumption of Chemical Agents of BEWG in 2023–2025

Indicator	Unit	2025	2024	2023
Water business in the Chinese mainland				
Consumption of carbon source	tonne	33,488	29,727	29,037
Consumption of dephosphorisation agents	tonne	25,424	24,415	26,261
Overseas water business				
Consumption of dephosphorisation agents	tonne	609	/	/
Total				
Consumption of carbon source	tonne	33,488	29,727	29,037
Consumption of dephosphorisation agents	tonne	26,033	24,415	26,261

Note: 1. The usage of major pharmaceutical products covers sewage/reclaimed water plants operated by the Group's subsidiaries in the mainland region.

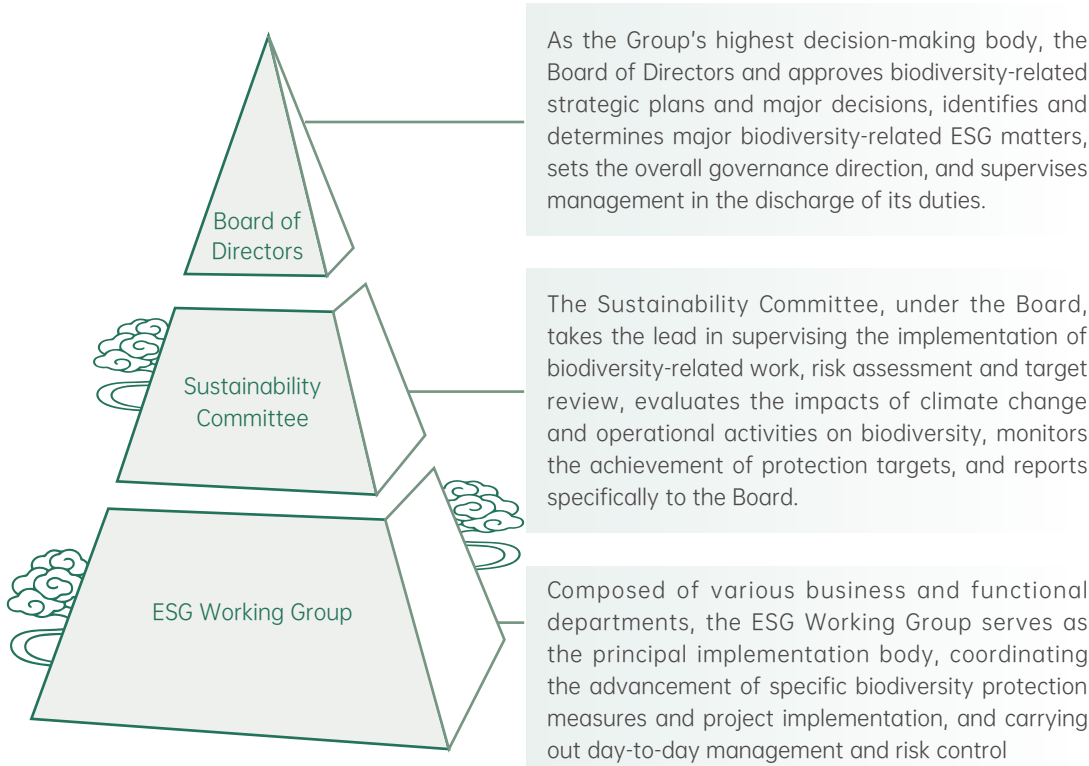
Biodiversity Protection

BEWG is committed to ecological protection throughout the entire project lifecycle, develops products and technologies that support biodiversity conservation, and actively carries out biodiversity protection and ecological restoration initiatives. We actively respond to national strategies such as the *China Biodiversity Conservation Strategy and Action Plan (2023–2030)* and strictly comply with regulations including the *Regulations on Environmental Protection Management of Construction Projects*. We have also established internal policies such as the *Biodiversity Protection Management Measures of BEWG*, continuously optimising the Group's biodiversity governance system and minimising disturbances to biodiversity to the greatest extent possible. We maintain ongoing communication with stakeholders on biodiversity-related matters and advocate value chain partners to undertake biodiversity protection actions, avoiding any activities in or around areas of global or national biodiversity significance that may negatively affect ecosystems. The Group's overseas operations also strictly comply with local biodiversity protection requirements, demonstrating the responsible image of a Chinese enterprise operating internationally.

Governance

BEWG has established a governance structure of "Board of Directors – Sustainability Committee of the Board – ESG Working Group", ensuring the orderly advancement of ESG objectives, effective implementation of policies, and closed-loop management of ESG practices across all levels, thereby safeguarding the effectiveness of the Group's ESG management. For details of BEWG's ESG governance structure and management responsibilities, please refer to the section headed "ESG Governance".

At the same time, biodiversity-related management and oversight responsibilities have been integrated into the Board, the Sustainability Committee and the ESG Working Group, further enhancing the biodiversity governance system and embedding biodiversity protection throughout the full process of ESG decision-making, implementation and supervision.

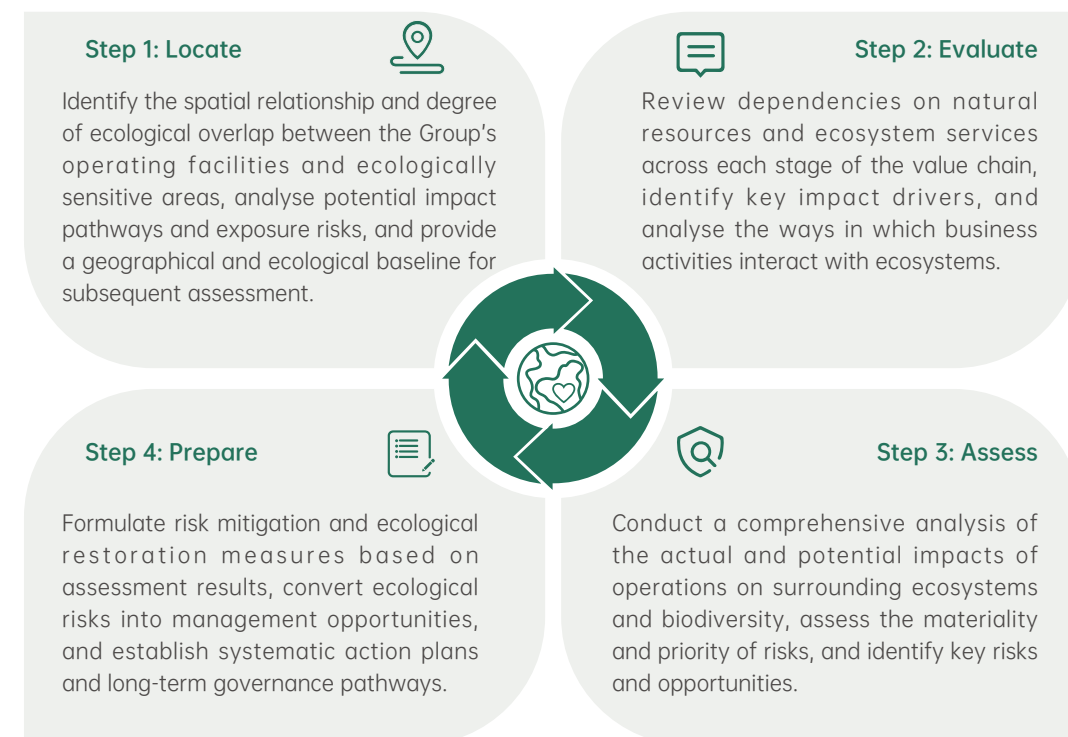


Biodiversity Protection



Strategy

With reference to the LEAP⁴² approach recommended by the TNFD, BEWG identifies, assesses and prioritises the management of material nature-related dependencies, impacts, risks and opportunities arising from its operations. On this basis, we adopt a hierarchical action strategy of "avoid, reduce, regenerate, restore and transform", using a systematic approach to mitigate biodiversity impacts throughout the full project lifecycle.



Locate

We apply the Biodiversity Impact Assessment Tool (BIA)⁴³ and the Integrated Biodiversity Assessment Tool (IBAT)⁴⁴ to conduct prioritised assessments of ecological sensitivity across the Group's key operational sites. Specifically, we assess operational sites⁴⁵ located within 10 km and 50 km buffer zones of surrounding Protected Areas (PAs)⁴⁶ and Key Biodiversity Areas (KBAs)⁴⁷. Operational sites located within 10 km of PAs or KBAs are identified as sites with high ecological sensitivity. For these sites, we regularly identify and monitor the presence of species classified under the IUCN Red List⁴⁸ threat categories and the China Biodiversity Red List (RCB)⁴⁹, with a focus on potential risks. Corresponding risk prevention and mitigation measures are actively implemented. For further details on BEWG's biodiversity impact assessment results and identification of threatened species, please refer to the "Sustainability – Biodiversity"⁵⁰ section on the Group's official website.

⁴² LEAP refers to "Locate, Evaluate, Assess and Prepare".

⁴³ Biodiversity Impact Assessment Tool (BIA): A tool developed by the Shan Shui Conservation Centre and the Centre for Nature and Society at Peking University for assessing biodiversity impacts.

⁴⁴ Integrated Biodiversity Assessment Tool (IBAT): A tool developed by the IBAT Alliance for assessing the proximity of project locations to important sites for the conservation of threatened species.

⁴⁵ Refers to approximately 200 wastewater treatment plants located in major regional wastewater business units with relatively large operational scale, selected based on business volume.

⁴⁶ Protected Area (PA): A clearly defined geographical space, recognised, dedicated and managed through legal or other effective means, to achieve the long-term conservation of nature, ecosystem services and associated cultural values.

⁴⁷ Key Biodiversity Area (KBA): Sites that contribute significantly to the global persistence of biodiversity.

⁴⁸ Threatened species (IUCN Red List): Species classified as Critically Endangered (CR), Endangered (EN) or Vulnerable (VU) in the IUCN Red List of Threatened Species.

⁴⁹ Threatened species (China Biodiversity Red List – Vertebrates): Species classified as Critically Endangered (CR), Endangered (EN) or Vulnerable (VU) in the China Biodiversity Red List – Vertebrates.

⁵⁰ <https://www.bewg.net/en/huanjingkechixu/baohushengwuduoyangxing/>

Evaluate

We apply the ENCORE⁵¹ (Explore Natural Capital Opportunities, Risks and Exposure) tool to identify and assess the dependencies and impacts of the Group's wastewater, water supply and solid waste businesses on biodiversity. The results are further refined in consideration of the Group's operational context. Based on the materiality assessment outcomes, we prioritise dependencies and impact factors classified as "Very High" materiality, which serve as the foundation for biodiversity-related risk management and the development of priority biodiversity action plans. For further details on BEWG's assessment results regarding biodiversity dependencies and impacts, please refer to the "Sustainability – Biodiversity" section on the Group's official website.



Risk and Impact Management

To effectively achieve the Group's ecological and environmental objectives and deliver both ecological and social value from environmental projects, BEWG strengthens the analysis of biodiversity-related risks and opportunities, and adopts comprehensive response actions based on the framework of "avoid, reduce, regenerate, restore and transform".

Assess

Based on the evaluation results of dependencies and impacts, we have assessed biodiversity-related risks and opportunities that may potentially affect the Group, and identified targeted response measures to effectively manage such risks and opportunities. Currently identified biodiversity-related risks include physical risks, such as changes in precipitation patterns, solid waste remediation, water purification and wastewater discharge; transition risks, including policy and reputational risks. Identified opportunities include policy-related opportunities and reputational opportunities. For further details on BEWG's biodiversity-related risks, opportunities and corresponding response measures, please refer to the "Sustainability – Biodiversity" section on the Group's official website.

Prepare

The Group integrates biodiversity protection into the full lifecycle management of projects, adhering to the core principle of "prevention first, protection prioritised, restoration supplemented". Taking into account the characteristics of different project stages - planning and design, construction and implementation, and operation and maintenance - we have established a systematic and refined biodiversity protection management framework. Based on the results of risk and opportunity assessments, we adopt "avoid, reduce, regenerate, restore and transform" as the guiding directions for biodiversity protection actions, and implement targeted measures across the full project lifecycle.



Avoid

- During the project planning and design stage, ecological baseline surveys and environmental impact assessments are conducted for all project sites, with biodiversity considerations integrated to prevent adverse impacts at source;
- During the construction stage, strict controls are implemented on factors such as light pollution, noise pollution and environmental contamination that may affect surrounding ecosystems.

⁵¹ ENCORE (Explore Natural Capital Opportunities, Risks and Exposure): A tool developed by the Natural Capital Finance Alliance to assess dependencies and impacts of economic activities on biodiversity. It is widely used for evaluating biodiversity-related risk exposure across industries.

Biodiversity Protection

Three-dimensional Inspection and Smart Monitoring

BEWG has established a three-dimensional inspection system combining manual inspection and automated monitoring, covering water intake points, reservoirs and protected areas. At the Wangjiang project, operation personnel conduct regular on-foot inspections, focusing on protective fencing, warning signage and surrounding environmental conditions, and promptly removing potential pollution sources. At the same time, drones are deployed for aerial inspections, using high-resolution imaging and remote sensing technologies to rapidly scan inaccessible areas and identify in real time activities such as illegal discharge, fishing or encroachment that may damage the aquatic environment.

Reduce

- During construction, regular environmental monitoring is conducted, environmental supervision systems are strictly implemented, and environmental management records are maintained, documenting monitoring data, anomaly handling processes and outcomes;
- Smart water systems are used to monitor biological indicators in real time during operation, enabling early detection of risks and timely emergency response; Designated ecological conservation and protection zones within operational areas are closely monitored and managed;
- Drainage system upgrades are implemented to improve pipeline collection efficiency and reduce uncontrolled pollutant discharge into natural water bodies;
- Sludge generated from wastewater treatment is managed through reduction, stabilisation, harmless treatment and resource recovery to reduce risks to soil and water environments.

Case

"Reduce" Action: Qingdao Jimo Sludge Treatment and Disposal Centre

Jimo District in Qingdao has been recognised as a National Model City for Environmental Protection, a China Excellent Tourism City and a Provincial Civilised City. With rapid urban development and continuous improvement of infrastructure, challenges related to sludge treatment and disposal have become increasingly prominent. These include the rising volume of sludge requiring treatment, the lack of environmentally friendly landfill facilities, the inability to achieve harmless reuse, and recurring environmental and social issues caused by sludge odour.

BEWG conducted integrated analysis and systematic planning across the entire sludge lifecycle -from generation to final disposal - starting with research on carbon residue utilisation. A sludge carbonisation process route was developed with a treatment capacity of 300 tonnes per day (at 80% moisture content), adopting the process of "deep dewatering + drying + carbonisation + flue gas purification + utilisation in building materials". To prevent secondary pollution during transportation, the project adopts an on-site treatment approach for sludge generated at wastewater treatment plants. Given the highly constrained site conditions, BEWG leveraged its proprietary "sludge-water synergy" technology. By upgrading the existing sludge dewatering facilities, sludge treatment processes were modularised and distributed within existing plant structures. This approach enables efficient sludge treatment and disposal while achieving compact and intensive land use, thereby optimising urban environmental capacity.



Qingdao Jimo Sludge Treatment and Disposal Centre

Regenerate

- Plant vegetation along riparian zones to enhance vegetation cover and provide habitats for shoreline species;
- Establish aquatic ecosystems to rapidly restore ecological stability of river systems and improve biodiversity and landscape value;
- Develop and apply green infrastructure technologies, such as constructed wetlands, integrating wastewater treatment with ecological protection and advancing innovative low-carbon wastewater treatment processes.

Case

"Regenerate" Action: Yuhangtang River Water Environment Rehabilitation Project

As an important historical river in western Hangzhou, the Yuhangtang River had suffered severe degradation in both water quality and ecological function due to industrialisation, urbanisation and human activities. To improve the water environment quality of the Yuhangtang River and restore ecosystem functions, BEWG systematically implemented a comprehensive water system rehabilitation project in the southern basin. The project covers 22 rivers and a 24.76 km² catchment area. Through drainage system upgrades, including the construction of large-scale storage pipelines, installation of intelligent diversion wells and implementation of physical interception measures, a systematic solution of "terminal interception + intelligent diversion + large-scale storage" was established. This significantly reduced the total volume of pollutants entering the water bodies at source and effectively addressed overflow pollution caused by combined sewer systems.

At the same time, the project carried out systematic aquatic ecological restoration, planting emergent vegetation such as reeds and cattails, as well as submerged vegetation such as Vallisneria and Hydrilla, and scientifically introducing aquatic plants to reconstruct a healthy "underwater forest" and food chain. A "bacteria-algae-shellfish" biological assimilation and purification system was established, enabling water quality improvement. In addition, the project implemented riparian ecological restoration, adopting a multi-layered and stepped planting structure of trees, shrubs, xerophytic and hydrophytic herbaceous plants to create ecological corridors at the land-water interface. The composite plant community structure significantly enhanced biodiversity in riparian zones, providing habitats for insects, amphibians and birds. Monitoring results show that 66 species of phytoplankton, 29 species of zooplankton and 5 species of benthic organisms have been recorded, forming a stable aquatic food chain; the presence of indicator fish species such as Rhodeus and Xenocypris confirms fundamental improvement in water quality; and the restored area has attracted 51 bird species, demonstrating enhanced terrestrial biodiversity.

From 2020 to 2024, the Group, under a commissioned research project, collaborated with Hangzhou Normal University to conduct a water ecological survey in the Yuhangtang River Basin. This project represents the first systematic biodiversity study conducted in the basin, with the participation of an external academic institution, generating a comprehensive dataset on aquatic species resources and ecological conditions. The research outcomes have supported the protection and capacity building of aquatic biological resources in the basin, contributing to the long-term management of aquatic species resources and providing a scientific basis for biodiversity conservation, management and decision-making in the water ecosystem.



Birds Near the Yuhangtang River

Biodiversity Protection

Case

"Regenerate" Action: Qingquan River Constructed Wetland Project

The Qingquan River constructed wetland project in Liaocheng, Shandong adopts a combined process of horizontal subsurface flow and surface flow wetlands, and is primarily used for advanced treatment of effluent from the Guan County wastewater treatment plant, with treated water discharged into the Qingquan River. The wetland is designed to treat 80,000 tonnes of reclaimed water per day. The effluent meets the Class IV standards under the *Environmental Quality Standards for Surface Water* (GB 3838-2002), and exceeds Class III standards for more than 80% of the days. Annually, it reduces COD by 84 tonnes and ammonia nitrogen by 14.6 tonnes.

The construction and operation of the wetland have not only significantly improved the water quality of the Qingquan River, but have also created a dynamic wetland ecological landscape for Guan County. The wetland has become an essential near-natural waterfront recreational space for local residents. The project covers an area of 150,000 square metres, including 50,000 square metres of open water and 100,000 square metres of planted aquatic vegetation, trees and shrubs. Wetland plants such as cattails, sweet flags, pickerelweed, bulrush, yellow flag iris, canna, purple loosestrife and lotus flourish, directly expanding the range of available habitats for biodiversity. Since its completion, more than 30 bird species have been recorded, representing an increase of 80% compared with pre-construction levels. In winter, the maximum observed number of waterfowl (such as geese and ducks) exceeded 100 individuals in a single observation. Fish species have recovered from nearly zero to eight species, and three species of amphibians and reptiles have been identified.



Qingquan River Constructed Wetland

Restore

- During the project planning and design stage, priority is given to protecting local characteristic species and their habitats, and dedicated conservation and restoration plans are developed;
- Implement restorative measures, such as creating environments conducive to the survival of species within the food chain, thereby enhancing biodiversity at a local scale;
- Carry out ecological water replenishment projects, using high-quality effluent from wastewater treatment plants to recharge natural water bodies and ensure ecological water demand;
- Strengthen collaboration among industry, academia and research institutions to develop in-situ ecological restoration technologies and apply them in engineering practice.

Case

"Restore" Action: Daqing Longfeng Wetland Ecological Water Replenishment Project

The Longfeng Wetland in Daqing is the largest urban wetland in China and plays an important role in regulating regional climate, mitigating floods, regulating rainwater runoff, degrading pollutants and enhancing the urban environment. Due to its location in a water-scarce city, the wetland has faced challenges such as declining groundwater levels and insufficient rainfall replenishment. The Dongcheng No.2 Wastewater Treatment Plant, located within the Longfeng Wetland Nature Reserve, focuses on municipal wastewater treatment using improved A2O and advanced treatment processes. The effluent meets the national Class 1A standard. The plant reduces wastewater discharge by 36 million tonnes annually and provides approximately 102,000 cubic metres of ecological replenishment water per day, significantly improving the surrounding ecological environment of the wetland. Bird populations have shown a steady increase.



Daqing Longfeng Wetland

Case

"Restore" Action: Xiaotaihou River Water Environment Rehabilitation Project

The Xiaotaihou River is located in southeastern Beijing and serves as an important river corridor connecting the central urban area with the Beijing Municipal Administrative Centre. The section from Kouzi Village to Maying Village was listed as one of the 53 heavily polluted black and odorous rivers in Tongzhou District in 2017.

To address issues of poor water quality and fragile ecosystems under reclaimed water replenishment conditions, BEWG constructed a six-level self-sustaining ecological structure⁵² and innovatively implemented network-based regulation technologies for energy flow and material flow⁵³, rapidly forming a stable ecosystem with self-maintaining capability and successfully restoring the river's ecological functions. Monitoring results show that indicator species such as medaka and bitterling have become dominant populations, and top predators such as buzzards, falcons and short-eared owls have been observed inhabiting the area. The restored river has not only become a gateway landscape for cultural tourism in the sub-centre, but its biological communities have also naturally expanded to downstream sections of the Xiaotaihou River and upstream areas of the Liangshui River, promoting biodiversity enhancement across the basin.



Birds Around the Xiaotaihou River

Transform

- Conduct biodiversity awareness and education programmes for employees, while actively communicating biodiversity protection concepts, progress and achievements to external stakeholders, promoting green and ecological protection, enhancing biodiversity awareness among all parties, and encouraging all stakeholders to jointly safeguard a green environment;
- Carry out dedicated biodiversity research and collaborate with national authorities and professional institutions to promote specialised development across the industry and the enterprise.

⁵² Refers to the restoration or reconstruction of six key trophic levels and functional biological communities within a river ecosystem through artificial design and ecological guidance, thereby forming a structurally complete, functionally sound and self-sustaining stable ecosystem. These six interdependent and functionally distinct ecological layers include submerged vegetation communities, riparian vegetation communities, plankton communities, benthic communities, freshwater fish communities, and riparian fauna communities.

⁵³ An active management approach based on food web theory and ecological dynamics. The core principle lies in constructing a "six-level ecological structure" through artificial means to promote efficient energy flow (via trophic transfer) and material cycling (such as carbon, nitrogen and phosphorus), thereby rapidly stabilising the ecosystem and maximising its purification functions.

Biodiversity Protection

Case

"Transform" Action: BEWG (Danyang) Delivers Hands-On Environmental Lessons

In recent years, many schools have incorporated ecological protection concepts into their curricula and practical training programmes. Based on this, BEWG (Danyang) Co., Ltd. has become a "learning hub" for students from primary, secondary and tertiary institutions in Danyang and surrounding cities to understand water conservation and pollution prevention. Schools such as Danyang New District Experimental Primary School, Danyang No.3 Middle School and the Zhongbei College of Nanjing Normal University have organised students to visit BEWG (Danyang), where they tour the water plant exhibition hall and wastewater treatment facilities and attend vivid and practical environmental education sessions. These activities effectively enhance students' awareness of water resource protection and aquatic ecological conservation.



Practical Environmental Education Activities

Case

Biodiversity Protection at Daoxianghu Underground Reclaimed Water Plant

The Daoxianghu Water Plant in Beijing is located adjacent to Cuihu National Urban Wetland Park. Situated in the northern Haidian area, it forms an important node of the "Western Hills-Yongding River" ecological corridor and serves as the "Northern Ecological and Technological Green Core" of Haidian, playing a key role in guiding high-quality development of urban and ecological spaces. The plant's ecological water replenishment and landscape greening projects, together with Cuihu Wetland Park and Wenquan Park, form an integrated ecological network combining "points, lines and surfaces".

The plant adopts a model of "fully underground treatment + surface park", with a 20,000 m² ecological park constructed above ground and a green coverage rate exceeding 80%, significantly improving vegetation coverage compared with traditional water plants. The total site area is only 4.66 hectares, achieving more than 70% land-saving compared with conventional above-ground plants of similar scale, reducing the occupation of surrounding farmland and green spaces and preserving ecological buffer areas. In addition, through underground enclosed treatment, multi-stage biological deodorisation and noise control technologies, the plant has effectively resolved issues of odour nuisance and noise pollution associated with traditional facilities. A 200 m² water technology exhibition hall has been established, and public outreach activities such as "Ecological Open Days" are conducted, receiving over 800 visitors annually and effectively promoting concepts of water recycling and ecological protection, achieving both recreational and educational value.

The plant uses high-quality reclaimed water as a core source for ecological replenishment, establishing a complete water cycle system of "wastewater collection – purification treatment – reuse – ecological restoration" for the Nansha River basin. In 2025, more than 40 million tonnes of reclaimed water were supplied to the Nansha River. Following replenishment, water quality improved from below Class V to stable Class IV⁵⁴, resolving issues of seasonal flow interruption and black and odorous water, enhancing water circulation and exchange, and strengthening the self-purification capacity of the river. After restoration, the Nansha River has become a "green corridor" connecting ecological patches, facilitating genetic exchange and species migration, and enhancing ecosystem connectivity and integrity across the region.



Daoxianghu Reclaimed Water Plant

By the end of 2025, the Group had implemented biodiversity protection measures across all major operational regions, making positive contributions to ecosystem balance and sustainable development.

⁵⁴ Class IV standards under the *Environmental Quality Standards for Surface Water (GB 3838-2002)*.

Metrics and Targets

BEWG has established biodiversity protection targets and regularly tracks the progress and outcomes of biodiversity conservation, guiding and ensuring the effective implementation of various protection actions.

Biodiversity Protection Targets		
• Ensure a balance between habitat protection and sustainable utilization in project development and operational activities, achieving no net loss of biodiversity through measures such as ecological restoration. • Collaborate with value chain partners (including suppliers and contractors) in project development and operational activities to achieve the target of zero net deforestation.		

Indicator	Unit	2025
Number of major accidents in violation of environmental laws and regulations	/	0
Proportion of new, reconstruction, and expansion projects conducting environmental impact assessment	%	100
Effluent water quality compliance rate of BEWG's sewage treatment plants	%	100
Total reduction in COD	tonne	1,133,215
Total reduction in ammonia nitrogen	tonne	146,995
Total reduction in phosphorus	tonne	20,824
Total reduction in suspended solids	tonne	821,033
Total reduction in pollutants	tonne	2,122,066



Key ESG performance



Environmental

Indicator	Unit	2025	2024	2023
Environmental management				
Major environmental pollution accident	/	0	0	0
Pollutants emissions and discharge				
Total reduction in COD in sewage treatment plants	tonne	1,133,215	1,117,822	1,054,379
Total reduction in ammonia nitrogen in sewage treatment plants	tonne	146,995	143,590	132,883
Total reduction in total phosphorus in sewage treatment plants	tonne	20,824	19,711	18,120
Total reduction in suspended solids	tonne	821,033	859,752	791,954
Total reduction in pollutants	tonne	2,122,066	2,140,875	1,997,336
Total sulphur oxide emissions	tonne	65	69	64
Total nitrogen oxide emissions	tonne	541	522	566
Total smoke particles	tonne	12	10	22
Total boiler residue discharge	tonne	119,847	122,743	154,131
Hazardous solid waste	tonne	1,258	935	259
Hazardous solid waste intensity	kg/RMB 10,000 revenue	0.57	0.39	0.11
Non-hazardous solid waste	tonne	3,138,757	2,928,840	2,819,039
Non-hazardous solid waste intensity	tonne/RMB 10,000 revenue	1.42	1.21	1.15
Resource and energy consumption				
Non-renewable energy substitution	kWh	2,152,284,517	2,059,913,310	2,073,486,348
Renewable energy substitution	kWh	113,797,498	73,311,785	70,479,926
Gasoline consumption	tonne	1,476	1,498	1,406
Diesel consumption	tonne	1,553	1,337	1,657

Indicator		Unit	2025	2024	2023
Natural gas consumption		m ³	2,930,593	2,244,266	2,016,280
Purchased steam for heating		GJ	4,778	3,702	3,781
LPG consumption		tonne	53	62	73
Total fresh water consumption		tonne	4,832,721	4,904,778	5,181,189
Fresh water intensity		tonne/RMB 10,000 revenue	2.19	2.02	2.11
Pipeline network leakage rate		%	10.29	10.66	11.84
Self-use water ratio of water supply plants		%	1.37	1.4	1.4
Agent consumption	Consumption of carbon source	tonne	33,488	29,727	29,037
	Consumption of dephosphorisation agents	tonne	26,033	24,415	26,261
Comprehensive energy consumption & GHG Emission					
Comprehensive energy consumption		tce	273,102	260,475	262,249
Comprehensive energy consumption intensity		tce/RMB 10,000 revenue	0.124	0.107	0.107
Total GHG emissions (Scope 1)		tCO ₂ e	15,868	13,799	14,063
Total GHG emissions (Scope 2)		tCO ₂ e	1,149,984	1,112,828	1,187,315
Total GHG emissions (Scope 3)		tCO ₂ e	247,956	/	/
GHG emissions (Scope 3): Purchased Goods and Services		tCO ₂ e	142,361	/	/
GHG emissions (Scope 3): Capital Goods		tCO ₂ e	77,035	/	/
GHG emissions (Scope 3): Fuel- and Energy-related Activities		tCO ₂ e	28,560	/	/
Total GHG emissions (Scope 1, 2, 3)		tCO ₂ e	1,413,808	/	/
Total GHG emissions (Scope 1, 2)		tCO ₂ e/RMB 10,000 revenue	0.53	0.46	0.49

Social

Indicator	Unit	2025	2024	2023
Employment				
Total workforce	person	17,663	18,651	19,832
New contract employees	person	722	1,095	2,393
Number of employees by region				
Chinese mainland	person	16,543	17,559	18,918
Hong Kong SAR, Macao SAR, Taiwan Province, and overseas regions	person	1,120	1,092	914
Number of employees by employment type				
Contract employees	person	15,875	17,361	18,664
Interns	person	67	74	104
Outsourced personnel	person	601	124	150
Proportion of employees by employment type				
Contract employees	%	95.96	98.87	98.66
Interns	%	0.41	0.42	0.55
Outsourced personnel	%	3.63	0.71	0.79
Number of employees by gender				
Male	person	10,774	11,451	12,330
Female	person	5,769	6,108	6,588
Proportion of employees by gender				
Male	%	65.13	65.21	65.18
Female	%	34.87	34.79	34.82
Number of employees by age				
Under 30 years old	person	2,667	2,819	4,008
30-50 years old	person	10,176	11,458	11,536
Over 50 years old	person	3,700	3,282	3,374
Proportion of employees by age				
Under 30 years old	%	16.12	16.05	21.19
30-50 years old	%	61.51	65.25	60.98
Over 50 years old	%	22.37	18.69	17.83
Proportion of female employees by rank				
Management	%	28.05	22.81	23.76
Junior management	%	28.37	23.01	23.85
Senior management	%	23.81	20.00	21.43

Indicator	Unit	2025	2024	2023
Employee turnover				
Number of employees leaving by gender				
Male	person	1,097	1,397	1,681
Female	person	558	659	1,258
Number of employees leaving by age group				
Under 30 years old	person	520	467	749
30-50 years old	person	783	1,142	1,101
Over 50 years old	person	352	447	1,089
Turnover rate by gender				
Male	%	10.18	12.20	13.63
Female	%	9.67	10.79	19.10
Turnover rate by age group				
Under 30 years old	%	19.50	16.57	18.69
30-50 years old	%	7.69	9.97	9.54
Over 50 years old	%	9.51	13.62	32.28
Employee development and training				
Total number of employees trained	person	16,543	17,559	18,918
Percentage of employees trained in the Chinese mainland	%	100	100	100
Employees trained by gender				
Male	person	10,774	11,451	12,330
Female	person	5,769	6,108	6,588
Employees trained by rank				
Senior management	person	21	25	28
Middle management	person	282	352	696
Non-management staff	person	16,240	17,182	18,194
Average training hour of employees by gender				
Male	hour	65.92	80.02	89.90
Female	hour	61.59	74.29	90.02
Average training hour of employees by rank				
Senior management	hour	81.00	83.20	108.00
Middle management	hour	50.84	71.82	155.31
Non-management staff	hour	64.62	78.15	87.41

Indicator	Unit	2025	2024	2023
Employee health and safety				
Employee work-related injuries	/	30	30	15
Employee work-related injury rate	%	0.18	0.17	0.08
Working days lost due to work-related injuries	day	7,231	7,163.5	6,914
Work-related injury rate per million working hours	case/1,000,000 working hours	0.91	0.85	0.40
Work-related injury rate per thousand people	case/1,000 persons	1.81	1.71	0.79
Investments in work safety	RMB	44,854,000	31,018,400	31,219,300
Participants attended safety training	person-times	166,988	261,822	181,645
Work-related fatalities caused by major incidents	person	0	0	0
Lost Time Incident Rate (LTIR)-Employee	case/200,000 working hours	0.18	0.16	0.08
Lost Time Incident Rate (LTIR)-Employee and contractor	case/200,000 working hours	0.15	/	/
Supplier management				
Cumulative number of domestic qualified suppliers	/	1,355	861	472
The number of critical suppliers by region				
Chinese mainland	/	800	401	292
Hong Kong SAR, Macao SAR, Taiwan Province, and overseas regions	/	27	27	27
Procurement from direct suppliers				
Total number of direct suppliers	/	827	428	319
Critical direct suppliers	/	827	428	319
Certification of suppliers				
ISO 9001 certified	%	98	98	98
ISO 14001 certified	%	98	98	98
ISO 45001/OHSAS 18001 certified	%	98	98	98
Customer services				
Customer satisfaction	%	99.84	99.66	94.2
R&D innovation				
Number of new authorised patents	/	156	276	280
Number of total authorised patents	/	1,555	1,538	1,454
Intellectual property and external standards that fell within the scope of rewards	/	32	83	115
Community welfare				
Total amount of charitable donations	RMB 10,000	190.2	83.7	296.3
Employee volunteer service hours	hour	958	940	950

List of key ESG policies

Category	Policies
Environmental	
Environmental management	Environmental Indicator Assessment System
	Environmental Factors Identification, Evaluation and Control Procedures
	EHS Construction Management Plans
	Green Construction Plans
	Management Manual on Quality, Environment, and Occupational Health and Safety of BEWG
Emissions	Quality, Environment, and Occupational Health and Safety Procedure Documents
	Measures for Water Resources Management of BEWG
	Low-Carbon Operations Management Measures of BEWG
	Enterprise Action Plan for Achieving Dual Carbon Goals
	Measures for Regulating the Use of Meeting Rooms and Video Conferences
	Notice on Further Strengthening the Standardised Management of Business
	Corporate Vehicle Management Rules
	Production Operation Management Measures
Ecological protection	Chemical Management Measures
	Biodiversity Protection Management Measures of BEWG
Social	
Employment	Recruitment Management System of BEWG
	Compensation and Benefits Management System of BEWG
	Performance Management System
Employee rights and benefits	Leave Management System of BEWG
	Management Measures for Organisation and Implementation of Corporate Culture Activities (Interim)
	Welfare Regulations of BEWG
	Hazardous Operation Safety Management System of BEWG
	Related Party Safety Management System of BEWG
Occupational health and safety	Work Safety Reward and Punishment Management System of BEWG
	Management Provisions on Safety Rewards and Punishments of BEWG
	Management Provisions on Safety Production Interviews of BEWG
	Management Provisions on Hazardous and Harmful Factor Evaluation of BEWG
	Management Provisions on Major Hazard Sources of BEWG
	Management Provisions on Safety Control of Dangerous Materials of BEWG
	Management Provisions on Occupational Health and Safety of BEWG
	Management Provisions on Labour Protection Articles of BEWG
	Comprehensive Emergency Response Plan for Emergencies of BEWG
	Management Provisions on Reporting, Investigation and Handling of Production Safety Accidents of BEWG

Category	Policies
Quality management	Code for Design of Outdoor Water Supply Engineering
	Standard for Raw Water Quality Grading Warning
	Control Guideline on Water Quality Abnormal Indicator
	Guidelines for Emergency Response to Abnormal Influent
	Joint Acceptance Management Measures for Engineering Products
	Scoring Manual for Joint Acceptance of Water Supply Engineering Products
	Scoring Manual for Joint Acceptance of Sewage Treatment Engineering Products
	Guidelines for Program Control Requirements and Evaluation of Sewage Treatment Plants
	Scoring Manual for Joint Acceptance of Water Environment Remediation Engineering Products
	Interim Administrative Measures for Engineering Products Appraisal of BEWG
	Guidelines for the Acceptance of Star-level Operational Enterprises
	Pipeline Network Inspection Management Policy
	Emergency Response Operating Guidelines for Water Quantity and Water Quality
Intellectual property protection	Core Product and Technology Directory Management Rules of BEWG
	Incentive Scheme for Scientific and Technological Innovation Achievements of BEWG
	Intellectual Property Management System of BEWG
Supply chain	Supplier Management Policies of BEWG
	Anti-Bribery and Anti-Corruption System of BEWG
	Supplier Code of Conduct of BEWG
Information and data security	Information Security Management System of BEWG
	Information Security and Privacy Protection Policy of BEWG
	Digital Operation and Maintenance Management System of BEWG
	Management Measures for External Personnel Accounts and Digital System Permissions
Community investment	External Donation Management System of BEWG
Governance	
Board diversity	Board Diversity Policy
Risk management	General Principles of Risk Management of BEWG
	Overall Risk Management System of BEWG
Business ethics	Anti-Bribery and Anti-Corruption System of BEWG
	Overseas Anti-Corruption System of BEWG
	Implementation Rules for Supervision and Inspection at Critical Milestones
	Code of Business Conduct of BEWG
	Action Plan for Building an "Six-in-One" Integrated Supervision and Coordination Mechanism of BEWG
	Confidentiality System for Whistleblowing and Accusation of BEWG
	Whistleblower Protection System of BEWG
	False Accusation Investigation and Punishment System of BEWG

HKEX ESG Index



Requirements		Page
ESG Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	P14
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	P01
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	P01

Aspect	Disclosure Requirements	Page
Environmental		
A1 Emissions	General Disclosure Information on: (1) the policies; and (2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P116-117, P119
	A1.1 The types of emissions and respective emissions data.	P104, P118
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P118
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P118
	A1.5 Description of emissions target(s) set and steps taken to achieve them.	P102, P105-113, P116-118
	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.	P117-118
A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	P33, P116
	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).	P114-115
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P35
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	P102, P105-113
	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.	P33-36
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable
A3 The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	P105, P111, P116-117, P119-120
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P105-128
Social		
B1: Employment	General Disclosure Information on: (1) the policies; and (2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P63-64
	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	P65
	B1.2 Employee turnover rate by gender, age group and geographical region.	P66
B2: Health and Safety	General Disclosure Information on: (1) the policies; and (2) 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.	P74-76
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P77
	B2.2 Lost days due to work injury.	P77

Aspect	Disclosure Requirements	Page
B2: Health and Safety	B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	P74-78
B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	P27-28, P66-70
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P70
	B3.2 The average training hours completed per employee by gender and employee category.	P70
B4: Labour Standards	General Disclosure Information on: (1) the policies; and (2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	P63
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	P63
	B4.2 Description of steps taken to eliminate such practices when discovered.	P63
B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	P83-85
	B5.1 Number of suppliers by geographical region.	P83
	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.	P83-86
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P83-86
	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P86
B6: Product Responsibility	General Disclosure Information on: (1) the policies; and (2) 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.	P23, P30, P52
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
	B6.2 Number of products and service related complaints received and how they are dealt with.	P81-82
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	P48
	B6.4 Description of quality assurance process and recall procedures.	P23-25, P27-31
B7 Anti-corruption	B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	P52-54
	General Disclosure Information on: (1) the policies; and (2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	P60
	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.	P62
	B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	P62
B8: Community Investment	B7.3 Description of anti-corruption training provided to directors and staff.	P61
	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.	P87

Aspect	Disclosure Requirements	Page
B8: Community Investment	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	P87-90
	B8.2 Resources contributed (e.g. money or time) to the focus area.	P87-90
Governance		
Governance	19. An issuer shall disclose information about: (a) 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. (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	P93-94
Strategy		
Climate-related risks and opportunities	20. An issuer shall disclose information to enable an understanding of 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. Specifically, the issuer shall: (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; (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; (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 (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.	P95-98
Business model and value chain	21 An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose: (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 (b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	P95-98
Strategy and decision-making	22. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose: (a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, 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. (b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	P95-98, P100-101
	23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	P100, P103
Financial position, financial performance and cash flows	Current financial effect 24. An issuer shall disclose qualitative and quantitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (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.	P100

Aspect	Disclosure Requirements	Page
Financial position, financial performance and cash flows	Anticipated financial effect 25. The issuer shall provide qualitative and quantitative information about: (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; and (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.	P101, Due to uncertainties in the probability and severity of extreme weather events, as well as the lack of suitable predictive models, it is currently not possible to quantify the expected financial effect; only qualitative analysis can be conducted.
Climate resilience	26. An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose: (a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of: (b) how and when the climate-related scenario analysis was carried out.	P98-P99, P102
Risk Management		
Risk management	27. An issuer shall disclose information about: (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks; (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 (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.	P101-102
Metrics and Targets		
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 ₂ equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	P104

Aspect	Disclosure Requirements	Page
Greenhouse gas emissions	29. An issuer shall: (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; (b) disclose the approach it uses to measure its greenhouse gas emissions; (c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), 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; and (d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), 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 <i>Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)</i>.	P104
Climate-related transition risks	30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Due to uncertainties such as policy changes and fluctuations in energy costs, it is not yet feasible to effectively quantify the amount and percentage of assets or business activities vulnerable to climate-related transition risks.
Climate-related physical risks	31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Due to uncertainties in the probability and severity of extreme weather events, it is currently not possible to effectively quantify the assets or business activities vulnerable to climate-related transition risks.
Climate-related opportunities	32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	Related market activities are still in their early stages, and there is currently insufficient and unreliable quantitative data to serve as a basis for informed decision-making. As a result, it is not yet possible to effectively quantify the amount and percentage of assets or business activities vulnerable to climate-related transition risks.
Capital deployment	33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	The market has not yet established uniform and practical criteria or quantitative methods for defining such expenses; furthermore, in actual business operations, these expenses are often intertwined with routine operating expenses, technology upgrades, and comprehensive project investments. As a result, the Group is currently unable to provide independent and accurate quantitative disclosures.
Internal carbon prices	34. An issuer shall disclose: (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 (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	The potential impact of carbon costs on the Group's overall operations remains within the controllable range; therefore, carbon pricing has not yet been incorporated into the existing decision-making framework for the time being. In the future, we will continue to monitor developments in carbon pricing policies and market trends. Taking into account industry practices and the current stage of our business development, we will assess the necessity and feasibility of incorporating carbon pricing into our decision-making framework at the appropriate time.

Aspect	Disclosure Requirements	Page
Remuneration	35. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	P94
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.	P102
Climate-related targets	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: (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (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); (d) the period over which the target applies; (e) the base period from which progress is measured; (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	P102
	38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions.	P102
	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.	P102
	40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose: (a) which greenhouse gases are covered by the target; (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.	P102-P104
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.	P102

GRI Index



Statement of use	Beijing Enterprises Water Group Limited has reported in accordance with the GRI Standards from 1 January 2025 to 31 December 2025.
GRI 1 used	GRI 1: Foundation 2021

GRI standard	Description	Page
GRI 2: General Disclosures 2021	2-1 Organisational details	P01, P05-06
	2-2 Entities included in the organisation's sustainability reporting	P01
	2-3 Reporting period, frequency and contact point	P01
	2-4 Restatements of information	P01, P104, P115
	2-6 Activities, value chain and other business relationships	P05
	2-7 Employees	P65
	2-8 Workers who are not employees	P65
	2-9 Governance structure and composition	P14, P57-58
	2-10 Nomination and selection of the highest governance body	P57
	2-11 Chair of the highest governance body	P57
	2-12 Role of the highest governance body in overseeing the management of impacts	P57-59
	2-13 Delegation of responsibility for managing impacts	P14
	2-14 Role of the highest governance body in sustainability reporting	P14
	2-15 Conflicts of interest	P57
	2-16 Communication of important concerns	P15-16
	2-17 Collective knowledge of the highest governance body	P14
	2-18 Evaluation of the performance of the highest governance body	P57-58
	2-22 Statement on sustainable development strategy	P17
	2-23 Policy commitments	P63-64
	2-24 Embedding policy commitments	P59-62, P81-85
	2-25 Processes to remediate negative impacts	P76, P86
	2-26 Mechanisms for seeking advice and raising concerns	P62, P71
	2-27 Compliance with laws and regulations	P62
	2-28 Membership associations	P7
	2-29 Approach to stakeholder engagement	P15-16
	2-30 Collective negotiation agreement	P64

GRI standard	Description	Page
GRI 3: Material Topics 2021	3-1 Process to determine material topics	P16
	3-2 List of material topics	P16
	3-3 Management of material topics	P16
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	P95-98, P100-101
	201-3 Define benefit plan obligations and other retirement plans	P71-73
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	P9-10, P89-90
	203-2 Significant indirect economic impacts	P10, P87-90
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	P60
	205-2 Communication and training about anti-corruption policies and procedures	P60-62
	205-3 Confirmed incidents of corruption and actions taken	P60-62
GRI 302: GRI 302: Energy 2016	302-1 Energy consumption within the organisation	P114-115
	302-2 Energy consumption outside of the organisation	P114-115
	302-3 Energy intensity	P115
	302-4 Reduction of energy consumption	P105-113
	302-5 Reductions in energy requirements of products and services	P105-111
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	P23-26, P33-36
	303-2 Management of water discharge-related impacts	P33-34, P36
	303-3 Water withdrawal	P33-35
	303-4 Water discharge	P30-31
	303-5 Water consumption	P33-35
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	P121
	304-2 Significant impacts of activities, products and services on biodiversity	P122
	304-3 Habitats protected or restored	P122-127
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	P104
	305-2 Energy indirect (Scope 2) GHG emissions	P104
	305-3 Other indirect (Scope 3) GHG emissions	P104
	305-4 GHG emissions intensity	P104
	305-5 Reduction of GHG emissions	P104
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	P118
	306-1 Waste generation and significant waste-related impacts	P117-118
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	P117-118
	306-3 Waste generated	P117-118

GRI standard	Description	Page
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	306-5 Waste directed to disposal	P117
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	P84-85
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	P65-66
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	P71-73
	401-3 Parental leave	P71
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	P74-76
	403-2 Hazard identification, risk assessment, and incident investigation	P74-76
	403-3 Occupational health services	P74-78
	403-4 Worker participation, consultation, and communication on occupational health and safety	P75
	403-5 Worker training on occupational health and safety	P77-78
	403-6 Promotion of worker health	P77-78
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P74-78
	403-8 Workers covered by an occupational health and safety management system	P74
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GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	P70
	404-2 Programs for upgrading employee skills and transition assistance programs	P67-70
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	P58, P63-65
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	P63
GRI 408: Child labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	P63, P84-85
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	P63, P84-85
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	P87-90
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	P84-86
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	P23, P27-29
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	P53

Reader's Feedback

Dear readers,

Thank you for reading the 2025 Sustainability Report of Beijing Enterprises Water Group Limited. We expect to listen to your feedback on our report and work. Your opinions and suggestions are the important basis for us to improve our sustainability management and practice.

We are looking forward to your reply.

Selective questions (please tick √ at the appropriate location)

1. Which of the following stakeholder types your employer belongs to?

☐ Shareholder ☐ Employee ☐ Supplier ☐ Customer ☐ Government ☐ Community
☐ Academic institutions ☐ Others (Please specify)

2. Is the information you are concerned about disclosed in the report?

☐ Yes ☐ Neutral ☐ No

3. Your comprehensive evaluation on the 2025 Sustainability Report of Beijing Enterprises Water Group Limited:

• Readability (understandable presentation, attractive design and easy to find the desired information)

☐ Yes ☐ Neutral ☐ No

• Credibility (true and reliable information)

☐ Yes ☐ Neutral ☐ No

• Information integrity (positive and negative information that meet your needs)

☐ Yes ☐ Neutral ☐ No

4. Can the information you are concerned about be easily searched in the report?

☐ Yes ☐ Neutral ☐ No

5. Do you prefer electronic version or hard-copy version of the future report?

☐ Hard-copy version ☐ Electronic version

6. Please give your opinions and suggestions on the 2025 Sustainability Report of Beijing Enterprises Water Group Limited.

Please give your feedback by scanning the QR code, or contact us via email at ir@bewg.net.cn.



Your contact information

Name: _____ Organisation: _____

Email: _____ Phone: _____



