



MCC 中国冶金科工股份有限公司  
METALLURGICAL CORPORATION OF CHINA LIMITED

Metallurgical Corporation of China Ltd. (MCC)

2025 ESG (ENVIRONMENTAL, SOCIAL AND GOVERNANCE) AND SUSTAINABILITY REPORT



# MCC | ESG (ENVIRONMENTAL, SOCIAL AND GOVERNANCE) AND SUSTAINABILITY REPORT

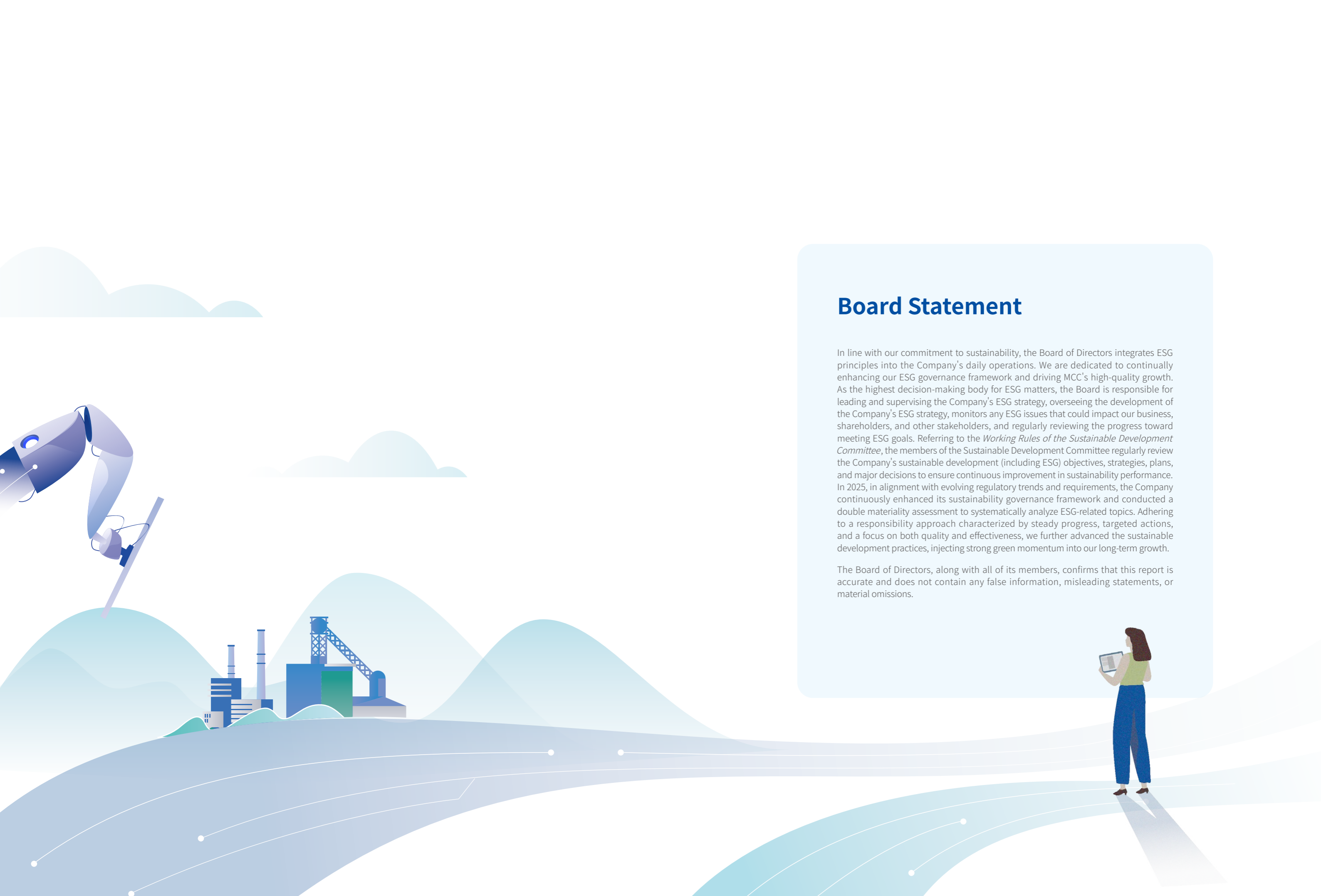


MCC 中国冶金科工股份有限公司  
METALLURGICAL CORPORATION OF CHINA LIMITED

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## Board Statement

In line with our commitment to sustainability, the Board of Directors integrates ESG principles into the Company's daily operations. We are dedicated to continually enhancing our ESG governance framework and driving MCC's high-quality growth. As the highest decision-making body for ESG matters, the Board is responsible for leading and supervising the Company's ESG strategy, overseeing the development of the Company's ESG strategy, monitors any ESG issues that could impact our business, shareholders, and other stakeholders, and regularly reviewing the progress toward meeting ESG goals. Referring to the *Working Rules of the Sustainable Development Committee*, the members of the Sustainable Development Committee regularly review the Company's sustainable development (including ESG) objectives, strategies, plans, and major decisions to ensure continuous improvement in sustainability performance. In 2025, in alignment with evolving regulatory trends and requirements, the Company continuously enhanced its sustainability governance framework and conducted a double materiality assessment to systematically analyze ESG-related topics. Adhering to a responsibility approach characterized by steady progress, targeted actions, and a focus on both quality and effectiveness, we further advanced the sustainable development practices, injecting strong green momentum into our long-term growth.

The Board of Directors, along with all of its members, confirms that this report is accurate and does not contain any false information, misleading statements, or material omissions.

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## About This Report

### About this report

**Reporting scope:** This report incorporates Metallurgical Corporation of China Ltd. and its subsidiaries.

**Reporting period:** This report covers the period from January 1, 2025, to December 31, 2025, with some content of the report appropriately referencing significant years of the Company's development.

**Reporting cycle:** This report is released on an annual basis. It is the 17th *ESG and Sustainability Report (Social Responsibility Report in 2023 and prior years)* issued by Metallurgical Corporation of China Ltd.

### Basis for preparation

The disclosures in this report primarily follow *Guidelines of Shanghai Stock Exchange for Environmental Information Disclosure of Listed Companies and Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)* issued by the Shanghai Stock Exchange (SSE); the *Environmental, Social and Governance Reporting Guide* by the Stock Exchange of Hong Kong Limited (HKEX); *GRI Sustainability Reporting Standards (GRI Standards)* issued by the Global Sustainability Standards Board (GSSB); *ISO 26000: Guidance on Social Responsibility (2010) (ISO 26000:2010)* issued by the International Organization for Standardization; *GB/T 36001-2015: Guidance on Social Responsibility Reporting (GB/T 36001-2015)* by the Standardization Administration of China; *Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-ESG5.0)* issued by the Chinese Academy of Social Sciences.

### References

For ease of expression and reading convenience, short names are used herein as follows. Metallurgical Corporation of China Ltd. can be referred to as "MCC", "the Company", or "We" in this report, China Metallurgical Group Corporation is referred to as "MCC Group", China Minmetals Corporation, is referred to as "China Minmetals".

### Data sources

This report is a true reflection of MCC's economic, environmental, and social responsibility practices. All data and information in this report are based on the Company's official documents, statistical reports, or a summary and statistics of the social responsibility practices of its subsidiaries. The financial data are from the Company's financial report for the year 2025, and other data sources are primarily from 2025, with appropriate reference to data from previous years. Unless specified, the monetary amounts shown in this report are all presented in RMB.

During the Reporting Period, in response to the relevant requirements of the central government to promote central enterprises to focus on their core responsibilities and main businesses, promote professional integration and optimal allocation of resources. At the First Extraordinary General Meeting of Shareholders of 2025, held on December 29, 2025, the shareholders approved the sale of the Company's 100% equity interest and related debt in China MCC Real Estate Group Co., Ltd. ("MCC Real Estate"), as well as 100% equity interests in China Non-ferrous Engineering Co., Ltd. ("Non-ferrous Engineering"), MCC Tongsin Resources Limited ("MCC Tongsin Resources"), Ramu NiCo Management (MCC) Limited ("MCC Ramu"), MCC Huaye Duddar Mining Company (Pvt) Limited ("Huaye Duddar"), and 67.02% equity in MCC-JJJ Mining Development Limited ("MCC-JJJ Mining") to China Minmetals Corporation Limited (CMCL) and its designated entities (For details, please refer to the relevant announcements disclosed by the Company on the Hong Kong Stock Exchange on December 8 and December 29, 2025, which were subsequently disclosed on the Shanghai Stock Exchange on the following days, respectively). By stripping non-core business assets, the Company drove the re-collection and efficient allocation of human, financial, management and other resources, realizing more prominent main businesses, clearer structure, more efficient management of the Company, and further improvement in overall operational stability and risk resistance capacity, enabling the Company to embark on its high-quality development journey with greater agility.

### Access to this report

This report is available in Simplified Chinese, Traditional Chinese, and English. In case of discrepancies among the three languages, the Simplified Chinese version shall prevail. The report is released to readers in both environmentally friendly printed form and as a PDF file, which can be downloaded from the website of MCC (<http://www.mcc.com.cn>).

### Contact us

If you have any questions about this report, please contact us by email or phone. Our contact information is as follows.

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## Message from the Chairman



*A great vision, simple and  
pure, requires credible actions*

Member of the Party Leadership Group  
and Deputy General Manager of China  
Minmetals Corporation

Chairman of MCC Group

Party Secretary and Chairman of MCC

This is the 17th Environmental, Social and Governance and Sustainability Report published by MCC. We would like to extend our sincere gratitude to all stakeholders for their continued attention and support.

Time moves forward, and each year brings renewal. 2025 marks the concluding year of the 14th Five-Year Plan and the year of strategic planning for the 15th Five-Year Plan. MCC has consistently upheld the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly implemented the spirit of the 20th National Congress of the Communist Party of China, its successive plenary sessions, and the Central Economic Work Conference, and fully carried out the important directives of General Secretary Xi Jinping on the work of central state-owned enterprises. Keeping the mission and responsibilities of a central enterprise firmly in mind, MCC has embedded ESG and sustainable development principles deeply into its corporate governance. During the year, the Company achieved new contract signings of RMB 1,112.92 billion, operating revenue of RMB 455.38 billion, total profit of RMB 5.009 billion, and net operating cash inflows of RMB 15.323 billion, contributing MCC's strength to economic and social development through concrete action and tangible results.

**We have placed strategy at the center, driving structural transformation and injecting powerful momentum into sustainable development.** With a sharp awareness of the profound adjustments underway in the construction industry, characterized by market saturation, intensifying competition,

and accelerating differentiation, the Company has closely followed national strategic priorities and policy directions to accelerate its own transformation and upgrading. On one hand, guided by the principle of "strengthening the core, optimizing the main bodies, and expanding the specialties," the Company has planned and advanced the "Five-Five Strategy", refined its "one core, two subjects, and five characteristics" business framework, and channeled quality resources toward core businesses including metallurgical engineering and non-ferrous and mining engineering. The Company has also driven a strategic shift toward industrial construction and civil infrastructure sectors where it can fully leverage its industrial technology expertise, full value chain advantages, and EPC general contracting strengths, while expanding into engineering services, new materials, high-end equipment, energy and environmental protection, and digital-intelligent applications, areas with distinctive MCC characteristics, to improve resource allocation efficiency and input-output performance. On the other hand, the Company has directed its strategic vision toward overseas markets, seeking broader development opportunities through strategic partnerships with countries and regions along the Belt and Road and across the Global South. In 2025, the share of core metallurgical engineering and non-ferrous and mining engineering businesses in new contract signings rose to 21.5%, industrial construction increased to 21%, and residential and municipal infrastructure declined to 53.2%, reflecting significant progress in business portfolio optimization. Overseas new contract signings surpassed the RMB 100 billion milestone for the first time, setting a new historical record. Through business restructuring to strengthen its core and

strategic repositioning to expand its horizons, the Company has continued to reinforce its sustainable development foundation and deepen its core competitive advantages through this dual-engine approach.

**We have taken innovation as our wings, serving national strategy and providing robust support for technological self-reliance.** Guided by the "four orientations," the Company has focused on national needs, industry trends, and its own strengths, increased R&D investment, intensified technological breakthroughs, and accelerated the commercialization of major research achievements, empowering industry development through science and technology and delivering solid technical support for industry transformation and national strategic requirements. By the end of 2025, the Company had cumulatively established 25 national-level R&D platforms, including National Key Laboratories, National Engineering Research Centers, and National Engineering Technology Research Centers, and held over 54,000 valid patents. It had also published 68 international standards and 670 national standards. The Company-led project "Key Technologies and Equipment for Multi-Robot Collaborative Manufacturing of High-Performance Complex Structures" successfully passed the preliminary evaluation for the Second Prize of the National Science and Technology Progress Award. The Company received four China Patent Awards, with the "Long-Span Mid-Span Coordinated Prestressed Box-Section Continuous Steel Beam-Column Structure" earning the Silver Award. It was further honored with 25 Metallurgical Science and Technology Awards, including a Special Prize for "Development and Application of Integrated Technology for Ultra-Thick-Section Straight-Arc Slab Continuous Casting Machines." The successful transformation and application of these technological achievements stand as a testament to MCC's formidable innovation capabilities and reflect the responsibility and commitment befitting a central state-owned enterprise.

**We have made green our foundation, practicing low-carbon principles and adding a distinctive dimension to ecological civilization development.** The Company has vigorously advanced energy conservation and carbon reduction, pollution prevention and control, ecological restoration, and resource recycling, actively developed green engineering and green buildings, and protected ecological security through concrete action in support of the "dual carbon" goals. In 2025, the Company invested a cumulative total of RMB 1.2 billion in environmental facility upgrades, pollution control technology R&D, and green production process improvements. It had 59 projects recognized under national-level green construction performance evaluation programs, with multiple core green technologies and projects included in national and local key promotion catalogues. The world's first 3R low-carbon blast furnace technology, the independently developed hydrogen-based shaft furnace technology, and the proprietary super electric furnace technology have further propelled the green and low-carbon transformation of the metallurgical industry. The completed CO<sub>2</sub> capture, liquefaction, and purification pilot plant has maintained a carbon capture rate consistently above 90%. The smart pipeline network system has enabled digital energy-saving innovation in industrial water management. The fully assembled steel structure building system, equipped with the "Seven Constants" ecological health environment control system, empowers the development of quality homes through the principles of safety, comfort, green design, and intelligence. The Company has advanced on all fronts across green energy, resource recycling, green industries, and green buildings, strengthening its ecological credentials in support of building a beautiful China.

**We have taken governance as our foundation, holding firm to the compliance baseline and building a solid barrier for steady and sustainable development.** The Company has thoroughly practiced the "Four Simplifications" governance philosophy and successfully completed the three-year initiative to strengthen foundational management, consolidating the bedrock of high-quality development. Guided by baseline thinking and strengthened risk management, the Company has advanced a dedicated deleveraging and risk mitigation initiative, prudently driven the full exit from PPP projects and investment-financing-construction risk projects, resolved major real estate risks, and firmly held the line against systemic risk. The Company has continued to build a culture of compliance, conducting regular legal study sessions for the Party Committee, Board of Directors, and President's Office, strengthening legal awareness, and cultivating a culture in which everyone embraces compliance. It has deepened Party conduct and integrity development and anti-corruption efforts, rigorously implemented the spirit of the Eight Regulations of the Central Committee, and conducted thorough study and education activities. The Company also vigorously advanced clean project construction and organized the inaugural Supply Chain Cooperation and Development Conference, working with upstream and downstream clients and suppliers under the principles of "mutual integration, mutual promotion, mutual integrity, and mutual benefit" to jointly uphold a fair and clean business environment.

**We have placed people's wellbeing at the center, fulfilling our responsibilities with commitment and contributing to a harmonious society.** Holding firm to the philosophy that development relies on and serves its people, the Company has invested heavily in employee training and actively fostered a fair and merit-based environment for growth and advancement, sharing the fruits of its success with the workforce. In 2025, 1 employee was recognized as a Technical Expert of Central State-owned Enterprises, 4 received the honorary title of National Model Worker, and 15 were recognized as provincial-level model workers. Young skilled workers delivered outstanding results at the 3rd National Vocational Skills Competition, winning 1 gold, 2 silver, 1 bronze, and 2 excellence awards. The Company has consistently integrated social responsibility into its development strategy, building a multi-stakeholder public welfare ecosystem spanning rural revitalization and disaster relief. In 2025, the Company invested approximately RMB 35 million in designated assistance areas through consumption-based, industrial, and project-based support, providing meaningful impetus for local development. Rising to the challenge in times of crisis, the Company dispatched teams to the earthquake response front line in Shigatse, Xizang and to flood prevention operations in Laifeng County, Enshi, Hubei, working alongside local governments to protect the lives and property of the people. MCC has consistently demonstrated its commitment to the people through action, conveyed the warmth of a central enterprise through service, and continued to contribute positive energy to harmonious social development.

Actions speak louder than words, and diligence is what matters most. On this new journey, MCC will unite more closely around the Party Central Committee with Comrade Xi Jinping at its core, remain anchored to the goal of "One Goal, Two Bests, and Five Strengths," and fulfill its role as the "global leader in metallurgical construction and a frontrunner in China's new infrastructure development" in the new era. With the proactive spirit and sense of responsibility that the moment demands, the Company will forge ahead with determination and contribute greater strength to writing a new chapter in Chinese-style modernization.

# About MCC

## Company Profile

Metallurgical Corporation of China Limited (MCC) is a major state-owned construction conglomerate affiliated with China Minmetals. With a remarkable legacy spanning over 70 years, MCC's journey began in 1948 during the restoration of Ansteel and Fushun Mining in Northeast China, where it established New China's first metallurgical construction teams. Over the decades, MCC has built a strong foundation in research and development, surveying, design, and construction. Since then, MCC has been a key player in China's major steel projects, including WISCO, Baotou Steel, TISCO, Pangang, and Baosteel, earning its place as a major force in China's steel industry.

In recent years, MCC has focused on its strategy of "One Goal, Two Bests, and Five Strengths", aspiring to become a world-class enterprise with global competitiveness. The Company focuses on becoming the go-to provider for comprehensive metallurgical construction solutions and the most trusted partner for large-scale equipment renewals and trade-in of old consumer goods both in China and abroad. MCC is committed to driving value through innovation, market competitiveness, resource management, and cultural influence.

Leveraging more than 70 years of accumulated technical expertise and qualifications across the full steel and metallurgy process chain and value chain, MCC has accelerated its transformation and upgrading, continuously consolidating and strengthening its metallurgy business, optimizing and enhancing its residential construction business, and expanding and growing its infrastructure business. The Company has built extensive experience in residential construction, municipal infrastructure, rail transit, and urban renewal. It has progressively established the "one core, two subjects, and five characteristics" business framework, with metallurgical construction as the core, industrial construction and civil infrastructure as the two main bodies, and engineering services, new materials, high-end equipment, energy and environmental protection, and digital-intelligent applications as the five specialty areas.

MCC was listed on the Main Board of the Shanghai Stock Exchange on September 21, 2009, and on the Main Board of the Hong Kong Stock Exchange on September 24, 2009. By the end of 2025, the Company's A-shares continued to be listed in indices such as the SSE Central State-owned Enterprises Index, SSE 180 Stability Index, and 300 Innovation Index, and its H-shares had been included in the Hang Seng Composite Index, Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect, Bloomberg ESG Data Index and so on.

## 2025

Total profit  
**RMB 5.009 billion**

Total revenue  
**RMB 455.38 billion**

Total value of newly signed contract  
**RMB 1,112.92 billion**

Total assets  
**RMB 839.489 billion**



## Qualification & Certification

The quantity and quality of high-level qualifications rank among the top in the national construction industry



51

Enterprises with Special Qualification for General Contracting of Construction



6

Enterprises with Special Qualification for General Contracting of Construction in four areas



2

Enterprises with Special Qualification for General Contracting of Construction in three areas



4

Enterprises with Special Qualification for General Contracting of Construction in two areas



4

Enterprises with Engineering Design Integrated Class-A Qualification



9

Enterprises with Engineering Supervision Integrated Qualification



3

Enterprises with Engineering Investigation Integrated Class-A Qualification

MCC headquarters



Qualification for General Contracting of Building Construction  
**Grade I**



Qualification for General Contracting of Highway Construction  
**Grade II**

## Honors of MCC

In 2025, MCC continued to maintain the high investment-grade rating of **Baa1, BBB, and BBB+ in Moody's, S&P, and Fitch international credit ratings**

Listed in the **Best Examples of Annual Performance Briefing Practices in 2025** by the China Association for Public Companies

Maintained the rating of information disclosure by the SSE for the 9th consecutive year at **A**

Awarded the 20th Golden Round Table Award for Listed Companies in China **Special Contribution Award for Corporate Governance**

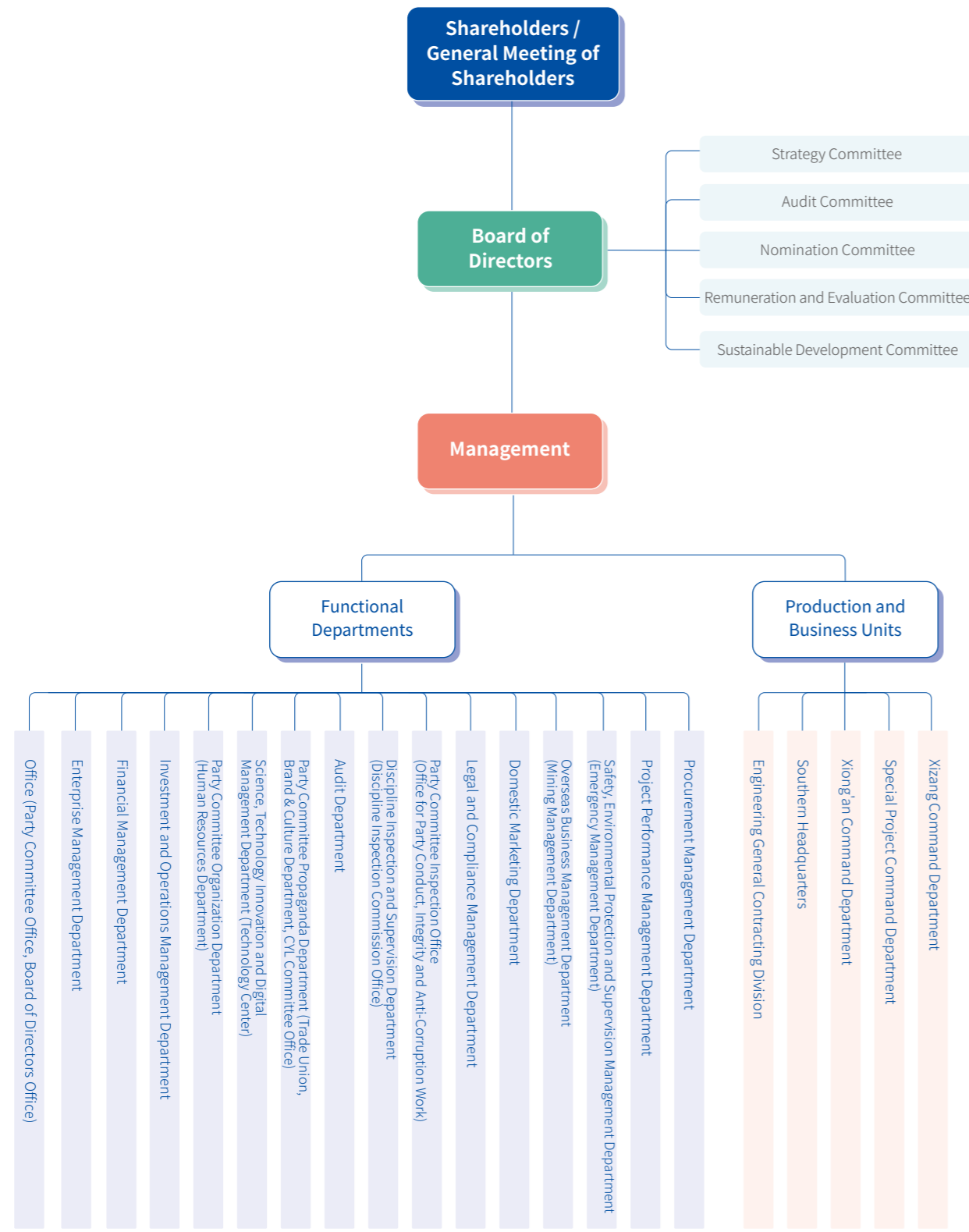
Wind ESG rating maintained at **A**

Won the 8th New Fortune **"Best IR Hong Kong-Listed Company"** Award

Listed in the **Best Examples of Sustainable Development Practices in 2024** by the China Association for Public Companies



## Organizational Structure



Organizational structure of MCC

## Subsidiaries

Subsidiaries of MCC

No.	Name of subsidiaries	Abbreviation	No.	Name of subsidiaries	Abbreviation
1	Central Research Institute of Building and Construction Co., Ltd.	CRIBC	23	China Huaye Group Company Limited	NCMCC
2	Beijing Metallurgical Equipment Research Design Institute Co., Ltd.	MCCE	24	MCC Baosteel Technology Services Co., Ltd.	MCC Baosteel
3	Capital Engineering & Research Incorporation Ltd.	CERI	25	MCC Communication Construction Group Ltd.	MCC-CC
4	CISDI Group Co., Ltd.	CISDI	26	MCC Road & Bridge Construction Co., Ltd.	MRBC
5	WISDRI Engineering & Research Incorporation Limited	WISDRI	27	Metallurgical Corporation of Central China Ltd.	Henan Branch
6	Huatian Engineering & Technology Corporation	MCC HT	28	MCC Utility Tunnel Science and Technology Development Co., Ltd.	UTMC
7	ACRE Coking and Refractory Engineering Consulting Corporation	MCCACRE	29	MCC (Shanghai) Steel Structure Technology Corp, Ltd.	MCC-SSC
8	Zhongye Changtian International Engineering Co., Ltd.	CIE	30	MCC Eco-Environmental Protection Group Co., Ltd.	MCCHB
9	Northern Engineering & Technology Corporation	MCC NETC	31	MCC Southern China Construction Investment Co., Ltd.	MCC Southern China
10	Shen Kan Engineering & Technology Corporation	MCC SKET	32	MCC Urban Investment Holdings Company Ltd.	MCC Urban Investment
11	Wuhan Surveying-Geotechnical Research Institute Co., Ltd. of MCC MCC Financial Leasing Co., Ltd.	WSGRI	33	MCC (Hainan) Investment Development Co., Ltd.	MCC Hainan
12	China First Metallurgical Group Co., Ltd.	CFMCC	34	MCC Great Wall Investment Co., Ltd.	MCC Great Wall
13	China Second Metallurgical Group Co., Ltd.	MCC2	35	MCC Australia Holding Pty Ltd.	MCCH
14	China Third Metallurgical Group Corporation Ltd.	TMCC	36	MCC International Incorporation Ltd.	MCCI
15	MCC5 Group Corp., Ltd.	5MCC	37	MCC Overseas Ltd.	MCC Overseas
16	MCC Tiangong Group Corp., Ltd.	CTMCC	38	MCC Vietnam Engineering and Technology Company Limited	MCC Vietnam
17	China MCC17 Group Co., Ltd.	17MCC	39	MCC International Economic and Trade Co., Ltd.	MCC International Trade
18	China Metallurgical Construction Engineering Group Co., Ltd.	CMCC	40	MCC Holdings (Hong Kong) Corp., Ltd.	MCC HK
19	China 19th Metallurgical Corporation	19MCC	41	MCC-SFRE Heavy Industry Equipment Co., Ltd.	MCC-SFRE
20	China MCC20 Group Corp., Ltd.	20MCC	42	MCC MINING (Western Australia) Pty, Ltd.	MCC Western Australia
21	China MCC22 Group Corp., Ltd.	22MCC	43	China No. 13 Metallurgical Construction Co., Ltd.	13MCC
22	Shanghai Baoye Group Corp., Ltd.	SBC-MCC			



# Double Materiality Assessment of Topics

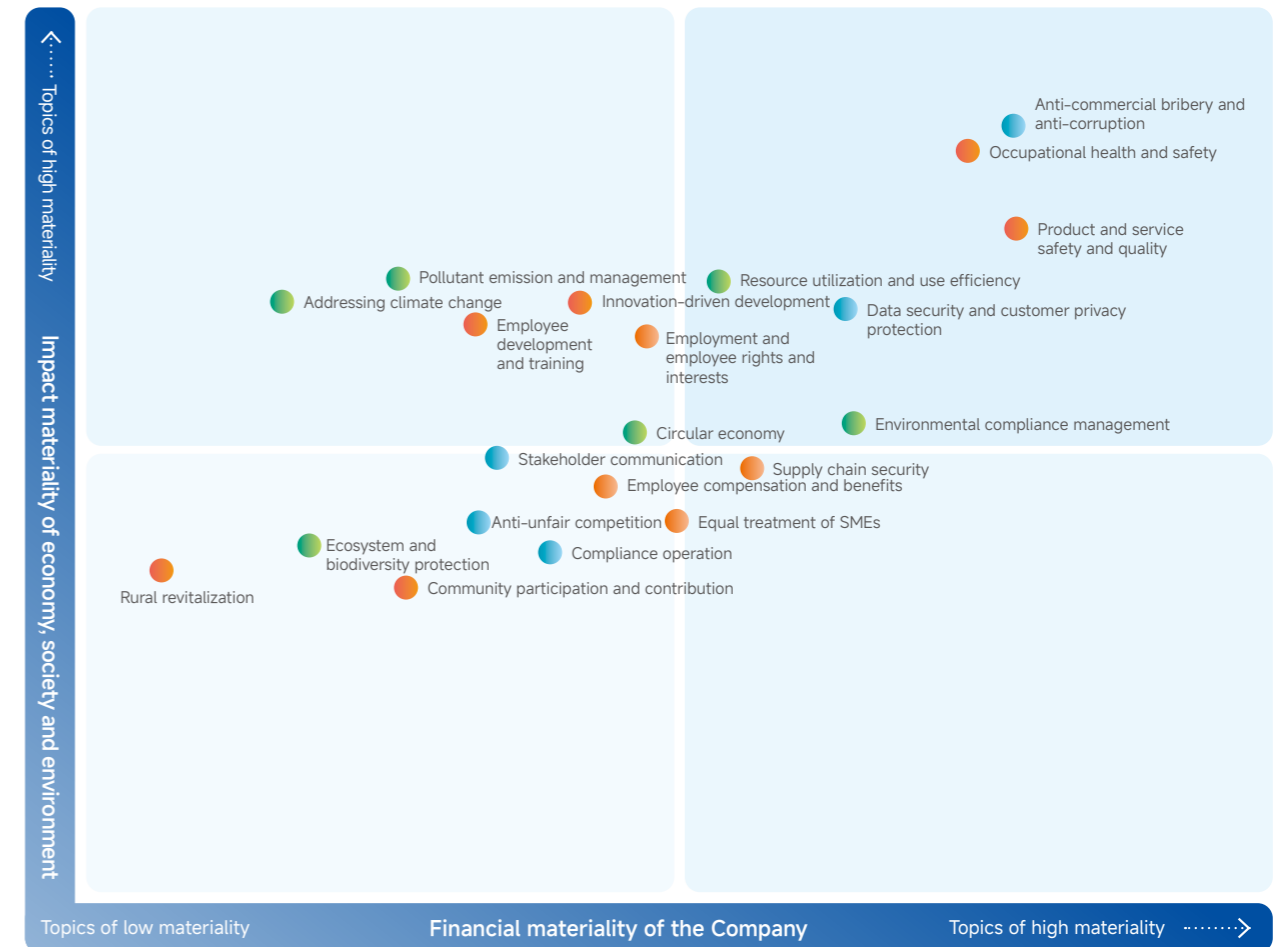
MCC regards stakeholder engagement as a cornerstone of its ESG work. Through a systematic communication mechanism, the company identifies the concerns and expectations of various stakeholders. Building on this foundation, we scientifically determine ESG topics based on international standards and industry characteristics, develop a double materiality matrix, and provide focused responses in the report to the identified key topics.

## Determination of material topics

The ongoing management of material ESG topics serves as the foundation for MCC’s sustainable development strategy, risk and opportunity oversight, and ESG disclosure. Building on the work of previous fiscal year and in accordance with the Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial) and the Environmental, Social and Governance Reporting Guide by the Stock Exchange of Hong Kong Limited (HKEX), we have refined our assessment process. Clear standards for evaluating both impact materiality and financial materiality have been established, and 21 topics were assessed for double materiality through stakeholder surveys, expert reviews, and other evaluation methods.



MCC Double Materiality Assessment Process 2025




MCC ESG matrix of double materiality topics in 2025



## Stakeholder engagement

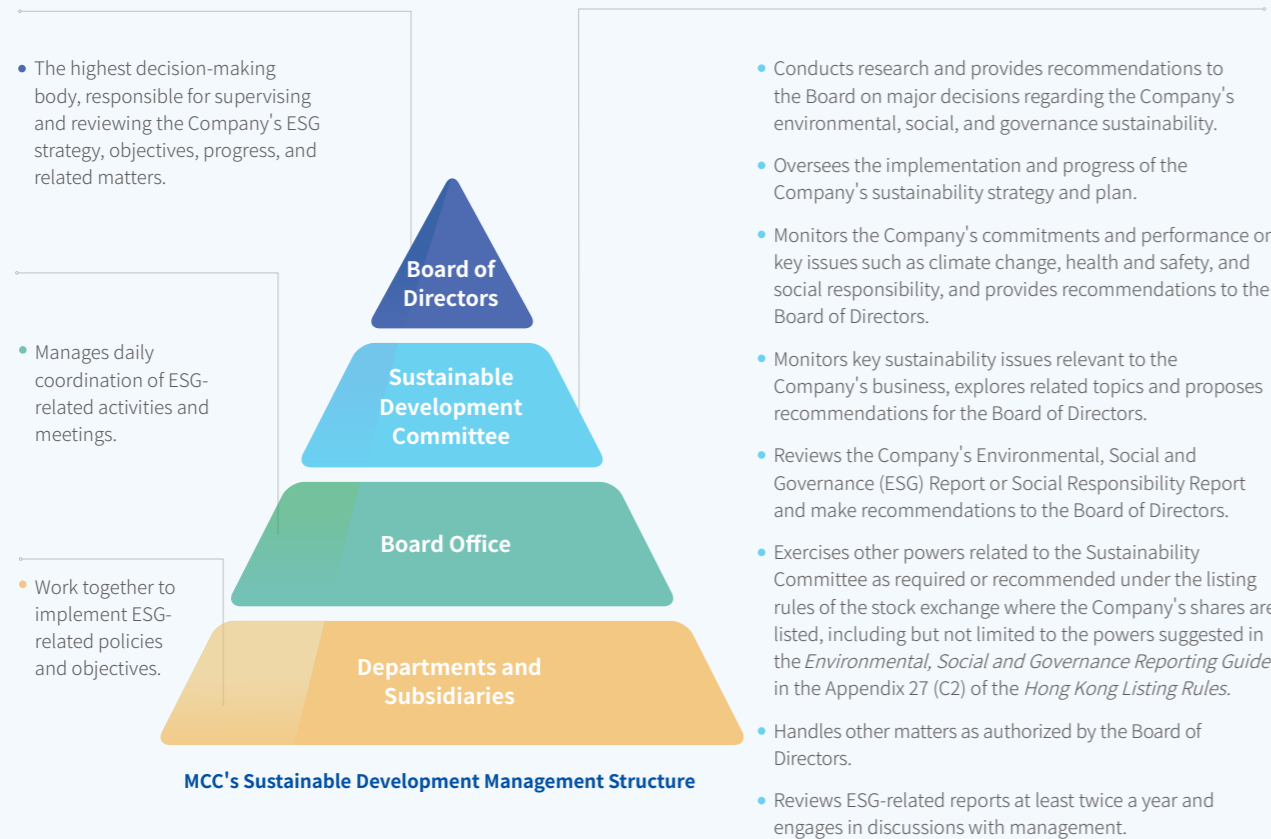
Stakeholder feedback and suggestions are vital to the Company's business decisions and sustainable development. MCC has established communication mechanisms, including the *Information Disclosure Management System of Metallurgical Corporation of China Ltd.*, to maintain close engagement with a wide range of stakeholders through multiple communication channels. During the preparation of the sustainability report, we proactively conduct stakeholder surveys to gather key topics and concerns, which are then incorporated into relevant corporate decision-making processes. Our stakeholders include, but are not limited to, shareholders and investors, customers, employees, suppliers, government and regulatory authorities, partners, industry peers, media, local communities, and the public.

Stakeholders	Expectations and concerns	Engagement and feedback
 <b>Shareholders and investors</b>	<ul style="list-style-type: none"> <li>Return on investment</li> <li>Corporate risk management</li> <li>Protection of rights and interests</li> <li>Open and transparent information</li> </ul>	<ul style="list-style-type: none"> <li>Increasing profitability</li> <li>Improving risk internal control system</li> <li>Shareholders' meetings</li> <li>Roadshows and other activities to disclose information in a timely manner</li> </ul>
 <b>Clients and customers</b>	<ul style="list-style-type: none"> <li>High-quality projects</li> <li>Outstanding project performance</li> <li>Superior customer service</li> <li>Rights and privacy protection</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening project quality</li> <li>Stable production and on-time performance</li> <li>Improving customer service mechanism</li> </ul>
 <b>Employees</b>	<ul style="list-style-type: none"> <li>Protection of legal rights and interests</li> <li>Good career development platform</li> <li>Healthy and safe working environment</li> </ul>	<ul style="list-style-type: none"> <li>Regular workers' congress</li> <li>Establishing smooth internal communication channels</li> <li>Improving staff training system</li> <li>Providing occupational protection and physical check</li> </ul>
 <b>Suppliers</b>	<ul style="list-style-type: none"> <li>Win-win cooperation</li> <li>Open and fair</li> <li>Keeping contracts and promises</li> <li>Promoting sustainable development of the industry chain</li> </ul>	<ul style="list-style-type: none"> <li>Multi-channel cooperation and research</li> <li>Daily communication and regular meetings</li> <li>Healthy and safe working environment</li> <li>Sustainable supplier management</li> <li>Improving open and fair procurement system and rules</li> </ul>

Stakeholders	Expectations and concerns	Engagement and feedback
 <b>Government and regulatory institutions</b>	<ul style="list-style-type: none"> <li>Implementing government policies and regulatory rules</li> <li>Promoting employment</li> <li>Maintaining and increasing the value of state-owned assets</li> <li>Conducting business in a law-abiding manner</li> <li>Promoting the "Dual Carbon" goal</li> </ul>	<ul style="list-style-type: none"> <li>Responding to the government advocacy actively</li> <li>Receiving inspection and conducting rectification</li> <li>Complying with law, strengthening compliance management and strengthening anti-corruption</li> <li>Energy saving and carbon reduction</li> </ul>
 <b>Partners</b>	<ul style="list-style-type: none"> <li>Regular communication</li> <li>Long-term stable relationship</li> </ul>	<ul style="list-style-type: none"> <li>High-level exchange of visits</li> <li>Strategic cooperation</li> </ul>
 <b>Peer companies</b>	<ul style="list-style-type: none"> <li>Fair competition</li> <li>Industry development</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining the industry business environment</li> <li>Participating in industry development forums</li> <li>Participation in industry standards setting</li> </ul>
 <b>Media</b>	<ul style="list-style-type: none"> <li>Open and transparent information disclosures</li> </ul>	<ul style="list-style-type: none"> <li>Press releases and announcements</li> <li>Media events</li> </ul>
 <b>Communities and the public</b>	<ul style="list-style-type: none"> <li>Protecting the community environment</li> <li>Reducing pollutant emissions</li> <li>Addressing climate change</li> <li>Supporting community welfare</li> <li>Driving local economic development</li> </ul>	<ul style="list-style-type: none"> <li>Supporting rural revitalization</li> <li>Carrying out public welfare activities</li> <li>Participating in community project construction</li> <li>Strengthening environmental protection and setting environmental targets</li> <li>Strengthening localized management of overseas communities</li> </ul>

## ESG Governance

To align with the Company's strategy and sustainable development objectives, and to further strengthen core competitiveness and sustainability capabilities, MCC integrates ESG factors into its decision-making processes. We have established an ESG governance system with the Board of Directors as the highest responsible body, continuously improving sustainability management mechanisms to enhance the Company's capacity and governance in sustainable development.



In 2025, the Board's Sustainable Development Committee convened three times, deliberating over 5 key reports including the *2024 MCC Social Responsibility and ESG (Environmental, Social and Governance) Report*, *2024 MCC Annual Compliance Work Report*, *Report on the Company's Safety, Quality, and Environmental Protection Work in 2024*, *H1 2025 Report on Compliance Management*, and *H1 2025 Report on Safety, Quality, Environmental Protection Work*, and reviewed key initiatives in safety management, quality management, and environmental protection.

## ESG Strategy

MCC has consistently anchored its efforts on the "One Goal, Two Bests, and Five Strengths" strategic goals. The Board of Directors, as the highest decision-making body, holds full responsibility for overseeing and reviewing the ESG strategy, goal setting, and progress of implementation. In 2025, MCC conducted risk and opportunity assessments on ESG topics with financial materiality, and, drawing on industry trends and company practices, developed corresponding response measures. These efforts ensured that the ESG strategy remained resilient and dynamically adaptive, continuously promoting harmonious development among the Company, society, and the environment.

Type	Area	Level	Time horizon	Overview	Response measures	Financial impact
Risks/ Opportunities	Anti-commercial bribery and anti-corruption	High	Short, medium and long term	As the core of corporate governance, this topic is deeply related to financial stability and brand reputation. By building a clean working environment, it aims to maintain the bottom line of business ethics and ensure that business activities always run within the legal and ethical framework, which is an important cornerstone for realizing stable operation and shared responsibility.	Organize the signing of a letter of responsibility for building a clean and honest government and improve the supervision linkage mechanism; Carry out supervision and inspection of work style construction and integrity talks; Publish a compilation of typical cases of violations of laws and regulations for warning education; Unblock diversified reporting channels, and continue to maintain a high-pressure situation in punishing corruption.	The current financial impact is mainly reflected in the input of management resources; No significant financial impact is expected in the next year. A slight increase in management costs in the short term; By avoiding legal proceedings and fines in the medium and long term, we can ensure stable operating results and improve credit rating, thereby reducing management costs and optimizing the overall financial position.
Risks/ Opportunities	Occupational health and safety	High	Short, medium and long term	The topics focused on safety control throughout the production process and employee health protection. By strengthening intrinsic safety management, it can not only effectively maintain the continuity of production order, but also be a key path to fulfill social responsibilities, enhance corporate cohesion and respond to industry safety challenges.	Implement safety production responsibilities at all levels and sign target responsibility letters; Deepen digital supervision methods such as leadership and shift leadership, and uniformly implement inspection standards; Carry out special rectification actions and safety culture education activities; Improve the occupational health management system and regularly organize physical examination and occupational protection training for employees.	The financial impact of the current period is reflected in the investment in security; No significant financial impact is expected in the next year. There is a slight outflow of cash flow in the short term; In the medium and long term, by reducing accident compensation and shutdown losses, we will improve production efficiency, ensure the stability of operating cash flow and reduce the risk of potential asset impairment.
Risks/ Opportunities	Safety and quality of product and service	High	Short, medium and long term	Quality and safety are the embodiment of the core competitiveness of enterprises, which directly affect market trust and brand value. Through the pursuit of lean construction and quality performance, it aims to achieve the unity of economic benefits and social benefits, which is the core content of the company's commitment to "quality co-construction" and cope with market competition.	Improve the quality management system and standardized inspection manual, and consolidate the quality responsibility chain; Focus on structural safety and important use functions to carry out special supervision; Implement special treatment actions for common problems such as leakage, cracks, and welding; Strengthen the quality control of the whole life cycle and continuously improve the project quality and service level.	The current financial impact is reflected in the investment in quality control; No significant financial impact is expected in the next year. Costs rise slightly in the short term; In the medium and long term, by enhancing brand value, we will increase operating income, reduce rework costs and claims expenses, and significantly improve operating cash flow and profitability.

Type	Area	Level	Time horizon	Overview	Response measures	Financial impact
Risks/ Opportunities	Resource utilization and use efficiency	High	Short, medium and long term	Resource utilization and efficiency are related to the green and low-carbon operation and cost efficiency of enterprises. By improving the level of refined management of energy and water resources, it aims to optimize the resource allocation structure and promote the transformation of production methods to resource-saving, which is the key to achieving a win-win situation of environmental and economic benefits.	Establish and improve the energy management system, promote green technology transformation and digital information system construction; Implement energy-saving practices of converter dust removal systems and smart pipe network monitoring; Strengthen the whole process management, control and recycling of water resources, and promote advanced wastewater treatment and reuse technology.	The current financial impact is reflected in the investment in technological transformation; No significant financial impact is expected in the next year. Increased short-term capital expenditures; In the medium and long term, the gross profit margin will be increased by reducing energy consumption costs, and it will help obtain low-cost green credit and optimize the financing structure and financial situation.
Risks/ Opportunities	Environmental Compliance Management	High	Short, medium and long term	Environmental compliance management is the bottom line requirement of business operations. By improving the environmental protection management system and risk early warning mechanism, it aims to ensure that all businesses comply with the requirements of laws and regulations, prevent the risk of environmental violations, and enhance the corporate environmental governance capabilities.	Establish a three-level environmental management organization system, and revise the detailed rules for investigation, rewards and punishments for safety and environmental accidents; Carry out environmental management system certification and implement environmental risk hierarchical management and control ledger; Organize environmental emergency drills regularly to improve the ability to deal with environmental emergencies.	The current financial impact is reflected in the investment in compliance maintenance; No significant financial impact is expected in the next year. Short-term operating costs increased slightly; In the medium and long term, we can prevent the risk of environmental violations, avoid huge fines and losses from production suspension, ensure business continuity, and maintain a good credit record to reduce financing difficulties.

Type	Area	Level	Time horizon	Overview	Response measures	Financial impact
Risks/ Opportunities	Data Security and Customer Privacy Protection	High	Short, medium and long term	Data security and customer privacy protection are the cornerstones of building digital trust in the context of digital transformation. By strengthening the technical defense and management mechanism, it aims to protect the sensitive information of customers and enterprises, prevent the risk of data leakage, and ensure business continuity and brand reputation.	Establish an information management mechanism and formulate internal management measures for privacy and security; Strengthen the control of data access rights and carry out emergency drills and safety training; Sign the commitment letter of network information security responsibility to provide network security protection guarantee for major events.	The current financial impact is reflected in technical defense investment; No significant financial impact is expected in the next year. Cash flow is slightly affected in the short term; In the medium and long term, it can prevent legal compensation and business interruption risks caused by data leakage, protect the value of intangible assets, and ensure financial security in digital transformation.
Risks/ Opportunities	Supply chain security	High	Short, medium and long term	Supply chain security, as the core of ensuring the company's operation and development, is deeply related to production efficiency and operational stability. By building a full-chain risk prevention and control system, it aims to ensure that supply is controllable and reliable from the source, so that business activities always operate under the framework of safety and resilience, which is the key support for achieving business continuity and value co-creation.	Manage suppliers through multi-link screening, dynamic assessment and blacklist system; Incorporate risks into overall risk control and carry out special inspections; And integrate ESG standards into the entire process from access to logistics to systematically improve the resilience of the supply chain.	The current financial impact is reflected in the investment in risk prevention and control; No significant financial impact is expected in the next year. Management costs fluctuate slightly in the short term; By building a resilient supply chain in the medium and long term, the Bank will reduce the risk of procurement cost fluctuations, ensure stable production and operation results, and reduce cash flow pressure caused by supply interruptions.

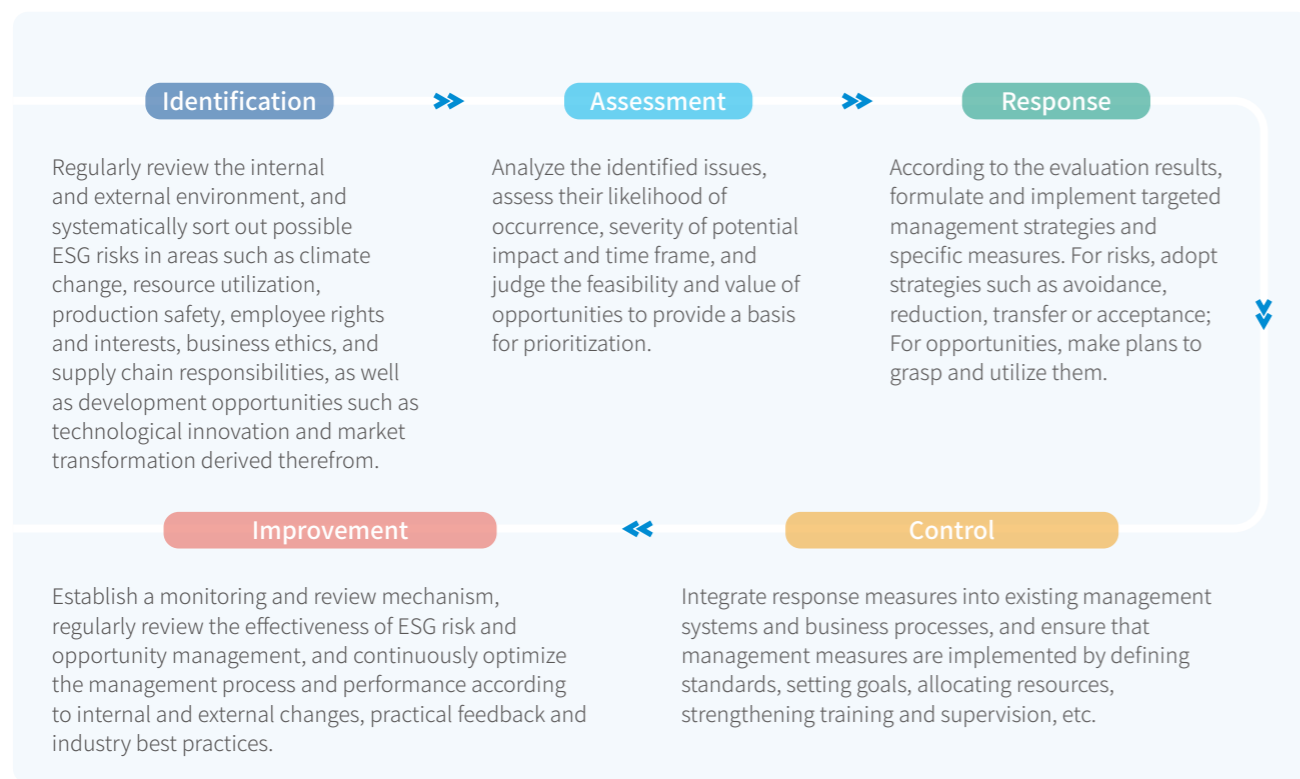


## Impact, Risk and Opportunity Management

MCC has always integrated the concept of sustainable development into the company's strategy and operation, and is committed to effectively identifying, evaluating and responding to risks and opportunities in the environmental, social and governance (ESG) fields through systematic management, so as to ensure the Company's long-term stable development and create comprehensive value.

### Work flow and core links

Focusing on the management of ESG risks and opportunities, the Company mainly carries out continuous work in the following five links:



### Integration and improvement of management system

On the basis of the existing mature risk management and internal control system, the Company further improved the special identification and assessment mechanism of ESG risks. By deepening the application of management tools and data integration, it aims to more systematically incorporate ESG factors into daily business analysis, project review and investment decision-making processes, improve the forward-looking and resilience of decision-making, and promote sustainable development and the deep integration of the company's core business.

## Metrics and Targets

MCC continues to promote the integration of ESG concepts and corporate culture, and carries out regular management around key issues of sustainable development. In view of various key topics, the Company sets phased management objectives based on actual operations, and supports corresponding action plans, and ensures the progress and continuous improvement of relevant work through an annual tracking and evaluation mechanism.

ESG topics	Sub-topic	Targets for 2025	Progress in the implementation of targets
<b>Anti-commercial bribery and anti-corruption</b>	Strengthening integrity education to solidify employees' ideological defense against corruption and misconduct	100% coverage of cautionary education for headquarters employees	Target achieved
<b>Occupational health and safety</b>	Strengthen the management and control of occupational hazards to protect employees' health	Zero new occupational disease cases	Target achieved
<b>Safety and quality of product and service</b>	Strengthen accountability for work safety, prevent serious production safety incidents, and eliminate major and above production safety accidents.	Zero serious and above production safety accidents	Target achieved
<b>Resource utilization and use efficiency</b>	Improve energy efficiency and reduce comprehensive energy consumption per RMB 10,000 of output value	Comprehensive energy consumption (comparable price) per RMB 10,000 output value (income) decreased by 1.3% compared with 2024	Target achieved
<b>Environmental compliance management</b>	Preventing major environmental risks during production and operation	No major environmental incidents and environmental pollution accidents	Target achieved
<b>Data security and customer privacy protection</b>	Protect customer privacy and ensure business continuity	No leakage of customer privacy and major information security incidents	Target achieved
<b>Supply chain security</b>	Strengthening supply chain resource allocation capabilities to support and safeguard project procurement and contractual arrangements	No instances of project resource allocation delays attributable to procurement-related factors	Target achieved

## United Nations Sustainable Development Goals (SDGs)

SDGs	Goals	MCC's Actions in 2025
	Eliminate all forms of poverty worldwide	<ul style="list-style-type: none"> <li>• Focused on the three major directions of consumption assistance, industrial assistance, and engineering assistance, comprehensively promoted the revitalization of rural industries, talents, culture, ecology, and organizations, and prevented a relapse into poverty</li> </ul>
	End hunger, achieve food security, improve nutrition, and promote sustainable agriculture	<ul style="list-style-type: none"> <li>• During project implementation, priority was given to ensuring food security and production, while actively promoting the sustainable development of agriculture</li> </ul>
	Ensure healthy lives and promote well-being for all at all ages	<ul style="list-style-type: none"> <li>• Improve the occupational health and safety management system, enhanced the ability to prevent and control occupational hazards, strengthened employee health protection and safety management, and created a safe and healthy working environment for employees</li> </ul>
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	<ul style="list-style-type: none"> <li>• Developed diversified training plans and a wide range of training activities, cultivating, introducing, and effectively leveraging talents across all dimensions.</li> <li>• Focused on education and carried out special donation activities to help build schools in impoverished overseas areas</li> </ul>
	Achieve gender equality and empower all women and girls	<ul style="list-style-type: none"> <li>• Protected the legitimate rights and interests of female employees, implemented principles of gender equality and equal pay for equal work, and strengthened workplace care and support for female employees</li> </ul>
	Ensure availability and sustainable management of water and sanitation for all	<ul style="list-style-type: none"> <li>• Comprehensively promoted the construction of basic water supply facilities, advanced the application of wastewater treatment and reuse technologies, assisted in building educational and medical institutions, and donated medical equipment</li> </ul>
	Ensure access to affordable, reliable, sustainable and modern energy for all	<ul style="list-style-type: none"> <li>• Promoted the optimization and upgrading of the energy structure, exploring and implementing renewable energy development and utilization, including hydrogen energy, photovoltaics, and geothermal energy</li> </ul>
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	<ul style="list-style-type: none"> <li>• Protected employee rights, established a competitive compensation system, enhanced employee satisfaction and sense of gain, provided equal career development and training opportunities, and offered comprehensive employee benefits with care for those in need</li> </ul>
	Build disaster-resilient infrastructures, promote inclusive and sustainable industrialization, and foster innovation	<ul style="list-style-type: none"> <li>• Focused on infrastructure sectors including housing construction, municipal works, transportation, industrial construction, and mid-to-high-end real estate; strengthened R&amp;D and innovation platforms to improve the efficiency of technology development and achievement transformation</li> </ul>

SDGs	Goals	MCC's Actions in 2025
	Reduce inequality within and among countries	<ul style="list-style-type: none"> <li>• Actively supported national foreign policies, resource strategies, and international capacity cooperation initiatives, including the Belt and Road construction, carrying out volunteer assistance activities to reduce inequality</li> </ul>
	Make cities and human settlements inclusive, safe, resilient, and sustainable	<ul style="list-style-type: none"> <li>• Leveraged business strengths to develop green building products, reduced energy consumption and carbon emissions in the construction sector, and implemented environmental projects such as ecological restoration and green construction</li> </ul>
	Adopt sustainable consumption and production patterns	<ul style="list-style-type: none"> <li>• Promoted green technology R&amp;D, focusing on advanced areas including new energy metallurgical technologies and efficient energy use; implemented green procurement and collaborated with suppliers to build a sustainable green supply chain</li> </ul>
	Take urgent action to combat climate change and its impacts	<ul style="list-style-type: none"> <li>• Set clear carbon reduction targets, improved energy efficiency, applied energy-saving and emission reduction technologies, adopted new environmentally friendly equipment, and advanced low-carbon transformation</li> </ul>
	Conserve and sustainably use the oceans, seas and marine resources for sustainable development	<ul style="list-style-type: none"> <li>• Carried out ecosystem management and restoration, optimized wastewater treatment processes, and improved watershed ecological environments through engineering projects</li> </ul>
	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	<ul style="list-style-type: none"> <li>• Conducted ecological restoration initiatives to enhance ecosystem carbon sink capacity and protect biodiversity; participated in soil improvement, water treatment, mine ecological restoration, and land greening projects</li> </ul>
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	<ul style="list-style-type: none"> <li>• Prohibited the employment of child labor and any form of forced labor, maintaining a zero-tolerance stance toward corruption, bribery, and fraud</li> </ul>
	Strengthen the means of implementation and revitalize the global partnership for sustainable development	<ul style="list-style-type: none"> <li>• Established cooperative relationships with government agencies, industry partners, and research institutions to achieve mutually beneficial outcomes, and promoted the transformation of the industry toward low-carbon and green development</li> </ul>

**Special Topic**

**Building on Past Success, Forging Ahead, and Opening a New Chapter**

Faced with the complex landscape of accelerated changes unseen in a century and deep adjustments in the global economy, MCC has taken serving national strategy as its core mission, with high-quality development as its guiding principle, pressing forward with resolve under pressure. During the 14th Five-Year Plan period, the Company solidly consolidated its development foundation, continuously strengthened core capabilities, and actively expanded its global footprint. Looking ahead to the 15th Five-Year Plan, the company has systematically planned and proactively deployed, making thorough preparations to write a new chapter of development.

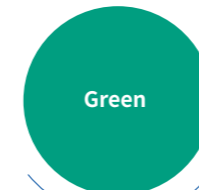
**Review of the Achievements during the 14th Five-Year Plan Period**

**1. Organizational Capability Development: Charting the Course for High-Quality Development**

MCC has leveraged high-quality organizational capability to lead and safeguard the Company's high-quality growth, comprehensively strengthening institutional development by exploring and implementing a modern enterprise system with Chinese characteristics. The Company strictly upheld the "First Agenda" system, established a "five-step closed-loop" working mechanism, and reinforced closed-loop ledger management to ensure that decisions and directives from the Party Central Committee and higher-level authorities were effectively implemented. The Company also rigorously applied the decision-making system for "decisions on major events, appointments and removal of important officials, important project arrangements, and use of large amounts of funds" to strengthen oversight of development strategies, major issues, and key matters. Through the continuous and dynamic optimization of the "Three Lists and One Process" governance framework, the boundaries of authority and responsibility among governance entities were clarified, the scientific and standardized level of governance steadily improved, and governance effectiveness was significantly enhanced. As a result, the Company achieved marked improvements in management efficiency, an accelerated pace of transformation and upgrading, continuous optimization of its industrial structure, steady and sound business operations, and a harmonious and stable workforce, fully demonstrating the leading and safeguarding role of organizational development.

**2. Technological Innovation: Building Core Competitive Advantages**

MCC has driven industrial innovation through technological innovation, and in turn promoted the commercialization of scientific and technological achievements through industrial innovation. By focusing on solving key and core technological challenges in industry development, the Company achieved a series of major scientific and technological breakthroughs with significant industry impact, injecting strong momentum into corporate transformation and upgrading. In terms of R&D platform development, the Company built a multi-tiered innovation platform system encompassing national-level, provincial and ministerial-level, and MCC Engineering Technology Centers, consolidating its scientific and technological capabilities. In terms of technological breakthroughs, the Company focused on advanced processes, green development, and intelligent manufacturing, undertaking more than 160 major national, provincial, and ministerial R&D projects, and deploying 127 major internal special projects including the "181 Plan." In terms of achievement commercialization, the Company adhered to the deep integration of technological and industrial innovation, accelerating the translation of scientific and technological achievements into real productive forces and driving the efficient realization of technological value.



CERI designed the world's first hydrogen energy utilization project using hydrogen-rich gas sources



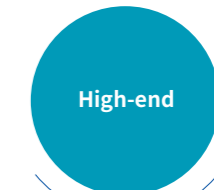
CISDI designed and constructed the world's first large-scale 3R low-carbon blast furnace demonstration project



CISDI built the industry's first full-process digital steel plant based on an industrial internet platform



WISDRI released the GIC Universal Intelligent Controller



CERI independently designed and supplied the world's widest heavy plate roughing mill

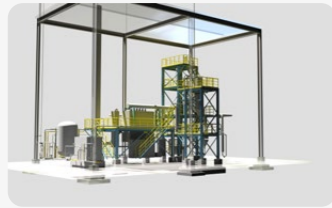


### 3. Marketing Reform: Driving Market Scale Breakthroughs

Driven by marketing reform, MCC implemented the "1+M+N" regional layout strategy, continuously building new market growth advantages by coordinating regional resources and optimizing resource allocation efficiency. The Company gave full play to the "Five Linkages" mechanism, focusing on premium markets, high-value clients, and quality projects to build an integrated competitive advantage across the entire industry chain. Synergy across the full industry chain was significantly enhanced, the contract value of jointly-won projects increased substantially, and the number of cross-functional linkage projects, including design-construction and mining-engineering collaborations, continued to rise. Through marketing reform, the Company steadily expanded its domestic market scale, continuously optimized its project portfolio, increased the proportion of high-end metallurgical projects, and progressively reduced investment dependence, successfully consolidating its leadership position in core business segments and injecting strong momentum into high-quality development.

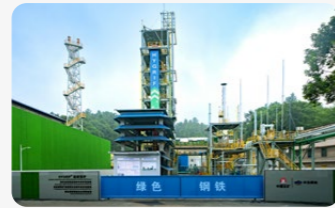
#### The world's first million-ton hydrogen metallurgy demonstration line

Shanxi Jingang Green Low Carbon Hydrogen Metallurgy Project



#### National green manufacturing pilot

Sichuan hydrogen-based shaft furnace smelting vanadium-titanium magnetite pilot project



#### The largest standalone project of its kind in China

Wanzhou Economic Development Zone Alumina Cogeneration Pilot Project



### 4. Advancing Internationalization: Initial Results in Overseas Business

MCC implemented the Belt and Road Initiative, treating service to the national interest as the core mission of its overseas business, achieving transformation, upgrading, and high-quality development through simultaneous scale growth and efficiency improvement. The Company actively integrated into the national major-country diplomacy framework, with builders enthusiastically participating in foreign aid projects. Over the past two years, its foreign aid footprint expanded from Southeast Asia to Africa and the Caribbean, contributing MCC's strength to the building of a community with a shared future for humanity. In terms of business expansion, overseas markets were further consolidated and the value of newly signed contracts grew steadily. The Indonesian market exceeded RMB 20 billion for three consecutive years, while the markets in Singapore and other countries surpassed RMB 10 billion. Initial results in overseas business were clearly evident. At the same time, the Company firmly optimized its overseas layout by clarifying principles for market and project selection, adjusting the structure of overseas entities, and improving resource allocation efficiency.

### 5. Strengthening Foundational Management: Building a Solid Development Base

MCC closely aligned with the core requirements of high-quality development, treating the Three-Year Action Plan for Foundational Management Improvement as its key lever, and achieving a systematic overhaul and comprehensive elevation of foundational management through high-level planning, high-standard execution, and high-quality implementation. In optimizing the three core elements of "organization, systems, and personnel", the Company built a rigorous closed-loop management system through the full-chain construction approach of "management institutionalization, system process-orientation, process formalization, and form digitization." It established an organizational structure with precise positioning and efficient operation, cultivated a group of competitive third-tier institutions, made the workforce more revolutionary in commitment, younger in age profile, better educated, and more professional in capability, refined the full-chain talent mechanism of "selection, cultivation, management, and utilization", and channeled composite and specialized talent towards key positions. With 9 major systems, including marketing, project delivery, financial management, and Party building, as its core framework, the Company elevated foundational management from fragmented improvement to systematic transformation, achieving comprehensive gains in business empowerment and development quality.

### 6. Fulfilling Missions and Responsibilities as a Central State-Owned Enterprise

MCC always bears in mind its mission as a central state-owned enterprise, deeply integrating the fulfillment of social responsibilities into its corporate development strategy. The Company proactively contributed to poverty alleviation and rural revitalization, engaged in infrastructure construction, and championed the concept of green development, making significant contributions to improving people's livelihoods and promoting social harmony, fully demonstrating the responsibility and commitment befitting a leading enterprise.



Vigorously promote energy-saving and environmentally friendly technologies and construction methods, and undertake or renovate thousands of environmental protection projects.



In the face of natural disasters, we have made every effort to rush through life channels, repair infrastructure, and ensure material supply, and have been commended at the provincial and ministerial levels and above for many times.



Resolutely implement the national rural revitalization strategy and invest a lot of resources to carry out targeted assistance work.



Relevant practices were selected as typical cases in the Central Enterprise Social Responsibility Blue Book of the State-owned Assets Supervision and Administration Commission of the State Council, and were selected into the "Central Enterprise ESG Pioneer 100 Index".



## The 15th Five-Year Plan Strategic Planning

Looking ahead to the 15th Five-Year Plan period, this represents a critical strategic window for MCC to build on its strengths, accelerate its breakthrough, and sustain high-quality development. MCC will focus on enhancing core functions and core competitiveness to precisely serve the broader agenda of economic and social development. The plan calls for making state-owned capital stronger, better, and larger, focusing on the main business and the real economy, driving industrial upgrading through scientific and technological innovation, proactively deploying in emerging industries, and coordinating development with security. The Company will also deepen reforms, improve the modern enterprise system, resolve deep-seated structural challenges, accelerate the building of a world-class enterprise, and continuously enhance value creation capabilities and the quality of effective investment.

Grounded in better serving the overall work of the Party and the country, MCC upholds its strategic positioning as "the leader in international metallurgical construction and the vanguard of large-scale equipment renewals and trade-in of old consumer goods." The Company will continuously strengthen its core functions and core competitiveness by unwaveringly consolidating Party-building foundations, ensuring effective strategic execution, strengthening foundational management, innovating governance models, building distinctive core capabilities, advancing the integration of innovation and entrepreneurship, stimulating grassroots vitality, comprehensively enforcing strict Party governance, and cultivating a sound political ecosystem.

MCC will continue to cultivate its core differentiators and build enduring competitive advantages through differentiated competition. Faced with intensifying industry competition, the Company will leverage its proprietary core technologies to accelerate the development of a comprehensive innovation system, converting specialized strengths in steel structure design, fabrication, inspection, and testing into market competitiveness. By harnessing the synergies of the "Five Linkages" mechanism and consolidating resources across the full industrial chain, MCC will

establish a distinctive competitive position in the development of new infrastructure and new urbanization. At the same time, MCC will activate a new engine for innovation-driven growth through the integration of "dual innovation," combining technological innovation with business model innovation. By consolidating fragmented innovation resources and advancing the conversion of technological accumulation and research outcomes into productive capacity, competitiveness, and value-chain strength, the Company will foster new-quality productive forces through the deep integration of scientific and industrial innovation, charting a new growth trajectory.

At the business level, MCC will accelerate the transformation of its manufacturing operations toward high-end, intelligent, and green development, building a full-lifecycle service ecosystem anchored in "Design + EPC Management + Value-Added Services" and establishing a distinctive "MCC Industrial Construction" brand identity. In overseas markets, the Company will continue to refine its "Four Capabilities" management framework, sharpen its core competitiveness in metallurgy and mining as its principal businesses, expand its market base, and develop a resource allocation network that integrates local presence with international reach. Furthermore, MCC must strengthen its capacity for strategic leadership by embedding the philosophy of "Quality First, Efficiency Foremost" and transitioning toward a high-quality development model grounded in refined management. The Company will sharpen its focus on major metallurgy, new industrialization, and new urbanization as its primary business mandates, and define a clear direction for transformation and upgrading. It will also enhance project delivery performance by refining an integrated domestic and international engineering management system, improving commercial management processes, and reinforcing quality controls, achieving an organic alignment of management standards, workflows, and methodologies to sustain efficiency gains through disciplined, precision management.



### Goals

- One Goal**
  - Create a world-class investment and construction enterprise with global competitiveness
- Two Bests Offer**
  - The best overall solution provider for metallurgical construction and operation with super core competitiveness
  - Internationally renowned and domestically leading two new construction and the most reliable general contracting service provider
- Five Strengths**
  - Strong value creativity
  - Strong resource allocation
  - Strong driving force for innovation
  - Strong brand influence
  - Strong cultural soft power

### Strategic positioning

**The leader in international metallurgical construction and the vanguard of large-scale equipment renewals and trade-in of old consumer goods**

### Businesssystem

- One Core**
  - Metallurgical construction (metallurgical engineering, nonferrous engineering, mining engineering)
- Two Subjects**
  - Industrial buildings
  - Infrastructure
- Five Characteristics**
  - Engineering services
  - Energy and environmental protection
  - Novel materials
  - High-end equipment
  - Digital intelligence application

### One Core: Metallurgical construction



Jiuquan Iron and Steel Group Rolling Mill Equipment Upgrade and Product Structure Adjustment Project



Baosteel Green Manufacturing Demonstration Project of Ultra-High Grade-Oriented Electrical Steel



Huangshi Yuntoudao Limestone Mine Project



Inner Mongolia Xiaohongshan Vanadium-Titanium Magnetite 1.8 Million Tonnes/Year Mining and Processing Project

### Two Subjects: Industrial construction



EPC General Contracting Project for the Liujia Mountain Smart Science and Innovation Park in Duchang County



Infrastructure Pipeline Network Project for the CEEC Bazhou Zhigu Industrial Park



Nanchong Medical Science Industrial Park Construction Project



Infrastructure and Supporting Facilities Construction Project (Phase II) in Western Economic Development Zone in Lubei District, Tangshan City

### Five Characteristics: Engineering services



CHANGAN Automobile Thailand Manufacturing Construction Project



Gansu Qingyang East-to-West Computing Resource Transfer Industrial Park Green Electricity Aggregation Pilot Project, Phase I – 1 GW New Energy Project



120-tonne Electric Integrated Slag Pot Carrier



Ezhou Riverside Flood Control and Ecological Restoration Project



Lianyungang Yaxin Steel Intelligent Factory Project

# 01 Environment

## Green Leadership and Ecological Co-Development

MCC firmly implements the principles of ecological civilization, integrating the concept of green development into the core fabric of corporate growth and continuously advancing green and low-carbon operations. The Company upholds environmental priority and ecological co-construction, constantly strengthening environmental governance capabilities, improving resource utilization efficiency, and actively responding to the challenges of climate change, with a commitment to achieving coordinated and unified economic, environmental, and social benefits. In 2025, MCC further explored new pathways for sustainable development, fully demonstrating the responsibility and green leadership expected of a state-owned enterprise.

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Fuxing Yangtze River Bridge of Chongqing Jianglong Expressway (the suspension bridge with the largest main span in the upper reaches of the Yangtze River)

# Environmental Protection

MCC has always adhered to ecological priority and low-carbon development, and comprehensively built a management system covering all businesses and processes. Guided by green management, the Company promotes in-depth coordination between environmental performance and strategic objectives, continuously improves resource utilization efficiency and pollution control capabilities, and continuously reduces the impact of operations on natural ecology. Through systematic governance and innovative practices, the Company is steadily moving towards a new stage of high-quality development that is environmentally friendly and resource-saving.

## Environmental management

MCC strictly complies with relevant laws and regulations, including the *Environmental Protection Law of the People's Republic of China* and all applicable national and local environmental protection laws and regulations, establishing and continuously improving its environmental protection management system, and implementing environmental pollution prevention and protection measures to the highest standards. The Company has formulated a series of internal regulations, including the *Energy Conservation and Ecological Environmental Protection Management Measures of MCC*, the *Implementation Rules for Accountability System on Energy Conservation and Ecological Environmental Protection of MCC*, the *Energy Conservation and Ecological Environmental Protection Reporting Implementation Rules of MCC*, and the *Emergency Response Plan for Environmental Incidents of MCC*. In 2025, the Company revised the *MCC Safety and Environmental Incident Accountability and Reward Implementation Measures*, further ensuring the standardized and effective implementation of environmental management. All production and operational activities strictly comply with the "Three Lines and One List" framework (i.e. the ecological protection red line, environmental quality baseline, resource utilization cap, and ecological and environmental access list), encompassing the ecological protection red line, environmental quality baseline, resource utilization ceiling, and environmental access negative list, while water and soil conservation assessments and ecological restoration requirements are applied to all projects to minimize disturbance to the ecological environment.

## Environmental management system

MCC continues to optimize its environmental management organizational structure, having established a clearly tiered, three-level system with well-defined responsibilities. At the highest decision-making level, a Leading Group for Ecological Environment Protection and Carbon Peaking and Carbon Neutrality has been established to review and decide on major environmental management matters in a unified manner. In 2025, the Leading Group convened three dedicated thematic meetings to continuously advance the strategic deployment and implementation of environmental management. The Company's Safety and Environmental Protection Management Department serves as the coordinating and implementing body for environmental protection work, driving, coordinating, and supervising specific initiatives under the guidance of the Leading Group. All subsidiaries and affiliated enterprises strictly fulfil their primary responsibilities for energy conservation and environmental protection, with the Party Committee Secretary, Chairman, and General Manager of each entity serving as the first-ranking responsible persons for environmental protection.

The Company pursued environmental management system certification. In 2025, MCC had obtained ISO 14001 Environmental Management System certification. The Company also continued to advance green construction practices, achieving significant results in green factory development and low-carbon technology application. In 2025, MCC was awarded a total of 59 national green construction and completion evaluation projects; Zhanjiang MCC Environmental Protection received the title of "Guangdong Province Green Factory"; and multiple core green technologies and projects were selected for national and local key promotion catalogs, covering fields including flue gas treatment, solid waste recycling, molten salt energy storage, and high-efficiency power generation, continuing to play a demonstrative and leading role in green and low-carbon development.



Awarded the title of "Guangdong Province Green Factory"

**In 2025**

MCC had obtained **ISO 14001 Environmental Management System certification**

**In 2025**

MCC was awarded a total of 59 national green construction and completion evaluation projects

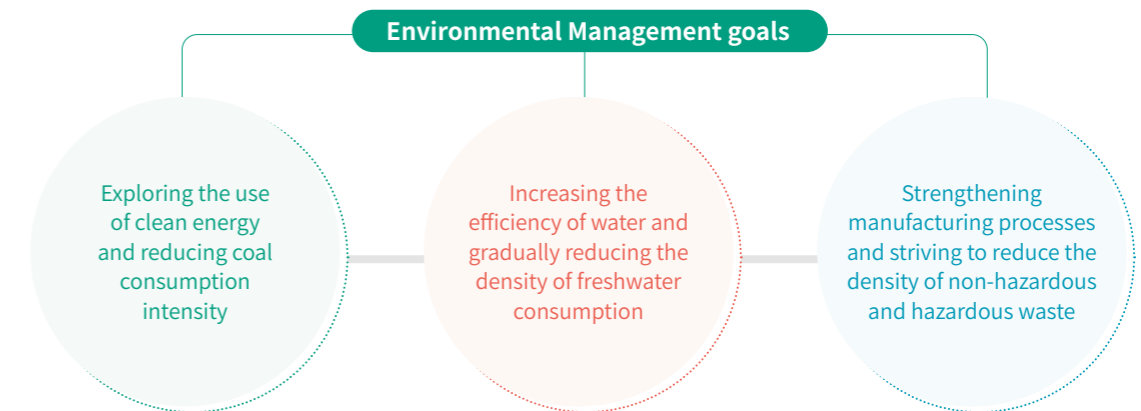
**59**

To ensure the effective implementation of the environmental management system, MCC has linked environmental protection indicators to senior management compensation and established accountability letters and Establish safety and environmental protection target responsibility agreement. In 2025, the Company signed safety and environmental protection target responsibility statement (including energy conservation and environmental protection assessment contents) with 35 subsidiaries, strictly enforcing environmental management requirements.

**In 2025**

**No major environmental incidents or pollution accidents occurred within the Company**

MCC continued to increase environmental protection investment, committing a total of RMB 1.2 billion in 2025 towards the upgrading of environmental protection facilities, research and development of pollution control technologies, and transformation of green production processes. During project implementation, the Company requires all new, renovated, and expanded projects to conduct environmental impact assessments in accordance with the law, and strictly enforces the "Three Simultaneities" principle — that environmental protection facilities must be designed, constructed, and commissioned simultaneously with the main works — to strengthen ecological protection from the outset. The Company also actively provides energy conservation and environmental protection training for employees, reinforcing environmental awareness across the workforce and ensuring the effective implementation of energy conservation and environmental protection measures.



## Environmental risk management

MCC has incorporated environmental risks into its corporate risk management framework, continuously refining its environmental risk early warning mechanisms and regularly conducting ecological and environmental risk identification, assessment, and hidden danger investigation and rectification, so as to prevent major environmental risks in the course of production and operations and strengthen risk control at the source.

## Resource Utilization

MCC earnestly fulfils its steadfast commitment to energy conservation, emission reduction, and environmental protection, actively advancing the efficient utilization of resources and energy. With a focus on the refined management of energy and water resources, and driven by the dual engines of institutional development and technological upgrading, the Company systematically promotes energy conservation, consumption reduction, and water recycling. MCC continues to innovate energy management practices, optimize the energy mix, rigorously control carbon emissions at the source, and build a green, low-carbon, and circular sustainable development ecosystem.

### Energy use

MCC strictly complies with the *Energy Conservation Law of the People's Republic of China* and other applicable laws and regulations, establishing a sound energy management system anchored to two core indicators: total energy consumption and consumption intensity. In 2025, the Company continued to deepen energy management work in accordance with its internal systems, including the *Energy Conservation and Ecological Environmental Protection Reporting Implementation Rules of MCC* and the *Energy Conservation and Ecological Environmental Protection Management Measures of MCC*, clarifying the responsible departments for energy management and strengthening energy management awareness across the entire workforce.

The Company actively promotes the efficient utilization of resources and energy, comprehensively improving energy utilization efficiency through green technology upgrades and the development of digital information systems.



#### Digital Energy-Saving Practice for Converter Dust Removal System Based on Intelligent Management Platform



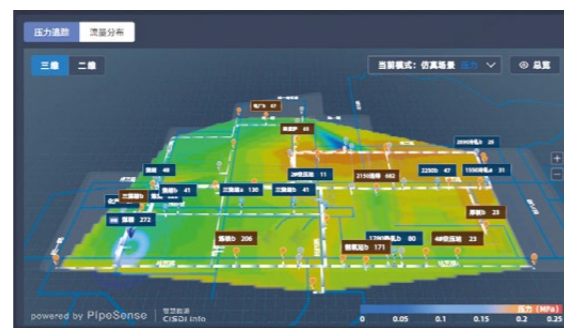
Converter Secondary Dust Removal System

MCC independently developed an environmentally friendly operation intelligent management platform, which helped steel enterprises build a mobile energy management platform and achieve digitalized and precise management of key energy-consuming equipment. Through this platform, the Company achieves real-time monitoring and intelligent analysis of energy consumption in the converter secondary dust removal system, driving energy-saving project implementation and management optimization based on data insights. After being put into operation, the platform achieved a comprehensive electricity-saving rate of over 10%. While effectively tapping energy-saving potential and reducing production and operational costs, it also provided a replicable practical model for digital transformation in the industrial sector.



#### MCC's Intelligent Pipe Network System Achieves Digital Energy-Saving Innovation for Industrial Water Systems

MCC's independently developed "Intelligent Pipe Network Integrated Monitoring and Control Model" innovatively integrates fluid simulation and AI-driven pressure control technology, enabling intelligent and precise regulation of water supply networks. In project applications, the system significantly improves the energy efficiency of water supply infrastructure by monitoring pipe network pressure changes in real time and automatically adjusting pump operations. Operational data show that the system reduced average water supply pressure by 27.14%, cut power consumption by 28.45%, reduced pipe network leakage by 36.68%, and decreased annual carbon dioxide emissions by 52 tonnes, generating economic benefits exceeding RMB 2 million, providing a proven model for digital upgrading of industrial energy management.



Integrated Intelligent Monitoring and Control Model for Intelligent Pipe Network

### In 2025

A clear energy-saving target was established: comprehensive energy consumption per RMB 10,000 of output value (comparable price) was to decrease by 1.3% compared with 2024

As of the end of the reporting period, the target had been achieved



## Water resources management

MCC strictly complies with the *Water Law of the People's Republic of China* and other applicable laws and regulations, continuously improving water resource use efficiency and ensuring that water consumption in both production and office settings is rigorously controlled through strong management systems and measures.

The Company has continued to strengthen full-process management and recycling of water resources. All production units have comprehensively advanced the renovation and maintenance of rainwater and sewage diversion systems, strengthened the inspection and anti-seepage treatment of sewage outlets, pipe networks, and key areas, implemented initial rainwater collection and treatment measures across factory sites, and resolutely eliminated unauthorized, leaked, and excessive discharge of sewage through enhanced equipment operation, maintenance, and management. The Company has also continued to promote the application of advanced wastewater treatment and reuse technologies, steadily improving the water recycling rate. As of the end of the reporting period, the Company's total wastewater discharge decreased year-on-year, water reuse rates improved compared with the prior year, and the intensive utilization of water resources achieved notable results.

## Emission management

MCC has consistently regarded environmental protection as a fundamental cornerstone of sustainable enterprise development, establishing a comprehensive management system covering waste gas, wastewater, and solid waste, advancing pollution prevention and control, striving to reduce pollutant emissions at the source, and rigorously controlling noise pollution. As of the end of the reporting period, penalties in seven cases due to non-compliant emissions occurred.

## Exhaust gas emission management

MCC attaches great importance to the control and management of exhaust gas emissions, and strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Air Pollution* and other applicable laws, regulations, and emission standards. A comprehensive exhaust gas management system has been established to ensure that all exhaust gas emissions meet standards in an all-round manner and that environmental impact is minimized.

For operations involving the generation of volatile organic compound (VOC)-laden exhaust gases, such as brushing and spray painting, the Company has established enclosed workspaces equipped with dedicated exhaust gas treatment facilities, achieving refined full-process management and control through a combination of regular monitoring, online surveillance, and process optimization.

**MCC Innovatively Deploys Mobile Spray Paint Booths to Effectively Manage Exhaust Gas Pollution**

MCC adopted mobile spray paint booths paired with high-efficiency exhaust gas treatment systems in construction operations. In response to the limited site space of traditional spray paint booths and the environmental risks of open-air spray painting, the Company deployed detachable, relocatable steel-structure spray paint booths tailored to site-specific conditions, flexibly meeting multi-zone component coating requirements. The system ensures that exhaust gas emissions meet standards through negative pressure collection, activated carbon adsorption, and catalytic combustion processes. Management measures including spray painting parameter control and online real-time monitoring were implemented throughout construction, achieving refined full-process management and control. The system significantly reduced VOC emissions, improved the working environment, and effectively protected both worker health and the quality of the surrounding environment.



Mobile Spray Painting Booth

**Wastewater discharge management**

MCC strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Water Pollution, the Comprehensive Discharge Standard for Wastewater, the Regulations on Urban Drainage and Wastewater Treatment*, and other applicable laws and regulations. It has established a comprehensive wastewater management system that ensures full-process controllability and consistent compliance of all wastewater discharge. The Company continuously optimizes its wastewater treatment processes, improves treatment efficiency and capacity, and regularly carries out facility maintenance and upgrades to ensure the stable and efficient operation of treatment systems. Closed drainage systems have been established at construction sites, with drainage ditches constructed around on-site roads and material storage areas, and municipal drainage facilities installed as appropriate.

**MCC Applies New Treatment Technology to Enhance Wastewater Treatment Efficiency**

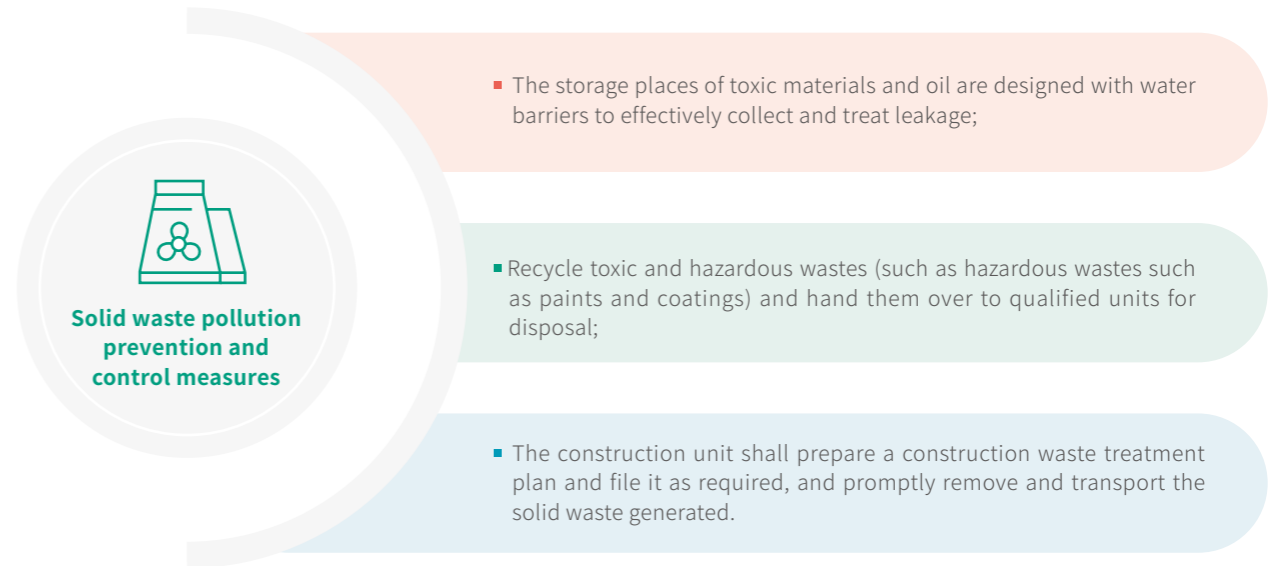
In projects including the Lanzhou Yanerwan Wastewater Treatment Plant and Wenxian rural wastewater treatment initiatives, MCC applied a new treatment process centered on membrane aeration biofilm technology. Through bubble-free oxygen supply and a synchronous reaction mechanism, the process significantly improves nitrogen removal and carbon reduction efficiency, effectively reducing energy consumption and sludge production while lowering greenhouse gas emissions. Project operations achieved stable effluent quality compliance and low-carbon optimization of the production process, providing reliable support for water environment management.



Lanzhou Yanerwan Sewage Treatment Plant

**Solid waste discharge management**

MCC strictly complies with the *Environmental Protection Law of the People's Republic of China, the Law on the Prevention and Control of Environmental Pollution by Solid Waste*, and other applicable laws and regulations. By formulating and implementing the *Special Investigation and Remediation Work Plan for MCC Environmental Protection Improvement*, and upholding the principles of "reduction, harmlessness, and resource utilization" for solid waste, the Company has continued to refine its three-level management and control mechanism of "Company coordination, subsidiary responsibility, and project-level implementation."



In accordance with the *MCC Management Measures for Energy Conservation and Ecological Environment Protection*, the Company requires all construction projects to implement comprehensive dust control measures and advances the treatment of volatile organic compound emissions in key sectors including surface coating, steel structure fabrication, and equipment manufacturing, ensuring that all pollutants at construction sites are effectively controlled and environmental risks are properly managed. Each project site strictly implements the "Six Assurance" requirements: 100% enclosure around the construction perimeter, 100% coverage of material stockpiles, 100% vehicle washing at entry and exit points, 100% hardening of construction site ground surfaces, 100% wet-method operations at demolition sites, and 100% sealed transport of earthwork and muck vehicles.



**MCC Builds a Green Construction Demonstration Project**

MCC deeply implemented the concept of green construction throughout the entire lifecycle of the Zhongtian Green Premium Steel Project. The project adopted an integrated approach combining permanent and temporary facilities, and applied technologies such as rainwater harvesting and construction waste recycling to achieve efficient resource circulation. It also introduced innovative desalination wastewater treatment technology and promoted the use of solar clean energy, reducing environmental impact at the source. At the construction site, measures including intelligent dust monitoring, full coverage of exposed soil, and enclosed transportation were implemented to ensure effective control of pollutants throughout the process. The project was awarded a two-star rating for Green Construction Level in Engineering Construction Projects in 2025, setting a benchmark for green construction practices in the industry.



Green Fine Steel Project Ironmaking Area

**Noise control**

MCC attaches great importance to the impact of its operations on the ecological environment surrounding project sites, and strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Noise Pollution* and other applicable laws and regulations. Intelligent noise monitoring equipment has been installed at construction site boundaries and major noise sources to enable real-time data collection and dynamic management. Through the establishment of tiered early warning thresholds, the system can automatically trigger adjustments to construction scheduling and optimize the sequencing of operations and equipment usage when monitoring data exceeds permitted levels.

**Circular economy**

MCC actively implements circular economy principles, continuously improving resource utilization efficiency, reducing environmental load, and promoting sustainable enterprise development through the systematic application of reduction, reuse, and resource utilization strategies.

The Company has systematically promoted the adoption of green building materials, established resource recycling mechanisms, and reduced construction waste generation. Through environmental protection infrastructure, including tailings resource utilization, and sponge city construction, the Company continues to strengthen its circular economy system, facilitating the resource-based conversion of municipal solid waste and achieving the coordinated development of resource regeneration and environmental improvement.

**MCC Continues to Advance Tailings Consumption and Treatment Technology**

MCC has innovatively developed technology for producing non-fired artificial concrete aggregates from tailings, replacing traditional binders with industrial solid waste such as steel slag and granulated slag, successfully achieving the resource-based utilization of tailings and contributing to the goal of "zero tailings discharge." Related technologies have been filed for national invention patents, providing solutions that balance environmental protection and economic viability for the recycling of solid waste resources in the metallurgical industry, and supporting the development of "zero-waste cities" and the circular economy.

The Company helps all subsidiaries to implement the concept of green, low-carbon, and circular development, clearly establishing circular economy targets and requirements for improving energy utilization efficiency, reducing pollutant emissions, and controlling greenhouse gas emissions, and continuously building a sustainable development system that spans the entire business chain.

**Development of Green Culture**

MCC continues to implement its green culture philosophy of "green development and harmonious coexistence," cultivating green values across the entire workforce. At the internal operations level, the Company advances green office practices, transforming low-carbon principles into conscious everyday actions through digital process management, paperless office initiatives, energy-saving facility upgrades, and strengthened resource recycling, continuously reducing resource consumption and environmental impact across its operations. In terms of capacity building, the Company strives to strengthen its environmental publicity and training system, systematically delivering ecological and environmental protection training through dedicated thematic meetings, comprehensive training programs, and targeted learning activities. Training content closely focuses on key topics including the "Dual Carbon" goals, environmental regulations, biodiversity protection, and project-site environmental risk management, with differentiated capacity-building programs tailored to personnel at different levels and positions, continuously strengthening environmental compliance awareness and the ability of all employees to fulfil their green responsibilities.

In addition, MCC cultivates a green culture of co-construction and shared participation, encouraging its subsidiaries to develop innovative thematic activities, including low-carbon experiences, knowledge competitions, and environmental volunteer services, in conjunction with National Energy Conservation Publicity Week, World Environment Day, and other key occasions. This guides employees to integrate green development into both mindset and behavior, jointly shaping a sustainable future in which enterprise and nature coexist in harmony.

**MCC Launched an Energy-Saving Themed Awareness Campaign**

MCC actively responded to the call of National Energy Conservation Publicity Week and National Low Carbon Day, creating a strong green and low-carbon atmosphere through energy-saving publicity boards, LED screen displays, and face-to-face presentations. These initiatives effectively enhanced the energy-saving awareness of all employees, and continuously promoted the building of ecological civilization and a Beautiful China.



Green Environmental Protection Publicity and Training Activities



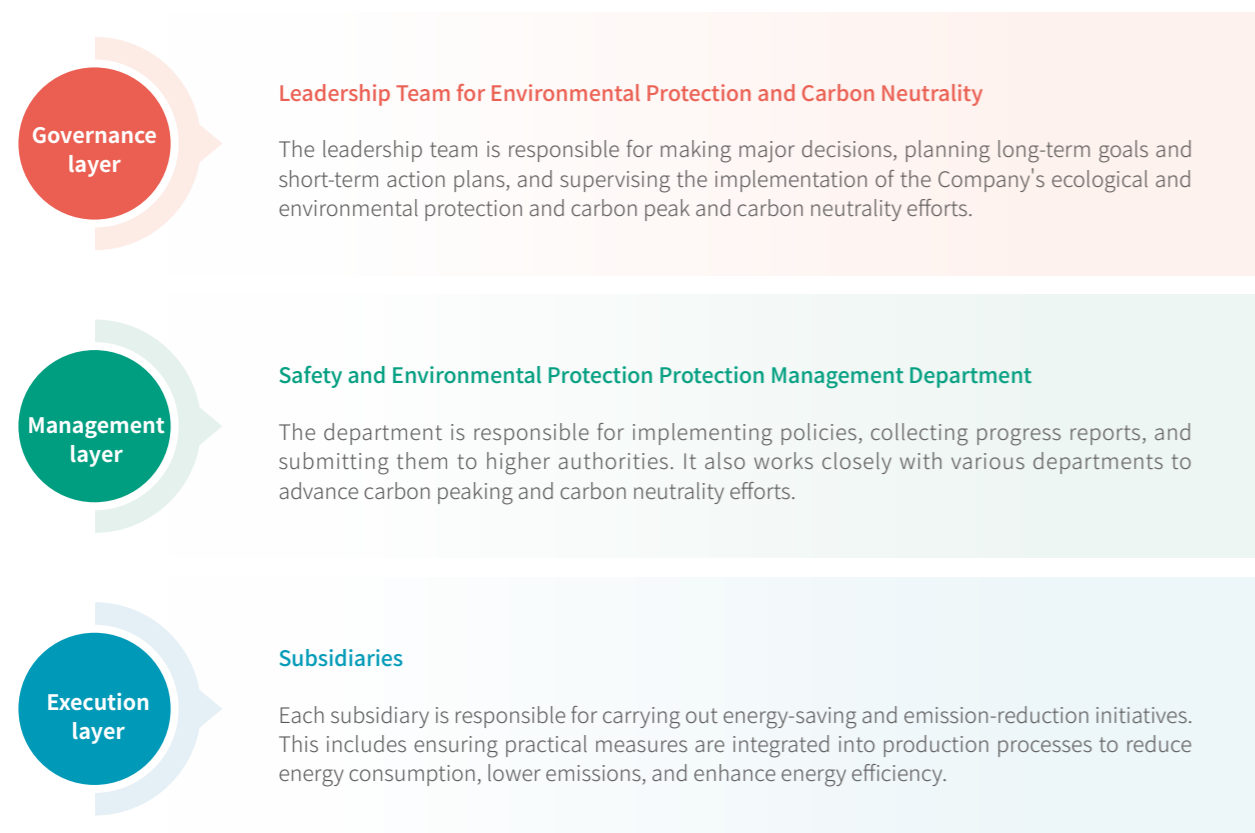
# Addressing Climate Change

MCC actively responded to the national strategic goals of carbon peaking and carbon neutrality, advancing the Company's low-carbon transformation through green and low-carbon action. The Company continues to strengthen its capacity to address climate change, constantly improving its climate governance structure, identifying and proactively responding to climate-related risks and opportunities, continuously promoting the smart and low-carbon transformation of its industrial structure, and enhancing the climate resilience of its value chain.

## Governance structure

MCC attaches great importance to climate-related risks and opportunities, has established a climate change governance system, and has incorporated climate risk management into the Company's overall ESG management framework. We have established the Leadership Team for Environmental Protection and Carbon Neutrality, underpinned by a three-tier management structure, to strengthen the unified deployment and leadership of "Dual Carbon" work.

### MCC's Climate Change Governance Structure



To advance the systematic management of climate change response, the Company convened three dedicated meetings with the Leadership Team for Environmental Protection and Carbon Neutrality in 2025, regularly reviewing the progress of climate action, responding promptly to national policy guidance, and ensuring that low-carbon transformation goals are effectively translated into business operations.

## Response strategies

MCC actively addresses climate change risks by conducting in-depth analysis of climate information, external regulatory developments, and industry dynamics. The Company proactively identifies and assesses climate-related risks and opportunities, clarifies the potential impacts of different risk and opportunity categories, and formulates comprehensive response measures, treating this as a critical foundation for its climate response strategy, while continuously refining its climate approach and strengthening its adaptive capacity.

To systematically advance the achievement of carbon peaking and carbon neutrality goals, the Company formulated and released its *Action Plan for Peaking Carbon Emission*, and deployed a list of 55 key action tasks within the overall framework of "one core, two subjects, and five characteristics," ensuring the orderly advancement of the strategy. In terms of energy structure transformation, the Company focused on building a hydrogen energy industry ecosystem, actively promoting renewable energy applications, accelerating equipment electrification and green power procurement, and advancing in-depth energy-saving technology upgrades. In terms of green infrastructure development, the Company vigorously promoted prefabricated construction technology and digital twin applications, and advanced energy efficiency improvements in existing buildings and photovoltaic building integration. The Company also actively participated in international standard collaboration in the "Dual Carbon" domain, deepened its green project footprint along the Belt and Road, and supported the low-carbon transformation of multiple industries. Through strengthened organizational guarantees, improved assessment mechanisms, and increased financial support, the Company drove the solid implementation of all measures and laid a firm foundation for achieving the carbon peak goal.

The Company attaches great importance to climate change risk management, incorporating climate risks into its enterprise risk management framework and actively conducting risk identification, assessment, and response.

### Climate Change Risk Identification Checklist

Type of Risk	Risk Name	Risk Description	Response Measures	
Physical risk	Acute risk	Extreme weather	As the frequency and intensity of extreme weather events such as typhoons, rainstorms, floods, and droughts increase, the operating assets and equipment of enterprises suffer losses, and the lives and health of employees are threatened.	<ul style="list-style-type: none"> <li>Improve the emergency management mechanism: establish an emergency response team, pay attention to meteorological conditions according to specific conditions, do a good job in extreme weather warning and formulate emergency response plans to prevent problems before they happen.</li> </ul>
	Chronic risk	Increased temperature	High temperature weather occurs frequently in summer, resulting in increased energy consumption, reduced operational efficiency, abnormal power supply, fire accidents, etc.	<ul style="list-style-type: none"> <li>Consolidate the foundation of facility safety: strengthen factory inspections and ensure operational safety by equipping and improving facilities.</li> </ul>
Transition risks	Policy and regulatory risks	Stringent climate policy	The country has formed a policy system and overall implementation ideas for the "dual carbon" goal. Government agencies such as the Ministry of Ecology and Environment have put forward higher requirements for corporate greenhouse gas emission management. In the future, corporate carbon emission control standards will continue to improve, leading to an increase in corporate compliance costs.	<ul style="list-style-type: none"> <li>Promote the transformation of energy structure: accelerate the construction of hydrogen energy system and the application of renewable energy, implement equipment electrification transformation and green electricity trading, and increase the proportion of clean energy.</li> <li>Strengthen technological innovation leadership: Relying on independently developed key technological research results such as high-efficiency reduction 3R low-carbon blast furnaces and hydrogen-based shaft furnaces, we provide customers with industry low-carbon transformation solutions.</li> </ul>
	Market risk	Changes in market demand	Consumers' preferences have changed, and they tend to choose more environmentally friendly and low-carbon products.	<ul style="list-style-type: none"> <li>Build a long-term management and control mechanism: improve the full-process management system of "investigation-rectification-account cancellation" of environmental risks, promote environmental protection collaboration and experience sharing among subsidiaries, and continuously improve the efficiency of regional environmental protection governance.</li> </ul>
	Reputational risk	Stakeholder concerns	All stakeholders require the company to take actions to address climate change, and failure to effectively respond to such demands will affect the company's reputation.	



## Risk Management

MCC has incorporated climate-related risks into its comprehensive risk management system, implementing a closed-loop management process of "identification-assessment-response-monitoring-review." At the response level, risk management is systematically carried out across three dimensions of "early warning, prevention, and risk reduction," with particular focus on physical risks arising from extreme weather. Drawing on disaster severity, Company strategy, and local government requirements, the Company comprehensively applies four strategies — mitigation, transfer, tolerance, and control — achieving simultaneous implementation and real-time monitoring of risk response.

To strengthen management coordination and resource integration, the Company established a Leading Group for Emergency Management of Public Emergencies, deeply integrating climate risk management with the safety production management system for unified operation and synchronized advancement. Resources, deployment, implementation, and oversight are coordinated across functions, continuously enhancing the Company's comprehensive emergency response and sustainable development capabilities in the context of climate change.

MCC pays close attention to the actual and potential impacts of climate change. Based on the duration and risk impact characteristics of construction projects, the Company follows an overall process of "source investigation-systematic sorting-dynamic updating" to identify, assess, and respond to climate change risks and opportunities in the course of its operations. Differentiated identification is conducted by time horizon: short-term risks are primarily identified through meteorological linkage mechanisms and on-site investigations; medium-term risks are identified in combination with policy tracking, regular special reports from the China Meteorological Administration, and national natural disaster risk outlook forecasts issued by the National Disaster Prevention, Reduction, and Relief Commission; long-term risks are analyzed and addressed based on recent meteorological trends combined with the actual operating conditions of each business unit, with corresponding contingency plans developed accordingly. By continuously improving its risk management mechanisms, the Company maintains rigorous disaster prevention and emergency preparedness.

## Metrics and targets

MCC has established short-term and medium-to-long-term energy conservation and carbon reduction targets based on its actual business conditions. The Board of Directors and the Leadership Team for Environmental Protection and Carbon Neutrality regularly supervise progress towards climate change-related targets and indicators, linking target achievement to management performance and conducting annual performance appraisals. Under the appraisal mechanism, specific weightings are assigned to carbon dioxide emission indicators in target accountability letters, which carry a defined proportion in overall performance assessments, ensuring the effective achievement of established goals. In 2025, we invested RMB 122.661 million in greenhouse gas emission reduction initiatives, including energy conservation measures.

Indicator	Target	Status of achievement
CO <sub>2</sub> emission intensity per RMB 10,000 of output (income) value (tCO <sub>2</sub> e/RMB 10,000)	In 2025, carbon dioxide emissions per RMB 10,000 of output (income) at comparable prices decreased by 1.6% compared with 2024	The target had been achieved

Climate Change Response Targets and Progress



## Empowering Green Industries

MCC actively implements the concept of sustainable development and has deeply integrated green innovation into its business development. Leveraging its integrated technology advantages across the full industry chain, the Company strives to cultivate new drivers of green growth, deepening its engagement in both the green upgrading of traditional industries and emerging environmental protection sectors. By providing systematic green solutions, MCC helps clients and society navigate environmental challenges and collectively advance towards a low-carbon future.

### Advancing green metallurgy

MCC drives the low-carbonization of the metallurgical industry through green innovation, focusing on process transformation and the research and development of cutting-edge low-carbon technologies. The Company actively promotes efficient and circular green metallurgy technologies, helping iron and steel enterprises optimize their energy structures and improve resource utilization efficiency. MCC is committed to reducing carbon emissions at the source, providing full-process technical support and engineering practice to enable the industry's green and low-carbon transformation.



#### Rotary Special Steel RH Vacuum Refining Furnace General Contracting Project

The MCC Rotary Special Steel RH Vacuum Refining Furnace project successfully completed its thermal load commissioning in September 2025. The project employs an electrically driven mechanical vacuum pump system, eliminating the constraints of conventional steam energy and enabling flexible start-stop operation and precise process control. As the new equipment requires neither steam heating nor sewage treatment, it effectively reduces energy consumption and environmental impact, significantly lowers production costs, and provides a new solution for the green and low-carbon transformation of specialty steel smelting.



Rotary Special Steel RH Vacuum Refining Furnace General Contracting Project



#### Million-Ton Hydrogen-Based Shaft Furnace Demonstration Project

MCC built China's first million-ton hydrogen-based shaft furnace project, and also the country's first direct reduction production line integrating both hydrogen and coke oven gas for industrial-scale production. In contrast to traditional carbon metallurgy, hydrogen metallurgy uses hydrogen as both fuel and reducing agent, freeing ironmaking from its dependence on fossil energy. Compared with conventional blast furnace ironmaking processes, the project reduces carbon dioxide emissions by more than 60%, with annual emission reductions of up to 500,000 tonnes after commissioning, providing a significant demonstration of green hydrogen application pathways for the steel industry.



Hydrogen-Based Shaft Furnace Project

## Developing clean energy

MCC deployed in the field of clean energy, promoting the optimization and upgrading of its energy structure. Leveraging its own technological strengths, the Company explored and practiced the development and utilization of renewable energy sources including hydrogen, photovoltaics, and geothermal energy. Through participation in clean energy projects, the Company aims to reduce dependence on traditional fossil energy and provide clean power support for the low-carbonization of its operations and value chain.

### MCC Builds a Zero-Carbon Plant Steel Slag Waste Heat Recovery Demonstration Project



Zero-Carbon Environmental Protection BOO Project

The Zero-Carbon Environmental Protection BOO Project is an important component of the zero-carbon production line project at Zhanjiang Steel. Among its key systems, the zero-carbon dust removal system integrates advanced variable-frequency energy-saving technologies, intelligent diagnostic devices, and a mobile central control platform. The zero-carbon steel slag treatment system incorporates the largest intelligent electric-driven steel slag transport vehicles and control platform in China, the first-of-its-kind steel slag waste heat recovery unit, and a new-generation steel slag roller-press processing device.

### MCC Applies Dry Quenching Technology to Efficiently Recover Waste Heat

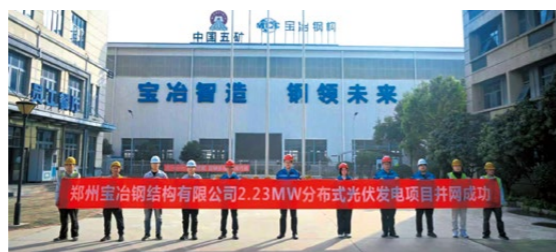
In the Phase II construction of the Guizhou Meijin Liuzhi Coal, Coke and Hydrogen Comprehensive Utilization Project, MCC actively promoted the application of clean energy technology by adopting advanced dry coke quenching technology. By efficiently recovering high-temperature waste heat generated during the coking process and converting it into electrical energy, the technology significantly improves the comprehensive energy utilization efficiency of the entire production process. Upon completion, the project is expected to generate approximately 200 million additional kilowatt-hours of clean electricity annually, equivalent to saving approximately 66,800 tonnes of standard coal, effectively achieving the goals of energy conservation, consumption reduction, and resource recycling.



Guizhou Meijin Liuzhi Coal, Coke and Hydrogen Comprehensive Utilization Project Phase II

### MCC Advances Grid-Connected Power Generation from Distributed Photovoltaic Projects

MCC advanced the grid connection and commissioning of the Baoye Steel Structure 2.23 MW distributed photovoltaic project, achieving efficient utilization of rooftop resources across the factory area. After commissioning, the project is expected to generate approximately 2.3 million kilowatt-hours of electricity annually, effectively replacing traditional fossil energy and significantly reducing carbon emissions. The project enables on-site consumption of clean electricity and optimizes the energy structure, enhancing the Company's green energy utilization.



2.23 MW Steel Structure Distributed Photovoltaic Power Generation Project Connected to Grid

## Green building development

MCC integrates green principles throughout the entire lifecycle of architectural planning, design, construction, and operation. The Company vigorously promotes the application of technologies including prefabricated construction, energy-efficient building materials, and photovoltaic building integration. By developing green building products, MCC is committed to reducing energy consumption and carbon emissions in the construction sector, and providing green solutions for urban and rural development and the improvement of human settlements.

### Steel Structure Green Building Project

MCC developed a fully prefabricated steel structure building system — the "Green Building" — completing an R&D facility in just 20 days. The system integrates an open spatial layout with the SI residential framework and applies photovoltaic building integration technology, achieving a deep fusion of building energy generation and energy conservation. The building is equipped with the Qiheng Ecological Health Environmental Control System, which delivers seven constant-condition functions: constant temperature, constant humidity, constant oxygen, constant cleanliness, constant acoustics, constant pressure, and constant intelligence. This represents a paradigm shift from "constructing buildings" to "manufacturing buildings," driving the construction industry's transformation towards low-carbon and intelligent development.



Fully Prefabricated Steel Structure R&D Building

## Ecological restoration

The Company proactively fulfils its responsibilities for ecological protection, leveraging its professional engineering and technical capabilities to advance ecosystem governance and restoration. MCC actively participates in projects covering soil improvement, water treatment, mine ecological restoration, and land greening. Through its ecological restoration business, the Company is committed to enhancing the carbon sink capacity of ecosystems, protecting biodiversity, and promoting the harmonious coexistence of humanity and nature.

### Nanfeng Creek Water Environment Comprehensive Management and Ecological Restoration Project

In the Nanfeng Creek water environment improvement and aquatic ecological restoration project, MCC significantly improved the ecological environment of the watershed through systematic implementation of external sewage interception, internal sediment dredging, and ecological restoration measures. The project achieves efficient purification of diffuse-source pollution through the construction of an ecological ditch and pond system, and employs a rapid restoration approach combining pioneer plants with innovative ecological materials to significantly enhance the stability and effectiveness of ecological slope protection. The project innovatively applied precision-controlled steel dam gate technology, completing the clearance of 20,000 cubic meters of obstructions, constructing 105,000 square meters of new constructed wetlands, and establishing 2,456 meters of ecological buffer zones. Upon completion, river water quality improved significantly and biodiversity was effectively restored.



Nanfeng Creek Water Environment Improvement and Aquatic Ecological Restoration Project

# 02 Social

## Technological Innovation and Quality Co-Building

MCC has rigorously implemented the national strategy of accelerating progress toward greater self-reliance and strength in science and technology, while establishing the framework of "one core, two subjects, and five characteristics" so as to guide its technological innovation efforts and strengthen its research and development (R&D) capabilities. The Company continues to standardize its quality assurance systems, reinforces its safety production measures, and deepens its talent-driven strategy for enterprise enhancement. Moreover, MCC actively contributes to social development and continuously elevates its corporate high-quality development, thereby contributing its strength to the advancement of Chinese modernization.

Leading Technological Innovation	52
Quality and Safety Assurance	58
Promoting Talent Growth	70
Making More Social Contributions	76



## Leading Technological Innovation

MCC upholds the innovation-driven philosophy of "Innovation Fuels the Future," with technological innovation as its core growth driver. The Company adheres to the "Five Focuses" strategy, consistently increasing its investments in scientific research, optimizing its management systems, and advancing the commercialization and application of major scientific and technological breakthroughs. By leveraging both digital empowerment and scientific research incentive mechanisms, MCC strives to strengthen its leadership position in technological innovation, injecting momentum into industry transformation and addressing national strategic needs through high-quality development.

### Technological Innovation System

Under the principles of "complementary advantages, resource sharing, and joint development," MCC continuously enhances its technological innovation platforms and incentive mechanisms while promoting deep integration of industry, universities, and research institutions. The Company focuses on the key technological demands for green and low-carbon development in the steel industry, strengthening strategic technological support and injecting core momentum into the industry's sustainable development.

### Technological innovation platforms

By the end of 2025, MCC has established 25 national-level science and technology R&D platforms, including national key laboratories, national engineering research centers and technology research centers. Notably, the State Key Laboratory of Iron and Steel Industry Environmental Protection, as the only national key laboratory in China dedicated to the steel industry's environmental protection, focuses on meeting the core needs of green and low-carbon development in the sector, thereby continuously strengthening strategic technological capacity.

### Technological incentive and safeguards

MCC places technological innovation at the strategic core of its operations and development. The Company has established a comprehensive innovation evaluation system and reinforced the protection mechanisms for intellectual property and technological achievements, so as to continuously enhance the efficiency of its technological R&D efforts and the commercialization of research outcomes in all respects. In developing its research system, MCC takes a scientific approach to strengthening its sci-tech research talent pool, R&D investment allocation, and project strategic planning, thereby creating a sustainable innovation ecosystem to ensure systematic and high-quality advancement in technological R&D. In 2025, MCC's R&D expenditure amounted to RMB 13.964 billion.

MCC enhances its technological innovation evaluation system, implements goal-oriented performance evaluations, and introduces dynamic incentive mechanisms. These efforts focus on improving the evaluation of critical core technology breakthroughs and enhancing the efficiency of innovation resource coordination. During the reporting period, MCC achieved significant breakthroughs in key areas such as metallurgical engineering, new materials research and development, as well as energy conservation and environmental protection. These research achievements have become an important support for industry technological upgrades and sustainable development. In 2025, MCC has completed 111 evaluations of technological achievements.

In 2025

MCC's R&D expenditure amounted to

RMB **13.964** billion

Total number of achievements

**111** Items



#### Technological awards won by MCC in 2025

Metallurgical Science and Technology Awards of China Iron and Steel Industry Association

**25** Items

China Engineering Construction Science and Technology Awards of China Association of Construction Enterprise Management (CACEM)

**13** Items

### Technological Innovation Achievements

MCC drives high-quality development through innovation, with breakthroughs in core technologies serving as a primary catalyst for industry progress. In 2025, the Company will revise the *Management Measures for Major R&D Projects of MCC* to further strengthen the full-process management of foundational, urgent, cutting-edge, and disruptive technological R&D. This revision aims to promote the deep integration of industrial and innovation chains, accelerating the transformation of technological advantages into high-quality development momentum.



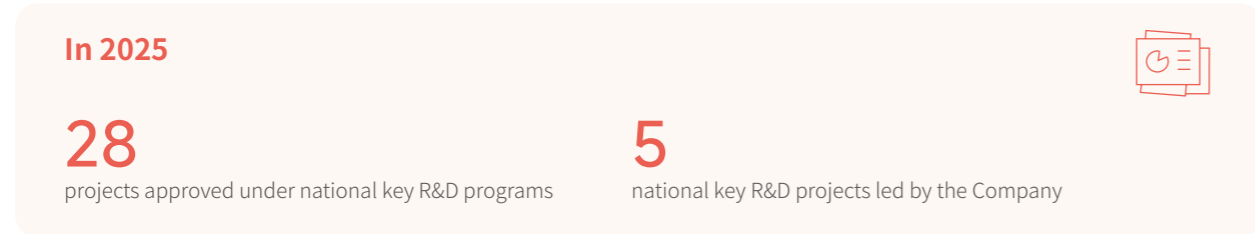
**MCC's "Development and Application of Complete Technology for Ultra-Thick Straight-Arc Slab Continuous Casting Machine" - Winner of the Grand Prize in the Metallurgical Science and Technology Award**

In 2025, MCC led the successful completion of the "Development and Application of Complete Technology for Ultra-Thick Straight-Arc Slab Continuous Casting Machine," which was awarded the Grand Prize in the Metallurgical Science and Technology Award. Through breakthroughs in low-crack-risk processes, compact equipment design, and intelligent control systems, the Company developed the world's first 450mm-thick straight-arc continuous casting production line. This innovation replaces traditional high-energy-consumption mold-casting processes, achieving an ultra-low crack rate of less than 0.4% for crack-sensitive steel, a central segregation C-level rate of  $\geq 91\%$ , and significantly improving yield while reducing resource waste. The technological achievements of this project have been applied in key projects such as the Baihetan Hydropower Station, the "Haiji-2" platform, and the Saudi King Tower within the Belt and Road Initiative (BRI). These applications have significantly enhanced the manufacturing capacity of critical metal materials and high-end equipment, driving technological innovation and leadership in major equipment development.



The world's first  $\geq 450$ mm ultra-thick straight-arc slab continuous casting production line

Fully aligned with China's "Dual Carbon" goals and the industry's growing demand for digital and intelligent transformation, the Company has deepened its systematic approach to technology planning and driven critical breakthroughs across major R&D initiatives. In 2025, the Company secured approval for 28 national-level major R&D projects (and sub-projects), including 5 national key science and technology projects in which it serves as lead. These efforts have further consolidated the Company's technological leadership in green low-carbon development and intelligent metallurgy.



**MCC's "Intrinsically Safe Integrated Security Technology for Buried Liquefied Hydrocarbon Storage Tanks" Approved for Listing under the National Key R&D Program**

In 2025, MCC participated in the application for the "Inherent Safety Technology for Liquefied Hydrocarbon Underground Storage Tanks" project, which was approved as part of the National Key R&D Programs for China's 14th Five-Year Plan. This project addresses key challenges such as the unclear explosion risks and the lack of optimized layout in liquefied hydrocarbon storage tanks. The project innovatively develops a quantitative risk assessment methodology for the mechanical response of coupled storage tanks and their auxiliary facilities, as well as R&D in layout optimization technology based on risk prevention and spatial characteristics. A demonstration application of this technology has been implemented in the construction of a 3,500 cubic meter liquefied hydrocarbon underground storage tank, promoting significant advancements in China's inherent safety technology for liquefied hydrocarbon underground storage tanks.

Application of inherent safety technology for liquefied hydrocarbon underground storage tanks

## Intellectual Property Protection

MCC strictly complies with national laws and regulations regarding intellectual property (IP) protection. The Company has established a comprehensive intellectual property management system, which includes the implementation of internal regulations such as the *MCC Intellectual Property Risk Warning Management Measures*. This system enhances patent and copyright protection mechanisms, ensuring that intellectual property is effectively managed and protected in compliance with legal standards throughout all stages of research, development, and application.

MCC continues to advance its intellectual property strategy, with a focus on quality improvement. It systematically promotes high-value patent cultivation projects and strengthens the layout of core technological fields, while enhancing the efficiency of the commercialization of research results. Through the development of high-value patent clusters, the Company consolidates its technological competitive advantage, providing critical intellectual property support for the industry's high-quality development. In 2025, MCC received four awards at the 25th China Patent Awards, including one Silver Award.



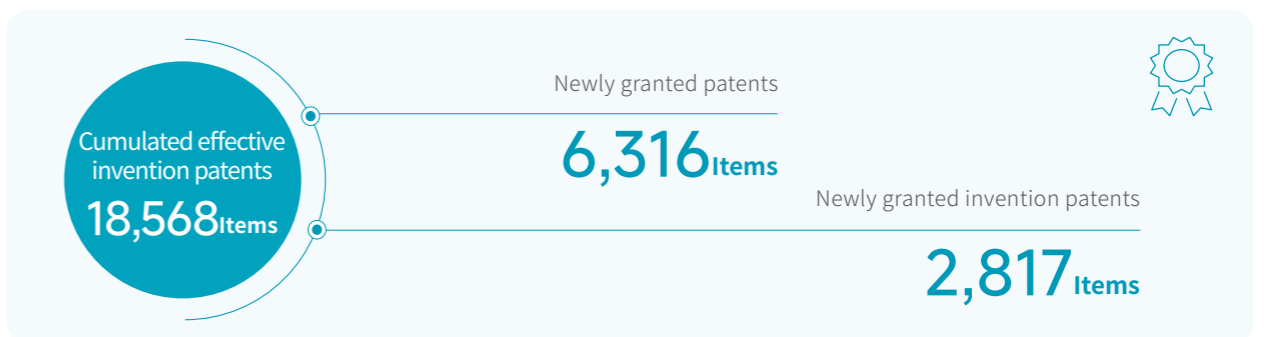
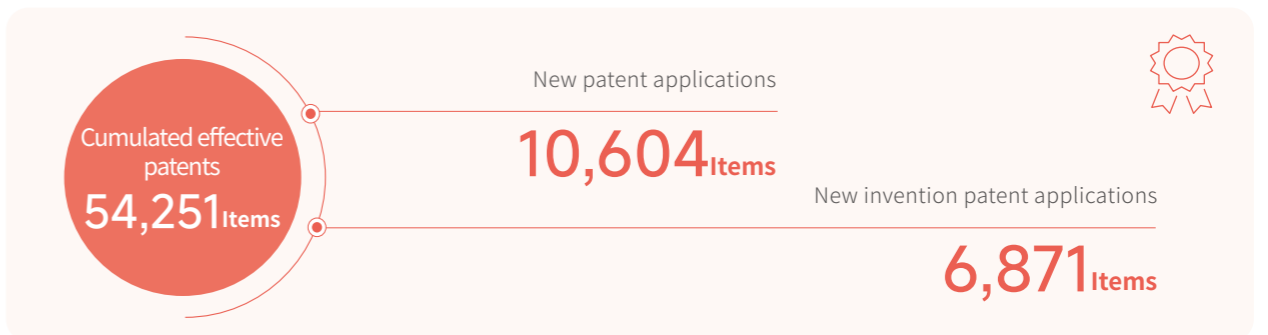
**MCC's "Large-span Support Mid-span Collaborative Prestressed Box-shaped Continuous Steel Beam-Column Structure" - Winner of the Silver Award at the 25th China Patent Awards**

The "Large-span Support Mid-span Collaborative Prestressed Box-shaped Continuous Steel Beam-Column Structure" co-invented by Central Research Institute of Building and Construction Co., Ltd. and MCC Group has won the Silver Award of the China Patent Award. Addressing the potential safety hazards in large-scale prefabricated steel structure public buildings, this patent innovatively proposes a large-span collaborative prestressed structure system, which significantly enhances the structural elastic bearing capacity and overall stability, thus providing core support for the safety and durability of China's landmark public buildings.

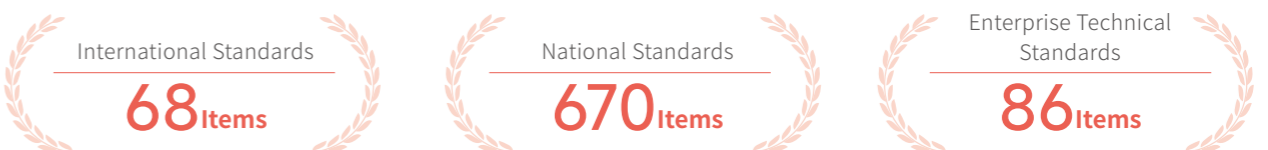
The Silver Award Certificate of the 25th China Patent Award

MCC also places great emphasis on fostering intal property awareness. The Company prioritizes institutional awareness and risk prevention training, thereby enhancing the compliance capabilities and risk management skills of key personnel.

### MCC's patent overview in 2025



### Cumulated number of standards published by MCC



## Commitment to Digital and Intelligent Empowerment

MCC is systematically advancing its digitalization strategy. By developing a unified digital management platform and standardized elements, the Company effectively integrates data resources, achieving innovative applications and breakthroughs in key areas such as smart steel plants and smart construction sites. These initiatives provide robust digital support for the transformation and upgrading of traditional industries and contribute to precise urban governance.

### Integration of Informationization and Industrialization

MCC is advancing its strategy for the development of a "Digital Enterprise Brain" and making steady progress on related tasks. The Company has organized the development and publication of a series of guiding and regulatory documents, including version 1.2.1 of the *MCC Group Digital Management Platform Key Components Guide*, which clarifies the overall implementation framework for the digital management platform and ensures smooth progress in digital construction efforts. In 2025, the digital management platform at the Company's headquarters achieved stable operation across multiple thematic modules, with all functions operating effectively. The platform successfully integrated shared data with full access, and the "One Enterprise, One Screen" system for each subsidiary were successfully completed and optimized, further enhancing the platform's data visualization and real-time performance.

In the midst of this digital transformation, each business sector of the Company has focused on its respective field and actively explored innovative pathways, achieving a series of breakthroughs and results in areas such as smart steel plants and intelligent construction.

#### Progress in MCC's Smart Steel Plants and Intelligent Construction



##### Smart Steel Plant

- The Company assisted Jiangyin Xingcheng Special Steel in building an integrated intelligent factory management platform. The system deeply integrates IoT, cloud computing, and industrial big data technologies, reconstructing an intelligent production system covering the entire steelmaking and rolling process. It achieves full-process data connectivity and intelligent coordination from electric arc furnace, refining, and continuous casting through to rolling, transforming the No. 1 Steel Rolling Workshop into a fully transparent digital factory. This has comprehensively enhanced the production management and control efficiency of the No. 1 Steel Rolling operation, and the case was successfully selected as a National Excellence-Level Smart Factory.



##### Intelligent Construction

- MCC has independently developed an intelligent construction robot cluster comprising four specialized robots, covering high-altitude welding, multi-purpose intelligent delivery, intelligent rebar processing, and intelligent painting, along with a robot cluster intelligent scheduling and management system. Together, these systems provide comprehensive coverage across core construction scenarios including high-altitude operations, material delivery, surface coating, and rebar processing, establishing an intelligent construction framework built on "autonomous single-unit operation and coordinated cluster management." This has significantly improved construction quality, efficiency, and safety, driving higher standards and greater productivity in engineering and construction.

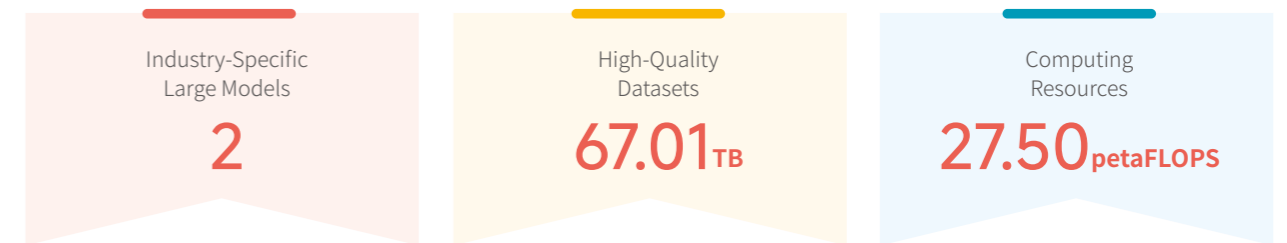


## "AI+" Special Action Initiative

MCC continuously advances the dual-engine drive of digital industrialization and industrial digitalization through artificial intelligence technology, deepening the integration of digital technology with the transformation and upgrading of traditional industries. It drives data-enabled collaborative transformation across the entire industrial chain, building a new industrial digitalization ecosystem across areas such as smart mines and smart factories. The Company has already made significant contributions to the industry in terms of AI application scenarios, industry-specific large models, datasets, and computing infrastructure development.

In the same year, five pany's artificial intelligence scenarios were awarded the title of China Minmetals "Top Ten Application Scenarios" Demonstration Achievement.

#### Artificial Intelligence Work Achievements



#### Five Artificial Intelligence Scenarios

**Sintering Machine Pallet Digital-Intelligent Operation and Maintenance System:**  
By integrating AI vision, laser sensing, and data intelligence technologies, the system achieves functions including intelligent diagnostics and analysis of material surface and tail cross-sections.

**Converter Flame Recognition Application Based on Machine Vision:**  
Innovatively developed multi-frame adaptive exposure technology, paired with a low-latency Jinjing camera, to achieve stable, high-definition imaging of the flame throughout the entire converter steelmaking process.

**Saw Zone Automation Based on AI Vision:**  
By introducing multi-matching auxiliary branches, an improved Bar-DETR model was innovatively developed to achieve full-process automation of the saw zone.

**Blast Furnace Condition Diagnosis Based on DeepSeek:**  
Integrating a "large model + rules" dual-track architecture with RAG technology, a furnace condition diagnosis Agent was built to achieve comprehensive monitoring of furnace condition sub-states.

**AI + Intelligent Steel Structure Manufacturing:**  
Combining multimodal AI recognition technology with robotic control to achieve efficient part sorting, palletizing, and transportation.

## Quality and Safety Assurance

MCC upholds the quality culture of "Unwavering Commitment to Quality, Relentless Pursuit of Excellence," and operates under a management framework that focuses on "overall deployment, problem-oriented solutions, coordinated progress," thereby systematically advancing and optimizing project management. By developing a quality control system that spans the entire lifecycle and enhancing coordinated management of the entire supply chain, the Company continuously improves product and service quality while strengthening its fulfillment capabilities. Additionally, MCC continues to reinforce safety risk prevention and control to ensure a more robust safety management.

### Quality Management

MCC actively implements the national strategy to boost China's strength in manufacturing, and continues to advance quality standardization, strengthen full-process quality inspection, supervision, and management, and solidify its quality management foundation, thereby supporting MCC's high-quality and sustainable development.

### Quality management system

MCC regards engineering project quality as the cornerstone of its corporate development. The Company strictly complies with relevant laws and regulations, including the *Product Quality Law of the People's Republic of China*, the *Construction Law of the People's Republic of China*, and the *Regulations on the Quality Management of Construction Projects*. On this basis, MCC has established internal management systems such as the *MCC Group and MCC Quality Management Measures*, the *MCC Implementation Rules for Quality Management of Construction Enterprises*, the *Engineering Project Management Manual*, and the *Engineering Project Management Manual Quality Volume*. The Company has also revised the *MCC Evaluation Manual for Standardized Inspection of Engineering Project Site Quality Management* and led the preparation of the *Metallurgical Engineering Quality Planning Preparation Guide* for the China Association of Construction Enterprise Management. These efforts help enhance MCC's quality management system that supports continuous improvement. During the reporting period, the Company obtained ISO 9001 certification and implemented full-process quality management in accordance with relevant requirements, continuously enhancing its quality control capabilities.

In 2025, the Company issued the *MCC's Quality Management Focus in 2025*, further clarifying annual quality goals at all levels and reinforcing the accountability chain of quality control, ensuring the systematic implementation of quality management tasks.

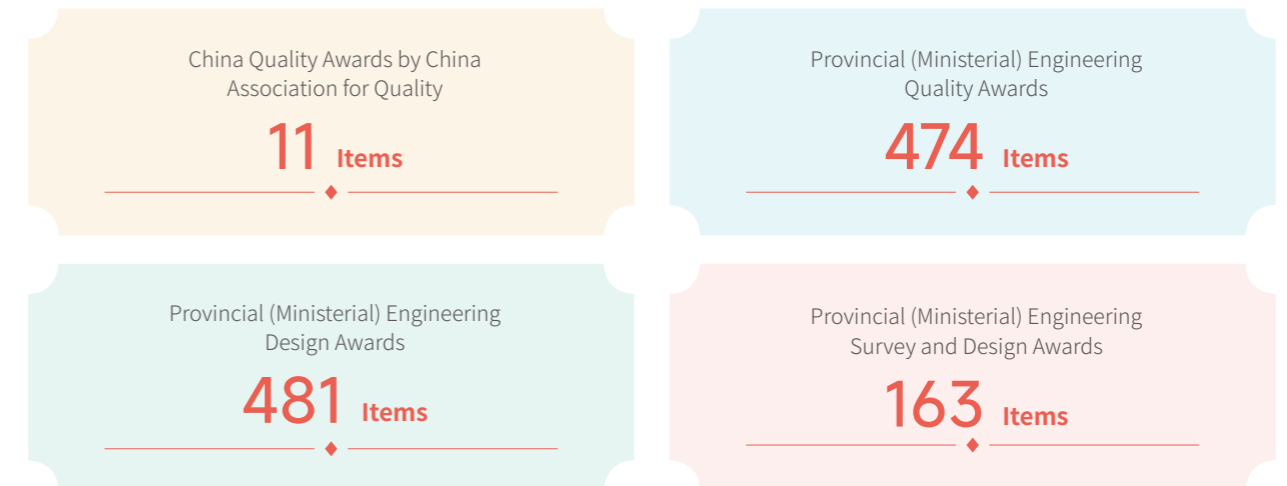
### Quality supervision and inspection

Focusing on engineering quality and aligning with its "one core, two subjects, and five characteristics" business system, MCC carries out specialized quality supervision and inspections through comprehensive inspections of subsidiaries and company-level supervision. These efforts focus on checking the implementation of the *Engineering Project Management Manual* and its quality volume, particularly identifying key risk factors related to structural safety and critical functional requirements. Simultaneously, the Company has taken specialized remediation actions targeting water leakage, cracks, and welding issue. During the reporting period, MCC conducted 3,581 inspections of ongoing projects across 33 subsidiaries, ensuring the overall quality of engineering projects.

### Quality honors and awards

In 2025, MCC received a number of national and provincial-level awards for its outstanding engineering quality and technical problem-solving capabilities.

### The number of quality-related awards won by MCC in 2025



### MCC's Key technologies for the construction of special-shaped curved surfaces for snowmobile racing track – Winner of the Second Prize of China Quality Awards by China Association for Quality

The track of the National Sliding Center features a distinctive twisted plate-shell structure. Spanning a total length of 1,975 meters with a vertical drop of 121 meters, the track's number of curves, length, and construction complexity exceed those of similar international projects, and has been awarded with Luban Award and Zhan Tianyou Award for China Construction Engineering. Developed under the Ministry of Science and Technology's key R&D program, this project involved the independent development of several cutting-edge technologies and technological breakthroughs, including structural shotcrete material preparation and construction techniques, installation and operation of an open-loop ammonia refrigeration system, ice-making and resurfacing technologies for racing tracks, climate protection shading system construction, and intelligent construction based on digital twins. The project has reached internationally leading standards and represents China's first millimeter-level sliding track, breaking foreign technological monopolies.



National Sliding Center

**MCC "Hundred-Mile Riverside Ecological Cultural Corridor" Project – Awarded International Certification**

In November 2025, the "Hundred-Mile Riverside Ecological Cultural Corridor" project in Wuhan, undertaken by MCC, received the First-Class Project Honor of the International Federation of Municipal Engineering (IFME) China Pilot Project Awards. Out of 50 projects submitted nationwide, only seven received this prestigious recognition. This award acknowledges the project's outstanding performance in sustainable development, marking a significant achievement that has earned recognition from international authoritative bodies.



"Hundred-Mile Riverside Ecological Cultural Corridor" project

MCC actively hosts national-level quality activities, demonstrating its achievements in digital development, intelligent construction, and quality management, while further solidifying its reputation as a quality leader in the industry.

**MCC Hosts the 3rd National Technical Competition on Quality Management Standardization of Construction Engineering Projects**

From June 11 to 12, 2025, MCC successfully hosted the finals of the 3rd National Technical Competition on Quality Management Standardization of Construction Engineering Projects, organized by the China Construction Industry Association, in Chengdu, China. Representatives and experts observed the Construction Project (Phase I) of the Tianfu Yongxing Laboratory Park built by MCC in Chengdu, which showcased achievements in quality standardization management, precise control of key construction phases, digital construction platform applications, and the use of intelligent equipment such as construction robots. This event further highlighted MCC's role as an industry leader and a quality benchmark.



The 3rd National Technical Competition on Quality Management Standardization of Construction Engineering Projects

**Work Safety**

MCC adheres to the safety culture of "life first, safety foremost" and has actively implemented the Three-Year Safety Risk Management Action. Through a combination of institutional development, special actions, risk management, and cultural promotion, the Company strives to continuously enhance safety management standards.

**Safety management system**

MCC strictly complies with national safety laws and regulations, including the *Work Safety Law of the People's Republic of China*, the *Regulation on Work Safety Permits*, and the *Administrative Regulations on the Work Safety of Construction Projects*. The Company has also revised safety management policies, such as the *Safety Production Management Measures*, the *Implementation Rules for Accountability of Safety and Environmental Protection Incidents*, and the *Work Safety Responsibility List*, further clarifying job responsibilities and implementation standards and continuously strengthening the development of its safety management system.

MCC has established a Safety Production Committee responsible for formulating safety policies, reviewing major safety matters, and overseeing their implementation to ensure that safety production efforts are carried out effectively. In 2025, the Company advanced the leadership inspection application that customizes standardized inspection checklists and unifies execution standards, with a particular focus on safety supervision at the leadership level across its three-tier subsidiaries. This initiative has further ensured the precise implementation of the "dual responsibility" system.

In 2025, MCC signed the Safety and Environmental Protection Target Responsibility Agreements with 35 subsidiaries, establishing the goal of zero fatal accidents due to work safety, so as to ensure primary enterprise responsibilities related to work safety are fulfilled in all respects.

**Safety risk prevention**

MCC is committed to implementing the SASAC's "Thunder Action" and the requirement of the "Three Special Actions" for Central Enterprises in the construction sector. By combining regional responsibility assignments and "package" inspections, specialized competition mechanisms, and supervisory actions, the Company carries out comprehensive safety hazard identification and rectification efforts. These initiatives focus on promptly eliminating various safety risks, while actively addressing major safety hazards to achieve a dynamic zero. MCC also continues to run a special campaign to prevent falls, which aims to standardize and normalize safety management practices for work at heights.

MCC is enhancing collaboration between design institutes and construction units within its key areas in the business system featuring "one core, two subjects, and five characteristics." Furthermore, the Company is systematically advancing the establishment of a comprehensive safety risk database across the entire metallurgical engineering process. In 2025, MCC completed safety risk analysis and database construction for 10 key stages, including raw materials, sintering, pelletizing, blast furnaces, steelmaking, continuous casting, rolling, oxygen stations, and maintenance. This initiative offers standardized and intelligent support for the safety management of the entire metallurgical engineering process.

**Occupational health and safety**

MCC strictly complies with the *Work Safety Law of the People's Republic of China*, the *Law on Prevention and Control of Occupational Diseases of the People's Republic of China*, and other relevant occupational health and safety laws and regulations. The Company has established comprehensive occupational health and safety management systems and has signed *Safety and Environmental Protection Target Responsibility Agreements* with its subsidiaries to fully advance work safety and occupational health protection, ensuring a low-risk occupational health and safety environment. In 2025, MCC achieved ISO 45001 certification for its occupational health management system.

**Occupational health and safety goals and achievements**





MCC places high priority on occupational health and safety management. The Company systematically identifies, evaluates, and controls occupational hazards of all kinds, conducts regular specialized supervision and inspections as well as occupational health examinations, and optimizes the annual health check-up program for all employees, effectively enhancing both employee health protection and overall safety management. Simultaneously, the Company continues to strengthen occupational health and safety education through diverse training programs and awareness campaigns, fully enhancing employees' safety consciousness and self-protection capabilities. During the reporting period, MCC reported no new or suspected occupational disease cases and no incidents of acute occupational poisoning.

### Occupational health and safety performance in 2025



In addition, MCC regularly organizes *Occupational Disease Prevention and Control Law* publicity week activities. Through thematic presentations, skill competitions, lectures, story-sharing sessions, and video screenings, the Company reinforces the effectiveness of these initiatives and promotes awareness of occupational health protection among all employees.

### Occupational Disease Prevention and Control Law Publicity Week

From April to May 2025, MCC conducted the Occupational Disease Prevention and Control Law Publicity Week across 35 subsidiaries, under the theme "Caring for Workers' Mental Health." The activity aimed to strengthen the Company's primary responsibility for occupational disease prevention, enhance employees' awareness of occupational health protection, disseminate knowledge on occupational disease prevention and control, thereby safeguarding the occupational health rights of all employees.



Occupational disease prevention and control law publicity display

## Industry safety standards leadership

MCC continues to deepen the standardization of work safety, consistently enhancing its safety governance capabilities to establish a solid safety barrier to support the Company's high-quality development. In 2025, the Company had 34 projects awarded the national "Construction Work Safety Standardization Construction Site for Construction Projects"; 276 projects recognized as provincial safe, civilized and standardized construction sites; and 229 projects designated as municipal safe, civilized, and standardized construction sites. The Company's subsidiaries actively participated in the 6th Safety Science and Technology Awards organized by China Association of Work Safety, winning 21 Safety Technology Progress Awards, including 5 first prizes, 7 second prizes, and 9 third prizes.

## Safety culture development

MCC stays committed to strengthening its safety culture by promoting safety awareness and organizing thematic events such as "Safety Production Month" and "Fire Safety Awareness Month" in order to systematically improve the safety awareness and knowledge of all employees and foster a strong work safety culture.

### 2025 MCC safety culture education activities



**MCC Held the 2025 "Safety Production Month" Launching Ceremony**

On May 30, 2025, the launching ceremony of the 2025 "Safety Production Month" event, hosted by MCC, was held simultaneously in multiple locations. The event, themed "Let Everyone Value Safety and Learn Emergency Response—Identifying Safety Hazards Around Us," was integrated with the Company's business system featuring "one core, two subjects, and five characteristics," and initiated under the "1+4M+5N" model. Personnel from the MCC Production Safety Supervision and Administration Department, Xiong'an Command Department, and Major Project Engineering Command Center, along with safety managers, safety directors, safety supervision department heads from subsidiaries and certain third-tier companies at each event location, as well as project managers from ongoing projects at those sites, participated in the event, totaling over 1,100 attendees. The event was conducted in a hybrid format of on-site participation and online live streaming, fostering a strong safety atmosphere across all business areas and reinforcing safety defenses.



Main venue of the "Safety Production Month" event

**Project Management**

MCC is committed to high standards in project management and actively leverages major projects to serve as models, driving broader efforts and demonstrating leadership. The Company has systematically advanced the implementation of the *Engineering Project Management Manual* by establishing comprehensive and quantifiable project inspection checklists, thereby improving project management standardization and enhancing production efficiency. In 2025, the Company conducted all-rounded inspections of 30 major demonstration projects. Based on the identified issues, responsible teams were required to take corrective actions within a specified timeframe and provide feedback, ensuring the formation of a full-process, closed-loop management system.

MCC continues to improve its project management mechanism by relying on a "small front-end, large back-end" support system to systematically advance project management standardization. Additionally, the Company is enhancing the application of its "Engineering Project Management Platform." In 2025, this platform, serving as a key component of the management upgrade, continued to drive the organization, integration, and dynamic updating of domestic project information. The establishment of a data validation mechanism has strengthened data governance, significantly improving both data comprehensiveness and accuracy. Moreover, the platform utilizes progress control analysis models to supervise ongoing domestic projects and implements closed-loop management and supervision through a tiered approach. This initiative provides vital digital management support for the Company's high-quality development.

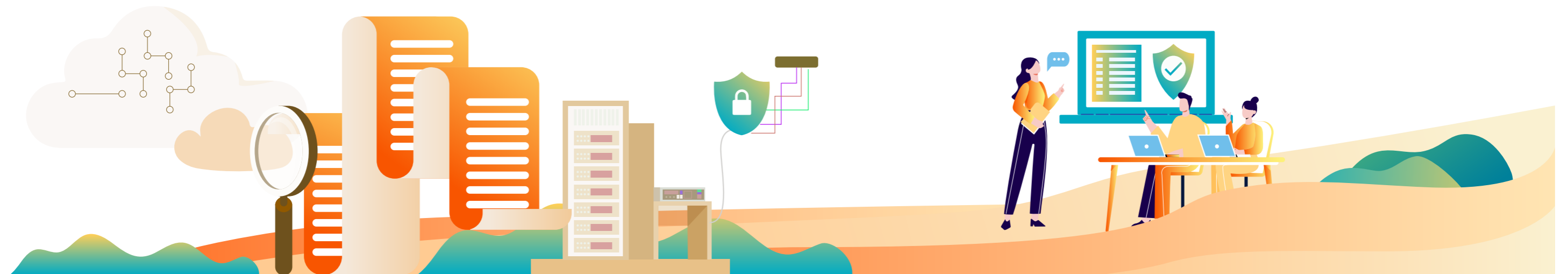
Meanwhile, MCC prioritizes developing a skilled project management talent pool and offers training programs for project managers to strengthen their professional competencies and management capabilities.

**MCC Held 2025 Project Manager Training Program**

On November 22, 2025, MCC held the 2025 Project Manager Training Program in Tangshan, Hebei Province. This six-day training program invited both internal and external experts to cover curriculum such as urban renewal, precise construction, subcontracting processes, compliance management, and MCC engineering/business management requirements. The program included team-building activities, scenario simulation, management discussions, and interactive exchanges, culminating in a closed-book exam. A total of 104 trainees from 29 engineering subsidiaries attended the program in person, with approximately 15,000 participants attend the training online.

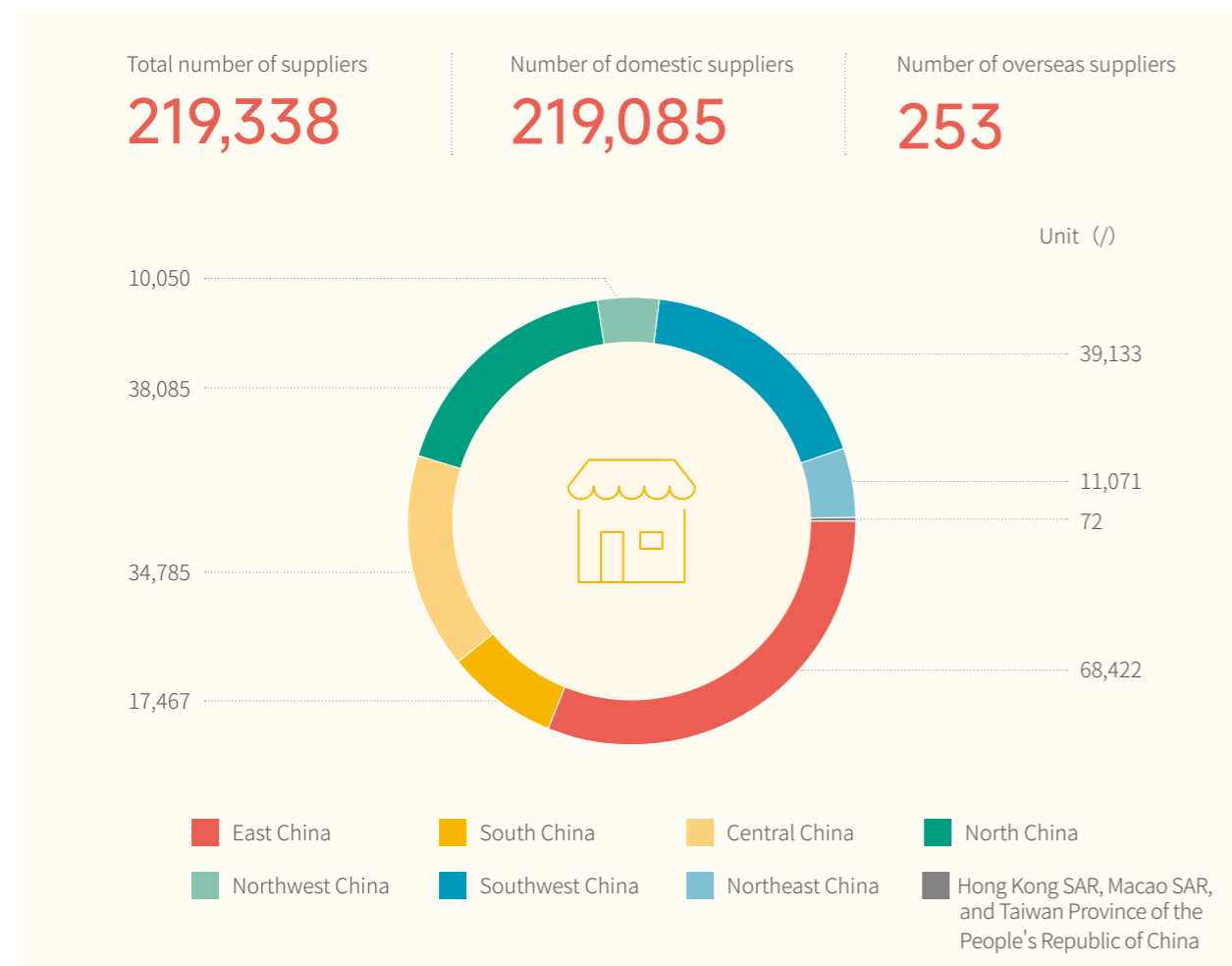


Opening ceremony of the 2025 project manager training program



## Supply Chain Management

MCC continues to enhance its supply chain management system, striving to build a responsible supply chain ecosystem that is compliant, transparent, green, and sustainable. In 2025, the Company revised several internal documents, including the *MCC Procurement Management Regulations*, *MCC Procurement Implementation Management Measures*, *MCC Headquarters Procurement Implementation Rules*, and *MCC Evaluation Expert Management Measures*, further standardizing the supply chain management processes. Additionally, the Company follows the principles of "uniform standards, dynamic evaluation, and quality-driven selection", establishing a full-lifecycle management mechanism spanning supplier admission, performance evaluation, categorization, and elimination. Moreover, the supply chain management platform facilitates the online management of the entire process, continuously improving standardization levels.



Number and distribution of MCC suppliers

### Supplier admission

MCC has established a supplier access mechanism, focusing on the review of basic conditions such as suppliers' basic information, legal compliance, qualification certificates and credit records. It gives preference to supplier companies that are ISO 14001, ISO 45001, and ISO 9001 certified, with a good reputation and standardized management practices, while strictly avoiding suppliers with poor records.

### Supplier evaluation and exit mechanism

Leveraging its supply chain management platform, MCC implements a "dynamic assessment and tiered management" system for supplier evaluation, updating suppliers' credit ratings in real-time based on annual evaluation results. For suppliers that violate procurement discipline, the Company strictly a series of punitive measures and exit mechanisms, such as blacklisting and legal accountability, to ensure the stability of the supply chain.

### Supply chain risk management

MCC is committed to enhancing the safety and reliability of its supply chain system, systematically conducting risk identification, assessment, and tiered management, while continuously optimizing risk response mechanisms to strengthen supply chain resilience.

The Company has integrated supply chain risks into its overall annual risk prevention and control system, establishing a dynamically updated supply chain risk event database. This system addresses key risk areas, including performance disputes, insufficient supplier capabilities, and procurement process loopholes, ensuring systematic risk prevention and control. In 2025, we carried out various special procurement supervision initiatives including the rectification of the bidding and tendering business system, effectively strengthening the security barrier of the supply chain.

### Sustainable supply chain

MCC continuously enhances its supply chain ESG management framework, actively promoting the sustainable development of its supply chain. In accordance with the green procurement requirements outlined in the *MCC Procurement Management Regulations*, the Company systematically assesses suppliers' performance in key areas such as environmental protection, resource conservation, and health and safety during their production and operations. These green and low-carbon requirements are also explicitly stated in relevant procurement documents.

In its ESG supply chain management, MCC strengthens risk prevention and control across various stages, including supplier admission evaluation, contract management, as well as logistics and transportation, working closely with suppliers to build a green and sustainable supply chain system.

#### MCC's specific ESG management measures for the supply chain

##### Supplier Selection and Evaluation

The Company applies stringent supplier admission thresholds, focusing on evaluating suppliers' qualifications and compliance in environmental protection, labor rights, and other relevant areas to avoid potential legal or reputational risks.

##### Contract Management

The Company refines domestic and international compliance clauses, and clearly defines ESG performance standards and breach responsibilities to mitigate compliance risks caused by ambiguous or incomplete terms.

##### Logistics and Transportation

The Company standardizes transportation processes and enhances compliance checks on transportation methods to reduce environmental and safety risks in logistics operations.

## Supplier communication

MCC bases itself on high-quality development and leverages its industrial influence advantages. Through in-depth collaboration with suppliers, the Company continuously supports its partners in enhancing their capabilities. The Company aims to create a "mutually beneficial" supply chain community, where both success and challenges are shared, ensuring collective progress.



### The First MCC Supply Chain Cooperation and Development Conference

In June 2025, MCC hosted the First Supply Chain Cooperation and Development Conference, themed "Mutual Integration, Mutual Promotion, Mutual Integrity, and Mutual Benefit." The conference gathered over 300 industry leaders, company representatives, and supply chain partners to discuss coordinated innovation and pathways for high-quality development. The event fostered a supply chain cooperation ecosystem based on resource sharing, technological collaboration, integrity development, and win-win cooperation.



The first MCC Supply Chain Cooperation and Development Conference

## Fair treatment of small and medium enterprises (SMEs)

MCC ensures equal participation for SMEs in procurement activities, strictly prohibiting unreasonable restrictions based on location, ownership, or registered capital. The Company promptly refunds the bid security to suppliers in the tendering phase and makes payment for procurement in accordance with the contract stipulations. As of the end of the reporting period, there were no overdue unpaid amounts, and no related litigation or arbitration was involved.

### As of the end of the reporting period

Accounts Payable (including Notes Payable)

**422.209** billion

representing

**50.29%**

of total assets

## Customer Service

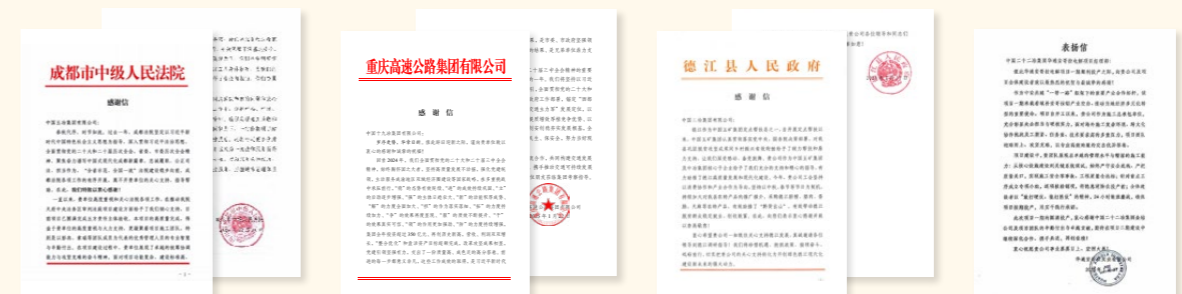
MCC stays committed to a "client-centered" to create value for customers in its business operations. The Company has also revised the *MCC Management Measures for Domestic Major Customers* to establish a comprehensive major customer management framework, continuously improving the customer management system, enhancing customer satisfaction and brand value, and consolidating long-term win-win cooperation with mutual trust.

The Company's major customer management system is led by the MCC Major Customer Management Committee as the highest decision-making body. Beneath it are the Major Customer Marketing Management Center and the Major Customer Contract Fulfillment Management Center, each responsible for the marketing and contract fulfillment services of major customer projects, respectively. This division of responsibilities ensures a clear and effective management framework.

## Customer satisfaction management

MCC continuously refines its customer satisfaction management system, regularly conducting surveys to gauge major customer satisfaction and improve service quality. Through questionnaires, the Company invites customers to provide feedback and advice on satisfaction in areas such as contract signing, project performance, business promotion and operations, engineering management and maintenance, as well as operational management. Customer satisfaction is also used as a key performance indicator for the evaluation of customer management, ensuring the delivery of high-quality and efficient services.

The Company consistently upholds a customer-first service philosophy, gaining deep insights into customer needs and offering tailored solutions, which has garnered high market recognition. In 2025, the Company received several letters of appreciation from clients such as the Chengdu Intermediate People's Court, Luoyang Housing and Urban-Rural Development Bureau, and the Xiong'an New Area Construction and Transportation Management Bureau of Hebei Province, highlighting the Company's commitment to serving its customers wholeheartedly.



Letter of appreciation from the Chengdu Intermediate People's Court

Letter of appreciation from the Chongqing High Speed Rail Group

Letter of appreciation from the Dejiang County Government

Letter of appreciation from the overseas market

## Product process handling

For customer complaints, relevant personnel must immediately report the complaint to the major customer manager and notify the appropriate subsidiary to develop a resolution plan. The Company follows the principle of addressing urgent and critical matters within a specified time frame to ensure the timely resolution of complaints. Upon resolution, the Major Customer Contract Fulfillment Management Center organizes customer feedback on the handling process and reports the results to the major customer manager, ensuring a fully closed-loop complaint handling process. If the complaint involves product quality issues, the project team promptly reports it to higher management. The project manager will also verify the issue and develop a specific resolution plan, which will be filed with the relevant departments, ensuring that the complaint handling process is standardized and controlled.

## Promoting Talent Growth

The Company is well aware that employees are the most valuable asset of any enterprise and are vital to its sustainable development. Therefore, MCC is dedicated to providing a healthy, safe, and diverse workplace, supporting the personal development of employees, safeguarding their rights, and sharing the benefits of the Company's growth with its employees.

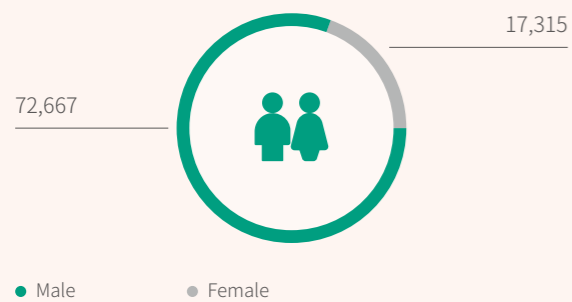
### Employee Rights

MCC strictly complies with labor laws and regulations such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and the *Regulations on Paid Annual Leave for Employees*. The Company pursues equality and non-discrimination in employment practices, opposes forced labor, and stands firmly against the use of child labor. Furthermore, MCC ensures the proper arrangement of employee leave, maintaining a harmonious and stable labor relationship. In 2025, MCC achieved a 100% labor contract signing rate with its employees.

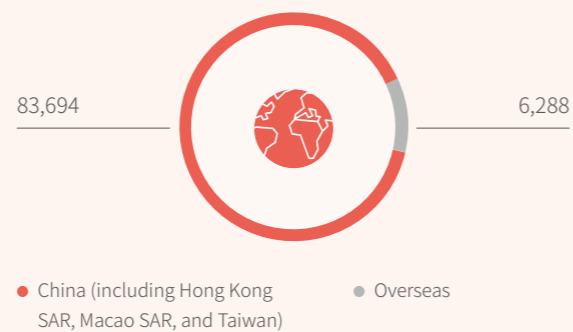
In line with the principle of "position-based pay and performance-based remuneration", MCC has established a remuneration system that is both competitive in the employment market and fair within the Company. This system is continuously enhanced to improve employees' sense of well-being and achievement. The Company also provides employees with basic old-age insurance, basic medical insurance, unemployment insurance, maternity insurance, work injury insurance, and housing provident funds. Additionally, in accordance with applicable laws and regulations, MCC ensures the standardized operation of its corporate annuity scheme. In 2025, MCC reported zero labor disputes at its headquarters.

#### 2025 MCC employment status

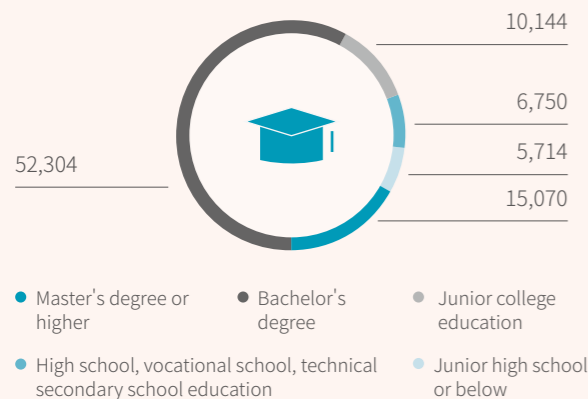
Number of employees by gender (Unit :/)



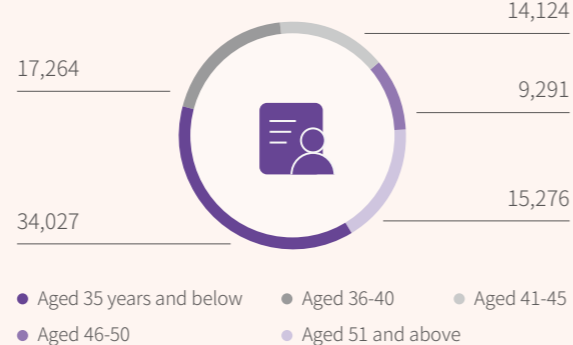
Number of employees by region (Unit :/)



Number of employees by educational background (Unit :/)



Number of employees by age (Unit :/)



## Talent attraction

MCC fully leverages its leading and exemplary role as a central enterprise, fulfilling its social responsibility by attracting a broad spectrum of talent through various channels, including campus and social recruitment, thereby contributing to job stability and employment security. In 2025, MCC thoroughly implemented the decisions made by the Central Committee of the Communist Party of China (CPC) on promoting employment for university graduates, proactively establishing communication and interaction platforms between employers and graduates. To support this effort, the Company organized 5 campus job fairs with its subsidiaries at top universities, including China University of Mining and Technology (Beijing), Chongqing University, Dalian University of Technology, Inner Mongolia University of Science and Technology, and Kunming University of Science and Technology. These efforts not only created opportunities for MCC's member entities to recruit highly qualified graduates but also facilitated employment opportunities for the graduates themselves.



Campus job fair

### During the reporting period

Training expenditure at the Company's headquarters amounted to over RMB

**700,000** for the year

### Employee Development

MCC fully recognizes that talent is the driving force behind enterprise growth. Adhering to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Company upholds the belief that "talent is the primary resource" and vigorously implements a talent-driven strategy, focusing on attracting, developing, and retaining talent, thereby providing strong human resources support for its sustainable growth.

In 2025, MCC continued to arm our members with the Party's new theories and conducted in-depth education and training programs to study central Party leadership's eight-point decision on conduct. The Company also strengthened the development of professional talent by organizing key initiatives such as the 3rd MCC Young Employee Training Program, the ninth consecutive year of the Project Manager Training Program, training for MCC's overseas employees returning to China, and organized international talent development programs for employees to participate, including the Group's Portuguese language immersion training and the SASAC training on enhancing technological capabilities for employees in state-owned enterprises. Specialized training on the Amoeba Business Model and the Group's "Xixian Professional Development Camp" online training for 2025 was also organized, along with the Newly Appointed Frontline Manager Capability Enhancement Program, to enhance their professional skills and job-related competencies. Meanwhile, MCC standardized processes for professional title evaluations and vocational skill certifications, while advancing its position classification system to support clear career progression for various talent categories. During the reporting period, 92,000 employees received training, with a total of about 985,000 participant sessions recorded. Training expenditure at the Company's headquarters amounted to over RMB 700,000 for the year.

### MCC Team Wins Gold in Welding Event at the 3rd National Vocational Skills Competition

MCC has leveraged high-level vocational skills competitions as a key tool for talent development, and conducted regular skills competitions and job training programs, creating opportunities for outstanding talent to emerge. In 2025, the Company actively organized and encouraged employees to participate in the 3rd National Vocational Skills Competition and the 3rd National Industrial and Information Technology Skills Competition, with the Company's team achieving outstanding results: 1 gold, 2 silver, 1 bronze, and 2 excellence awards. Additionally, MCC continued to foster the improvement of high-skilled talent through various initiatives, such as sending top-tier skilled workers to participate in the Ministry of Human Resources and Social Security's Superior Technician and Chief Technician workshops, the 2025 MCC Group High-Skill Leadership Talent Training Program, and the 2025 High-Skill Talent Innovation Training Camp. The Company also organized the 16th Distance Training Program for Management Competency Qualification Certification of Central SOE Team Leaders, further enhancing the skills and competencies of talent in key positions.



Gold medal winner in the welding event of the WorldSkills selection competition at the 3rd National Vocational Skills Competition

## Employee Communication and Care

MCC actively promotes democratic management and strives to establish smooth and transparent channels for employee communication and complaints. Each year, major matters affecting employees' interests are deliberated, discussed, reviewed, and voted on through the Employees' Congress. The Company ensures that employees enjoy the rights to be informed, to participate, to express opinions, and to supervise, thereby stimulating motivation, initiative, creativity, and autonomy while promoting the efficient and high-quality operation of the Company's democratic management system.

### Second Session of the 2nd MCC Employees' Congress



Second session of the 2nd employees' congress

On January 7, 2025, MCC successfully convened the second session of the 2nd Employees' Congress, serving as a key platform for employees to participate in corporate management and express their views. In alignment with the Company's operational priorities, 6 proposals were formally registered, and a temporary meeting of headquarters employee representatives was held later that month to deliberate and approve the responsible departments and content of all 6 proposals, effectively safeguarding employee rights.

The Company is well aware that comprehensive welfare and support programs significantly enhance employee satisfaction and loyalty, contributing to talent attraction and retention. Therefore, MCC provides extensive non-monetary benefits, including critical illness insurance, supplementary commercial medical insurance and health funds, as well as free health consultations, so as to address employees' physical, mental, and wellness needs. In 2025, the Company conducted 10,992 visits to employees in need, distributing financial and material assistance totaling RMB 5.4098 million.

In 2025

the Company conducted  
**10,992** visits

material assistance totaling RMB  
**5.4098** million



To support employees' work-life balance, MCC also organizes team-building activities, distributes holiday gifts, provides health care and medical protection for retired employees, and implements programs supporting female employees.

### MCC Chinese New Year visits to retired staff, senior experts, and employees in need



Employee visit and care activities

From January 21 to 23, 2025, MCC leadership visited retired staff, senior experts, and employees facing difficulties, extending sincere Chinese New Year greetings and best wishes for health, happiness, and well-being. Leaders emphasized MCC's commitment to providing careful and thoughtful support, further enhancing the sense of fulfillment, happiness, and honor among retired staff and senior experts.

### "MCC Walking for Vitality" employee fitness walk

On November 15, 2025, in response to the national "Year of Weight Management" initiative and to promote the concept of nationwide fitness, MCC's labor union organized the "MCC Walking for Vitality" employee fitness walk at the North Park of Olympic Forest Park. More than 150 staff from headquarters departments and leaders participated, further advocating a healthy and active lifestyle.



Employee fitness walk

### Championing the "Three Spirits" and Deepening the Development of the Industrial Workforce



Wu Chunqiao, 2025 "Master Craftsman of China"

MCC has consistently upheld the working philosophy of "identifying role models, setting benchmarks, and providing strong guidance," advancing the selection, recognition, and promotion of model workers to harness the power of exemplary spirit and inspire the industrial workforce to achieve outstanding contributions. In 2025, four employees received the honorary title of "National Model Worker," fifteen were recognized as provincial-level model workers, one was designated as a 2025 "Master Craftsman of China," and two were selected as candidates for the "Central Enterprise Craftsman" development program. These model workers and craftsmen, drawn from diverse roles and functions, have injected powerful momentum into MCC's high-quality development through their dedication and commitment, vividly embodying the outstanding conduct and spirit of industrial workers in the new era.

### Employee care activities



"Blossoms in Bloom, Fortune and Flourish" Women's Day Spring Garden Event



"Step Together, Move Forward" Fitness Walking Activity



Parent-Child Educational Trip to Zoological Park to Celebrate Children's Day



"Seventy Years of Glory, Drawing a New Chapter" Corporate Open Day Orientation Activity



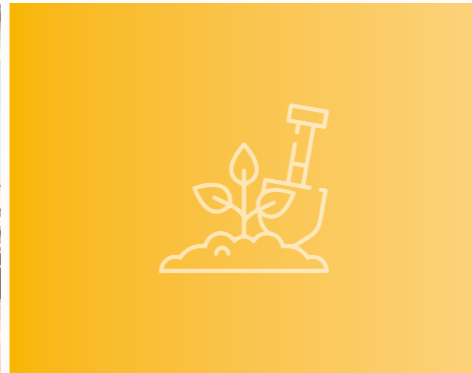
"Reading to Discover Yourself" Book Sharing Session



"Share Mission and Commitment, Together Towards a New Journey" Employee Fitness Walk



Colorful Labor Day Activities



Labor Model and Corporate Culture Presentation



Summer Care & Safety Campaign to Ensure Safe Summer for Employees



Winter Matchmaking Event



First Employees' Sports Games



June 9 International Archives Day Theme Exhibition



"Cultivating Green Foundations, Sharing Green Civilization" Tree Planting Activity

## Making More Social Contributions

MCC actively fulfills its responsibilities as a central enterprise, consistently integrating social responsibility into its corporate development strategy. With the people's well-being at the core, the Company continues to contribute in areas such as rural revitalization, emergency response and disaster relief, public welfare services, and the Belt and Road Initiative. Through these efforts, MCC demonstrates the role of a responsible central enterprise, contributing MCC strength to the national strategic objectives and the harmonious development of society.

### Rural Revitalization

MCC remains committed to advancing China's rural revitalization strategy. Leveraging its professional expertise in engineering, construction, and resource development, the Company focuses on three key areas: consumption assistance, industrial assistance, and engineering assistance. These efforts comprehensively advance the revitalization of rural industries, talent cultivation, local culture, environmental protection, and governance, contributing to the sustainable development of the aided regions in all respects.

### Consumption assistance

MCC leverages its resource integration capabilities as a central enterprise to actively support the national rural revitalization strategy. Through financial aid, agricultural product procurement, and other assistance programs, the Company continuously expands distribution channels for rural products, achieving both social and economic benefits. In 2025, MCC contributed RMB 17.905 million in unconditional aid to designated support counties, procured agricultural products from aided counties and formerly impoverished regions totaling RMB 14.0797 million, and facilitated the sale of agricultural products amounting to RMB 426,400.



Summer care "send coolness" - Distribution of agricultural products under the consumption assistance program

### Industrial assistance

MCC focuses on developing industries with rural characteristics and provides precise and sustained support to advance rural revitalization. The Company introduces advanced technologies and management expertise to targeted aided regions, helping to upgrade local agricultural, cultural, and tourism industries, extend industrial value chains, and establish distinctive brands.

#### MCC supports deep processing of Tianma products in Dejiang

In Dejiang, Guizhou, MCC invested RMB 3 million in targeted assistance funding for the deep processing and new product development and promotion of the gastrodia elata industry. The initiative successfully brought a range of innovative gastrodia elata products to market, including "Tianma Dew," "Huayan Dew," and "Ma Xiaocong," with the project expected to reach an annual production volume of 3.8 million units and generate annual sales revenue of RMB 38 million, effectively extending the gastrodia elata industry chain and enhancing product value. In 2025, the project created employment for 20 local residents, providing meaningful support for the upgrading of locally distinctive rural industries.



Innovative Tianma products

### Engineering support

MCC emphasizes assistance in livelihood-related projects, focusing on infrastructure construction to create safe, convenient living environments and ecologically sustainable villages, meeting the diverse needs of urban and rural residents for a better life.

#### MCC Emei Nanshan Rural Revitalization Demonstration Base and Supporting Road Construction Project (Eight Roads)

In 2025, the Nanshan Rural Revitalization Road Project in Emei Mountain, Sichuan, undertaken by MCC, achieved significant progress. Deck paving was completed for Kuhaoping Bridge, Gaogou Middle Bridge, and Longxi Bridge, and the section of the Beautiful Rural Road (Wanjin Road) connecting Nanshan Village in Longchi Town and Kuhaoping Village was successfully opened to traffic. Despite challenges such as frequent rain and fog and limited construction windows, the project team ensured steady and high-quality progress through scientific resource allocation and optimized construction scheduling. Upon completion, the project will connect cultural and tourism resources in the Emei Mountain area, improve the regional transportation network, and provide strong support for local tourism development and rural industries. The project will also contribute to the implementation of the rural revitalization strategy, demonstrating MCC's commitment as a central state-owned enterprise to supporting local development.



Pavement completed on Longxi Bridge under the Rural Revitalization Road Project in Nanshan Village, Emeishan, Sichuan Province



## Social Welfare

MCC stays committed to its mission and responsibilities as a central enterprise, focusing on livelihood-related initiatives such as emergency response, disaster relief, education assistance, and healthcare support. The Company continues to strengthen its volunteer service system and build a multi-stakeholder public welfare ecosystem. By safeguarding lives and property and promoting social harmony, MCC demonstrates its social responsibility as a central enterprise and contributes to sustainable economic and social development.

### Disaster relief

MCC adheres to its core mission of "putting people first and serving society." In response to sudden disasters, the Company leverages its established emergency mechanisms and technical expertise in the engineering sector to respond promptly, develop precise rescue plans, and ensure public safety, demonstrating the responsibility and professional capability of a central enterprise during major emergencies.

#### MCC Supports Flood Control in Laifeng County, Enshi, Hubei Province

In June 2024, following an urgent notice from the Flood Control and Drought Relief Headquarters of Enshi Prefecture, MCC's Laifeng County transportation infrastructure project team initiated a Level I flood emergency response. A 15-member flood rescue team, along with four pieces of construction equipment including loaders and excavators, was deployed to key areas such as Western Commercial Shopping Mall and the administrative service center. The team erected 1.8-meter modular flood barriers to form continuous protective lines and reinforced underground passage entrances and vulnerable points in the drainage network with over 500 sandbags using a stepped reinforcement method. A 24-hour shift schedule ensured real-time monitoring of flood conditions. This action effectively prevented flood damage, secured critical areas, and provided strong support to local government flood control efforts, demonstrating MCC's commitment to emergency response and its "putting people first" mission.



Flood control and disaster relief site

#### MCC Provides Emergency Support to Earthquake-Affected Areas in Xizang Autonomous Region



MCC support for earthquake relief in Shigatse

On January 7, 2025, MCC responded immediately when a magnitude 6.8 earthquake struck Dingri County in Xizang Autonomous Region, fulfilling its central enterprise responsibility by forming an employee emergency task force. Generators, tents, stoves, and cold-weather supplies were procured overnight and transported directly to the disaster area, ensuring residents' basic needs and supporting earthquake relief and post-disaster reconstruction.

## Public welfare and charitable undertakings

MCC actively embraces the volunteer spirit of "dedication, goodwill, mutual support, and progress", focusing on key areas such as education, healthcare, and elderly care. The Company encourages employees to participate in community volunteer activities and engages in targeted donations and public welfare programs, demonstrating MCC's social responsibility and commitment as a central enterprise. In 2025, MCC's total charitable contributions amounted to RMB 3.89 million.

In 2025

MCC's total charitable contributions amounted to

**RMB 3.89 million**

#### MCC "United Care for the Future" Program for Left-Behind Children

In 2025, MCC organized a series of events under the "United Care for the Future" program to support left-behind children nationwide. Activities included cultural performances, psychological counseling, and parent-child interactions, providing emotional support to employees and migrant worker families. Through specialized initiatives such as "Home for Employees," "Mommy Corner," and Family Open Days, MCC demonstrated its central enterprise responsibility and promoted social care, helping left-behind children grow up in a supportive environment.



"United Care for the Future" event

## Protection of Migrant Workers' Rights

MCC continues to implement the decision and plans of the Party Central Committee and the State Council on ensuring the wage payment to migrant workers, strictly adhering to the *Regulations on Ensuring Wage Payment to Migrant Workers* and other relevant laws and regulations to enhance real-name registration and wage payment management. To support this effort, the Company further strengthens supervision by incorporating subcontracted labor into the *Project Inspection Checklist*, and ensures accountability at the project level to improve precise management.

In addition, MCC organizes and leverages targeted initiatives, such as the "Winter Special Campaign for Wage Arrears Governance", to systematically review wage payments across projects, thereby effectively preventing wage arrears. The Company also strengthens the integration of the real-name registration and management information system and incorporates attendance indicators into the evaluation of the three-year action plan for improving production and contract fulfillment, ensuring effective implementation of real-name registration and management on project sites and safeguarding the legal rights and interests of migrant workers.

## Joint efforts in the BRI

MCC remains closely aligned with the national development agenda, adhering to the principle of "extensive consultation, joint contribution, and shared benefits" and participating in the Belt and Road Initiative with the responsibility and mission of a national central enterprise. Leveraging its core technical strengths in metallurgical engineering and infrastructure, the Company focuses on upgrading overseas operations and delivering high-quality projects, improving local living environments and conditions in response to community needs.

## Overseas project development

MCC implements the "Five Core Essentials", contributing to the economic development of Belt and Road countries through advanced technology, high-quality products, and services. By supporting industrial upgrading and economic growth, MCC demonstrates the accountability and professionalism of a responsible central enterprise.

In 2025, MCC had ongoing overseas projects in 43 Belt and Road countries, with a total of 376 projects under construction. The contract value of these projects accounted for 94.14% of all overseas ongoing project contracts.

### MCC and Jinnan Steel Establish Green Mining Benchmark Project in the Middle East

MCC collaborated with Jin'nan Iron & Steel Group under an EPCM model to jointly develop the Sohar Concentration Plant in Oman, along with supporting stockyards, a long-distance slurry pipeline, and a dry tailings stacking system, pioneering a new model for international mining cooperation. As a landmark project of China-Arab economic and trade cooperation and the first project implemented under Vale's Middle East hub plan, the project is designed to process 18 million tonnes of iron ore annually and produce 12.6 million tonnes of ultra-high-grade iron concentrate each year. It adopts globally advanced green beneficiation processes and intelligent equipment. Upon completion, the project will become a world-class demonstration base for the large-scale production of high-quality and environmentally friendly furnace feedstock from Brazilian hematite. It will not only inject a new green industrial growth driver into Oman's economy but also promote the global outreach of Chinese technologies and standards, offering a "China solution" for the low-carbon transition of the global steel industry. The project highlights the exemplary role of high-quality Belt and Road cooperation and the coordinated development of the green metallurgical industry chain.



Oman Sohar 18 million tonnes green beneficiation project

## Overseas community engagement

MCC upholds the principles of openness, cooperation, and mutual benefit, with a focus on the livelihood needs of communities surrounding its projects. Through concrete efforts such as improving infrastructure and enhancing living conditions, the Company promotes community well-being and shares development opportunities with local governments and communities, thereby jointly fostering regional prosperity and shared growth.

MCC continuously strengthens engagement and collaboration with local governments, community organizations, and residents, implementing diverse measures to improve livelihoods within its project host communities. By developing supporting infrastructure, including power and water supply systems, MCC consolidates the foundation for regional development. Additionally, the Company actively assists in building surrounding roads, educational institutions, and medical facilities, while donating essential supplies such as medical equipment and educational materials to precisely meet the needs of local communities.

### MCC CEP Project Team Actively Participates in Flood Relief in Sri Lanka



MCC participated in local flood relief in Sri Lanka

In November 2025, Sri Lanka experienced its most severe flooding in 20 years. MCC's CEP project team responded immediately, adhering to the principle of "life first, safety foremost". A total of 128 Chinese and Sri Lankan employees were relocated to safe camps, and critical equipment was moved to higher ground, achieving zero losses. Within five days after the disaster, disinfection, equipment inspection, and construction recovery were completed. The project team also deployed machinery to assist local authorities in rescuing 100 residents, delivered food to 1,100 people, and donated 500,000 LKR to support post-flood reconstruction. These actions demonstrated MCC's commitment to building a community with a shared future for humanity.

### MCC Actively Cultivates Local Technical Talent

MCC established a team of Party-member technical experts within the project to strengthen on-site capacity building. Through hands-on training and instruction based on standardized manuals, the project trained six local team leaders with both technical expertise and management capabilities, helping build a "local technical team that stays." At the same time, the project team actively collaborated with government authorities and project owners to organize on-site visits and technical exchange activities for students from local institutions. These initiatives promoted two-way empowerment between industry and education, fostering a sustainable talent development ecosystem.



On-site Learning and Exchange Activities

# 03 Governance

## Robust Operations and Shared Responsibility

MCC regards a sound corporate governance system as the foundation for sustainable enterprise development. The Company consistently follows the business culture of "creating value and achieving win-win cooperation," strictly adheres to compliance requirements in its business operations, and upholds the highest standards of business ethics, thus building a solid defense for information security and privacy protection. Meanwhile, the Company comprehensively advances its digital and intelligent transformation strategy, leveraging technology to optimize operational models and innovate business approaches, thereby enhancing efficiency across the full industrial chain and promoting high-quality development.

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Central Plains High-Speed Rail Port Digital Exhibition & Trade City Project  
(the largest convention and exhibition complex in central China)

## Implementing Corporate Governance

MCC is dedicated to a scientific and efficient corporate governance philosophy, continuously optimizing its governance framework to support long-term development through sound decision-making mechanisms. In board construction, the Company emphasizes both independence and diversity, gathering expertise from multiple perspectives to ensure decisions are scientific and impartial. In addition, MCC enhances transparency and operational efficiency by strengthening investor communication and improving foundational management, thereby generating sustained value for shareholders and other stakeholders.

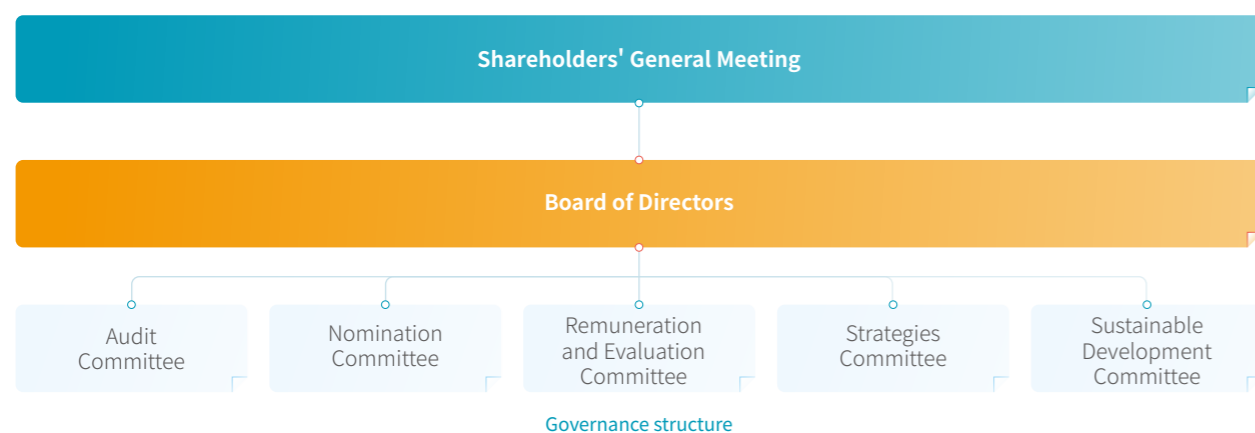
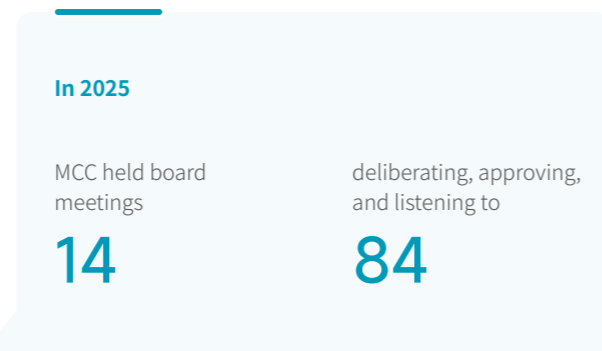
### Corporate Governance System

MCC strictly complies with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Guidelines for the Articles of Association of Listed Companies*, and other relevant laws, regulations, and listing rules. The Company has revised internal management rules, including the *MCC Articles of Association*, the *Rules of Procedure for the General Meeting of Shareholders of MCC*, and the *Rules of Procedure for the Board of Directors of MCC*, continuously improving its governance structure to support steady business management and pursue long-term commercial interests.

The shareholders' general meeting is the Company's highest authority and consists of all MCC shareholders. In strict accordance with the *Rules on Shareholders' General Meetings of Listed Companies* and other relevant regulations, MCC standardizes the convening and conduct of shareholder meetings, ensuring that all shareholders enjoy equal status and rights, and can fully exercise their rights while fulfilling their corresponding obligations.

The board of directors serves as the highest governance body for overall development strategy and policy, evaluating business performance and supervising the management team's execution of responsibilities. To provide focused oversight and professional guidance in key areas, the board

has established five specialized committees: the Audit Committee, the Nomination Committee, the Remuneration and Evaluation Committee, the Strategies Committee, and the Sustainable Development Committee. Each committee provides essential support within its respective area of expertise. In 2025, MCC held 14 board meetings, deliberating, approving, and listening to 84 proposals and reports, and received the 2025 Golden Round Table Award – Special Contribution Award for Corporate Governance.



### Board Independence and Diversity

MCC has established internal management policies, including the *Work System for Independent Directors of Metallurgical Corporation of China Ltd.* and the *Rules of Procedure for Special Meetings of Independent Directors of Metallurgical Corporation of China Ltd.*, to regulate the selection, duties, proportion, and information disclosure of independent directors, which ensures the independence of board members and the effectiveness of their oversight. As of the end of the reporting period, the MCC board of directors comprised seven members, including three independent non-executive directors and one non-executive director.

The Company attaches great importance to board diversity. In alignment with its development model and business needs, MCC considers a wide range of factors, such as gender, age, culture, educational background, expertise, industry experience, management skills, professional knowledge, and tenure when forming the board. During the reporting period, MCC's board included experts and scholars specializing in areas such as management, finance, law, and human resources. The board comprised 6 directors from the Chinese mainland (including 1 female director) and 1 director from Hong Kong SAR, meeting the diversity requirements of the Hong Kong Stock Exchange and aligning with MCC's gender diversity objectives.

### Investor Communication

MCC has formulated and strictly implements internal regulations such as the *Information Disclosure Management System of Metallurgical Corporation of China Ltd.*, ensuring that all disclosures are truthful, accurate, complete, and timely. The Company also actively promotes and maintains long-term, stable, and constructive relationships with investors. Feedback and inquiries are collected and addressed through shareholders' meetings, earnings briefings, roadshows, reverse roadshows, analysts' meetings, on-site surveys, visits, and participation in stakeholder strategy meetings and forums. In 2025, MCC hosted 46 investor visits, responded to over 800 emails and calls from retail investors, and conducted four performance communication meetings.

For retail investors and the public, MCC ensures that its investor relations hotline operates continuously, and that emails and online interactive inquiries are responded to promptly and accurately. During the reporting period, the Company held earnings briefings for the 2024 annual results, mid-year results, and investor briefing on related party transaction matters, providing online live streaming and digital connectivity to encourage participation by a broad range of investors.



### Enhancement of Foundational Management

The year 2025 marked the conclusion of MCC's three-year action plan for foundational management enhancement. Under the theme of "surpassing development," the Company treats foundational management improvement as a core lever for addressing development challenges and driving enterprise transformation and upgrading. MCC has systematically implemented a "system construction + element optimization" approach, integrating three critical elements—systems, institutions, and personnel—to achieve a transition from fragmented improvements to a structured and comprehensive management framework. This initiative has significantly strengthened the Company's governance and management capabilities. Notable achievements were recorded in areas such as marketing, project fulfillment, commercial management, and risk prevention, resulting in substantial advancements in management efficiency, governance capacity, and resource utilization. Therefore, MCC's enhanced foundational management capabilities continue to evolve from operational effectiveness toward strategic competitiveness and core productivity, providing a solid management foundation for achieving the Company's "One goal, Two best, Five strengths" strategic objectives.

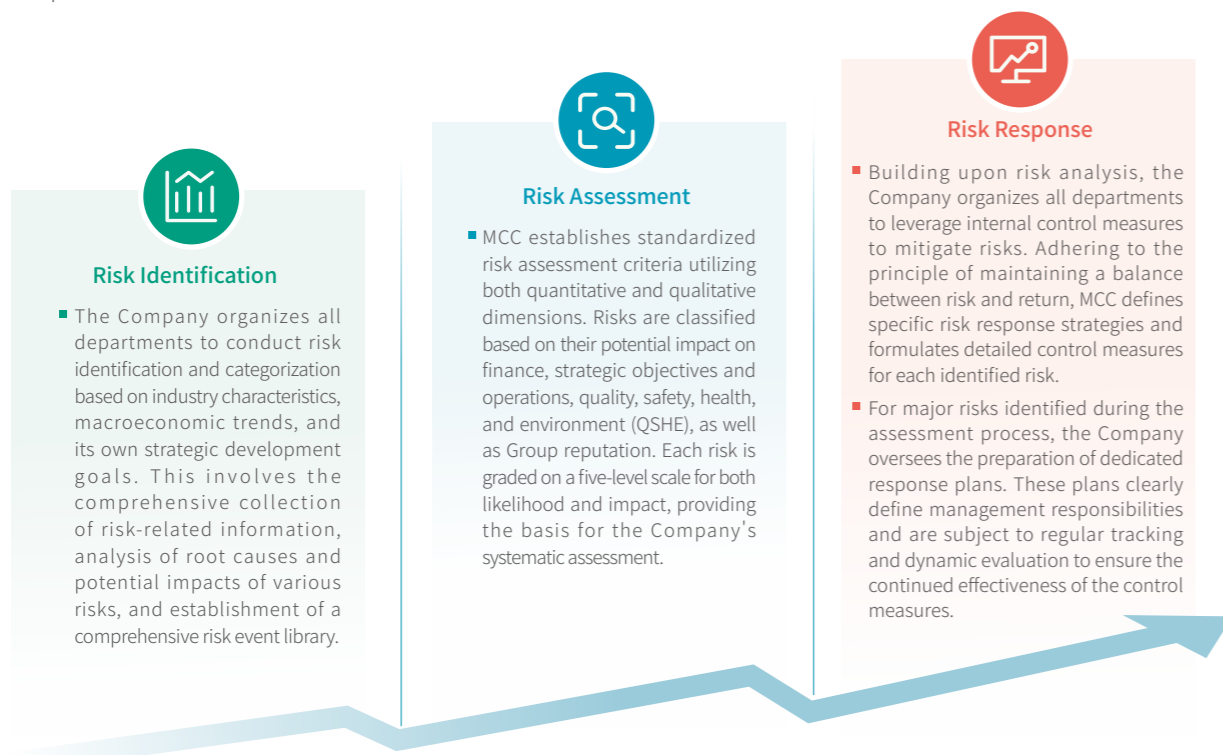
## Strengthening Risk Management

MCC places comprehensive risk management and internal control at the core of its operational governance. The Company continuously strengthens compliance management by embedding it into business processes and decision-making systems, while timely updating compliance risk response strategies to ensure that all business activities operate within legal and ethical frameworks.

### Risk Control

MCC upholds a bottom-line mindset, leveraging four core mechanisms of risk prevention and control to establish and optimize a comprehensive risk management framework. These encompass mechanisms for risk identification and analysis, decision-making risk assessment, coordinated risk mitigation, and risk management accountability. The Company enhances risk prevention, control, and response in critical areas, detailing major mitigation measures and defining early warning indicators, with quarterly quantification, tracking, and analysis of control effectiveness. By implementing a proactive pre-review mechanism for specialized decision-making, the Company effectively fortifies risk management at the source.

The Company has established a Specialized Business Risk Decision Review Committee, requiring that all projects undergo dedicated risk assessments prior to formal implementation. Projects that have not completed this risk review are prohibited from external bidding or contracting; any unauthorized actions are subject to accountability based on the severity of the violation. In routine operations, MCC organizes regular risk monitoring and early warning activities across all levels, effectively supporting management decision-making. Additionally, MCC implements strict internal risk isolation protocols to prevent the transmission and escalation of risks across different business segments and subsidiaries, ensuring that all risks remain "identifiable, controllable, and manageable." During the reporting period, MCC's all major risk control measures were effective, with no systemic or disruptive risk events.



MCC actively conducts internal audit supervision and internal control evaluations, with heightened oversight of critical areas, major projects, and key units. Furthermore, the Company identifies vulnerabilities and potential hazards within its operations and provides recommendations for improvement, thereby facilitating standardized management, enhanced internal control, and effective risk mitigation. These efforts strengthen operational quality and efficiency, further supporting the Company's high-quality development.

## Compliance Management

To continuously strengthen its compliance management capabilities, MCC has developed the *Compliance Management Manual and the Negative List for Compliance Supervision in Key Areas*, and issued the *2025 Implementation Plan for Legal Compliance Work Evaluation*. These instruments clearly define compliance roles and responsibilities, operational mechanisms, and standard procedures, embedding compliance requirements throughout business processes and decision-making procedures, ensuring full and effective implementation of compliance regulations and measures. Moreover, the Company has established a three-tier compliance management framework comprising the Compliance Management Committee, the Legal and Compliance Department, headquarters departments, and subsidiaries, effectively enhancing overall compliance capabilities. In 2025, the Company successfully passed the surveillance audit of its compliance management system under GB/T 35770 / ISO 37301, and the system's effectiveness received authoritative recognition.

### Compliance Management Mechanisms

MCC has established a robust, transparent compliance supervision mechanism, integrating a "regional inspection + annual evaluation" approach. All subsidiaries are required to conduct self-inspections and self-correction. For subsidiaries with lagging progress in compliance work, the Company conducts targeted supervision through on-site guidance and mandated rectifications within specified timeframes to ensure implementation of compliance requirements. Regarding the identification of legal compliance risks for overseas subsidiaries, MCC issued the *Country Guide for Pakistan* and the *MCC Foreign-Related Compliance Risk Guide*, coordinating multiple departments to conduct comprehensive inspections across four major dimensions and eight key areas, thereby strengthening compliance risk identification, assessment, and prevention. Furthermore, the legal department participate deeply in major decision-making meetings, embedding legal review into internal regulations, commercial contracts, and critical business decisions, providing strong compliance and legal support for multiple key projects.

### Compliance Culture Development

MCC promotes a legal governance culture guided by the principle of "law-based management and compliant operations." The Company issued the *Notice on Establishing a Mechanism for Regular Study of Laws, Regulations, and Regulatory Policies*, which specifies a regular learning framework for the "three meetings" and encourages subsidiaries at all levels to adopt similar practices. MCC actively fosters a culture of compliance through initiatives such as Compliance Awareness Month, thematic lectures, legal knowledge competitions, mock court exercises, and compliance officer certification programs, engaging both management and general staff through varied forms of legal and compliance education. In 2025, the Company conducted 23 legal awareness campaigns, and accumulated 15,000 participants in legal awareness activities.

### ESG Legal Responsibility and Board Duties Training

In 2025, MCC conducted regular legal training under the theme "ESG Legal Responsibility and Board Duties" to strengthen legal awareness among board members and relevant management personnel, clarify ESG-related legal responsibilities, and enhance the board's governance capabilities, thereby providing a solid foundation for the Company's sustainable development.



## Upholding Business Ethics

MCC has made sustained progress in Party conduct and integrity development and anti-corruption work. Through strengthening its business ethics management framework and deepening the cultivation of an anti-corruption culture, the Company has established a prevention and governance system built on the core principle of "no desire, no ability, and no courage to corrupt," and remains committed to upholding a fair and healthy business environment.

### Anti-Corruption Mechanisms

Aligned with its anti-corruption objectives of "dare not to, unable to, and have no desire to be corrupt," MCC has developed and implemented a series of institutional measures to standardize the behavior of the Company and its stakeholders, and to continuously enhance business ethics and anti-corruption management. Key policies and rules include *Three-Year Action Plan for the Building of a Good Party Culture and Integrity Supervision System of MCC (2023-2025)*, *Management Measures for Integrity Records of Leadership Personnel*, *Ten Prohibitions*, *Implementation Measures for Strengthening and Improving the Work Style of Investigation and Research*, *Nine Prohibitions on Integrity and Self-Discipline for Project Management Personnel* and the *MCC Implementation Rules for Error Tolerance and Correction in Discipline Inspection Work under the "Three Distinctions" Principle*. Meanwhile, MCC maintains a high-pressure approach to combating corruption, investigating and addressing disciplinary violations in critical areas such as project subcontracting, procurement, bidding, investment and mergers, and compliance with the Eight-Point Regulations. These efforts further ensure that the Company continually reinforces integrity and discipline in all respects to promote and maintain a sound, transparent, and responsible business environment.

### Anti-Corruption Supervision

MCC anchors its governance on strict Party oversight and focuses on key anti-corruption priorities. To this end, the Company has established a robust framework through measures such as enhancing institutional systems, strengthening coordinated supervision mechanisms, and promoting disciplined work styles. These measures enable effective control of potential business ethics and compliance risks throughout operations, building a long-term governance mechanism to deter, prevent, and discourage corruption.

#### MCC's anti-corruption management measures in 2025

##### Institutional system improvement

- The Company organized and facilitated the signing of the Responsibility Agreement on Party Conduct and Integrity Building between its leadership team members and Party secretaries of subsidiaries;
- In accordance with the *Three-Year Action Plan for the Building of a Good Party Culture and Integrity Supervision System of MCC (2023-2025)*, the Company leveraged the implementation of the "5+3+2" system-building initiative to further strengthen the coordination between discipline inspection and audit functions, ensuring efficient, seamless, and coordinated supervision.

##### Coordinated supervision mechanisms

- MCC integrates internal Party supervision with business oversight, linking ex-post and results-based supervision with ex-ante and process-based supervision. This further strengthens long-term mechanisms for information sharing, joint problem-solving, and shared outcomes;
- The Company formulated the *Work Plan for Supervisory Inspections of Subsidiary Discipline Inspection Commissions' "Three Transformations" Action*, providing differentiated guidance and supervision according to the business type and scale of each subsidiary. During the reporting period, MCC conducted surveys and assessments towards seven second-tier subsidiaries' discipline inspection commissions and their affiliated entities.

##### Work style enhancement

- During key holidays, the Company organized disciplinary agencies across all levels to conduct joint inspections of work style. In 2025, MCC carried out field investigations without notice and reports in eleven subsidiaries and the headquarters in Beijing;
- MCC convened the 2025 meeting on Party conduct, integrity building, and anti-corruption work;
- The Company compiled and published the *Collection of Typical Disciplinary Violation Cases in Engineering Projects*, documenting 21 common instances of non-compliance and misconduct in project execution;
- The Company conducted integrity briefings for newly promoted Party management personnel, setting work expectations in three key areas: enhancing political awareness, upholding integrity standards, and acting with responsibility and initiative.

## Whistleblower Protection

MCC, guided by the Working Rules for Handling Reports and Accusations by Disciplinary Inspection and Supervision Agencies issued by the General Office of the CPC, has implemented internal policies that regulate the management. This includes procedures for receiving and registering reports, conducting visits and interviews, categorizing and forwarding complaints, and handling and responding to issues, further ensuring the protection of whistleblower rights and interests. Furthermore, the Company maintains transparent and smooth internal and external feedback channels, provides dedicated reception rooms for reporting, assigns designated personnel to handle complaints, and publicly discloses reporting channels, including hotline, email, and mailing addresses, on its website.

The Company requires personnel handling complaints and reports to maintain strict confidentiality regarding whistleblowers and the content of their reports. The identities of whistleblowers must not be disclosed, and any information used in investigating issues must be anonymized to protect the reporter. Any form of

intimidation, threats, or retaliation against whistleblowers by any individual or unit is strictly prohibited, with violations subject to serious accountability. Additionally, the Company conducts legal compliance and confidentiality awareness campaigns to provide guidance and education for whistleblowers to report issues lawfully, orderly, and rationally, while strengthening overall legal awareness.

#### MCC anti-corruption reporting channels

- 📞 **Reporting hotline:** 010-59869300
- ✉️ **Reporting email:** mccjiwei@sina.cn
- 📍 **Reporting address:** MCC Discipline Inspection Department, No. 28, Shuguang Xili, Chaoyang District, Beijing, Postal Code 100028

### Anti-Corruption Training

MCC continues to strengthen its business ethics culture through targeted training programs and regional awareness conferences, enhancing compliance and integrity awareness across its entire workforce and fostering a work environment grounded in probity and impartiality. The Company organizes monthly integrity warning education campaigns, incorporating activities such as thematic exhibition displays and visits to dedicated education bases, with the aim of using real cases drawn from employees' own communities to guide all staff in upholding strict self-discipline and deepening their commitment to clean and honest conduct. In 2025, all 7 members of the Board of Directors completed training on anti-commercial bribery and anti-corruption, representing a participation rate of 100%. A total of 89,979 employees likewise completed the same training, also achieving a 100% participation rate.

#### North China Regional Education Conference on Studying and Implementing the Central Party Leadership's Eight-Point Decision on Conduct



North China regional education conference

On April 2, 2025, MCC held the North China regional education conference focused on studying and implementing the spirit of the Central Party Leadership's Eight-Point Decision on Conduct. The conference reinforced education through cases of misconduct and corruption, continuously promoted work-style improvements, and advanced comprehensive and strict Party governance. Participants were encouraged to learn from these cases, address the key issues of the four forms of undesirable work styles, namely formalism, bureaucratism, hedonism, and extravagance, and integrate efforts to strengthen ethical conduct and anti-corruption practices. A total of 117 representatives from MCC's relevant departments and subsidiaries attended the conference.

### Anti-Unfair Competition

MCC is well aware that a healthy commercial environment is critical to sustainable industry development, and consistently engages in market activities in a fair and lawful manner. The Company strictly complies with applicable laws and regulations, including the *Anti-Unfair Competition Law of the People's Republic of China* and the *Anti-Monopoly Law of the People's Republic of China*, and has established the *Compliance Management Regulations of Metallurgical Corporation of China Ltd.* In bidding and resource allocation processes, MCC upholds transparency, fairness, and impartiality, opposes all forms of unfair competition, monopolistic conduct, and money laundering, and actively contributes to the industry's healthy development. In 2025, the Company did not encounter any litigation or major administrative penalties related to unfair competition practices.

## Information Security and Privacy Protection

With the growing reliance on data and information technologies, information security has become increasingly critical to enterprise operations. MCC strictly adheres to international information protection laws and regulations, as well as internal policy requirements, integrating information security compliance and privacy protection into its daily operations. The Company also continuously strengthens its information security management systems across all subsidiaries and strictly implements comprehensive measures, including enhanced technical defenses and employee awareness initiatives, to ensure information security.

### Establishing an Information Management Mechanism

MCC prioritizes the privacy and security of customer information, ensuring full protection of their personal data rights. The Company strictly complies with the *Personal Information Protection Law of the People's Republic of China* and has developed internal management policies, such as *Privacy and Security*, to ensure that customer information is collected and used in a lawful, compliant, fair, and transparent manner, fully safeguarding privacy and data security. When delivering products and services, MCC informs customers of how their personal information is collected, processed, used, stored, and protected. The Company also clearly communicates how customers can exercise their legal rights over personal information, thereby upholding their right to be informed. Furthermore, MCC maintains strict confidentiality regarding the personal information collected, strictly prohibiting any leaks, tampering, destruction, sale, or unauthorized disclosure to third parties, while fully safeguarding customers' rights to manage their personal data.

Data security is the foundation of digital trust and the essential prerequisite for protecting users' information, privacy, and rights. MCC complies with the *Cybersecurity Law of the People's Republic of China* and has established information security management policies and regulations to ensure data security, integrity, and business continuity for its information systems. We have maintained sustained investment in information security, strengthening our overall protection capabilities through enhanced system security defenses, tighter controls over data access permissions, more rigorous identification and remediation of network risks, and regular emergency drills and training.

In 2025, MCC reported no incidents of customer privacy breaches or major information security events.

### Strengthening Information Security Assurance

The Company has continued to reinforce primary accountability for network and information security, completing the annual signing of the Network and Information Security Responsibility Commitment. During the reporting period, 34 second-tier subsidiaries completed the signing process, with compliance implementation supervised and enforced across 535 subordinate entities.

The Company has maintained normalized network security protection measures, ensuring zero cybersecurity incidents throughout the year. We have also nominated specialist cybersecurity professionals to participate in the Group's network security knowledge and skills competition, strengthening the team's information security awareness and incident response capabilities. In 2025, MCC achieved a 100% employee participation rate in data security and customer privacy protection training.

In 2025

participation rate in data security and customer privacy protection training

100%



## Outlook for 2026

2026 marks the opening year of the 15th Five-Year Plan and a defining period for MCC in its pursuit of the "One Goal, Two Bests, and Five Strengths" objectives. It is a pivotal stage for overcoming challenges, achieving innovation-driven breakthroughs, and securing decisive progress toward building a world-class enterprise. Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, we will remain focused on our strategic objectives and reinforce our positioning as a leader in international metallurgical construction and the vanguard of large-scale equipment renewals and trade-in of old consumer goods. We will continue to strengthen and refine the "one core, two subjects, five characteristics" business framework, uphold the principle of making progress while maintaining stability, and drive further transformation and upgrading through the cultivation of new quality productive forces, in pursuit of high-quality development.

We will focus on eight core capability enhancement initiatives, improve the quality of economic operations, and expand our development space through all-dimensional collaboration. We will sharpen project delivery performance and strengthen refined management capabilities. We will accelerate the top-level design of science and technology industrial projects, cultivate and scale up strategic emerging industries, and promote the development of digital management platforms, including the construction of a "digital enterprise brain," to drive deep integration between industrial and innovation chains. Guided by the philosophy of green development, we will further refine our carbon peak and carbon neutrality action plans, leverage our technological strengths in metallurgical pollution control and green, low-carbon metallurgy, and contribute to the green transformation of the steel industry in support of new industrialization and new urbanization. We will also continue to advance rural revitalization, implement industrial assistance, engineering assistance, and consumption assistance programs, actively fulfill our social responsibilities, and nurture a skilled industrial workforce with genuine dedication and care.

Looking ahead to 2026, MCC will give complete, accurate, and comprehensive effect to the new development philosophy, hold firm to high-quality development as its overriding priority, and spare no effort to strengthen and optimize state-owned capital and state-owned enterprises. The Company will continuously enhance its core functions and core competitiveness, laying a solid foundation for development that is more sustainable, more efficient, and of higher quality. We will confront challenges with determination and deliver results through concrete action, staying true to our principal business mandate, deepening quality improvement and efficiency enhancement, and striving to open a new chapter of high-quality development. In doing so, MCC will contribute its strength to serving national strategies and advancing the cause of Chinese modernization.



## ESG Key Performance Indicators

### Key Economic Indicators

Key Indicator	Unit	2025
Operating revenue	RMB 100 million	4,553.80
Total profits	RMB 100 million	50.09
Value of newly signed contracts	RMB 100 million	11,129.2
New contract signings in metallurgical, non-ferrous, and mining engineering	RMB 100 million	2,325.1
Operating income from engineering contracting business	RMB 100 million	4,079.82
Operating income from special businesses	RMB 100 million	327.35
Discontinued operations	RMB 100 million	206.19
Inter-segment elimination	RMB 100 million	-59.55

### Environmental Key Performance

#### Types of emissions and related emission data

Key Indicator	Unit	2025
Sulfur dioxide	Tonnes	308.18
Nitrogen oxides	Tonnes	715.07
Dust	Tonnes	7.17
Volatile organic compounds	Tonnes	1.76

#### Greenhouse gas emissions

Key Indicator	Unit	2025	
Direct (Scope 1) GHG	Emissions	tCO <sub>2</sub> e	1,179,713.10
	Emission intensity	tCO <sub>2</sub> e/RMB10,000 in revenue	0.0259
Energy indirect (Scope 2) GHG	Emissions	tCO <sub>2</sub> e	2,845,481.93
	Emission intensity	tCO <sub>2</sub> e/RMB10,000 in revenue	0.0625

Note: In 2025, the Company transferred its 100% equity interests in MCC Real Estate, Non-ferrous Engineering, MCC Tongsin Resources, and MCC Ramu, as well as its 67.02% equity interest in MCC-JJJ Mining, to Minmetals Land Holdings and CMCL, thereby losing control over these subsidiaries.

The scope of environmental key performance data is based on the entities disclosed in the "Subsidiaries" section on page 13 of this report and does not include information related to MCC Real Estate, Non-ferrous Engineering, MCC Tongsin Resources, MCC Ramu, MCC-JJJ Mining, or Huaye Duddar. Due to adjustments in the statistical scope compared with previous years, the relevant performance indicators in this table show corresponding fluctuations.

#### Amount of hazardous waste generation

Business Segment	Key Indicator	Unit	2025
Special business	Waste oil	Tonnes	64.27
	Discarded paint buckets	Tonnes	398.51
	Emulsion fluid	Tonnes	82.79
Total hazardous waste generation		Tonnes	545.57
Intensity of hazardous waste generation		Tonnes/RMB10,000 in revenue	0.00001

#### Non-hazardous waste generation

Business Segment	Key Indicator	Unit	2025
Engineering contracting	Waste concrete	Tonnes	1,715,335.13
	Scrap steel	Tonnes	256,698.53
	Waste bamboo and wood	Tonnes	130,235.11
Special business	Leftover material	Tonnes	23,492.22
	Water treatment sludge	Tonnes	461,399.09
Total non-hazardous waste generation		Tonnes	2,587,160.08
Non-hazardous waste generation intensity		Tonnes/RMB10,000 in revenue	0.06

#### Non-hazardous waste recycling and reuse

Business Segment	Key Indicator	Unit	2025
Engineering contracting	Waste concrete	Tonnes	699,567.57
	Scrap steel	Tonnes	115,806.15
	Waste bamboo and wood	Tonnes	69,036.04
Special business	Leftover material	Tonnes	21,238.64

### Non-hazardous waste recycling and reuse rate

Business Segment	Key Indicator	Unit	2025
Engineering contracting	Waste concrete	%	40.78
	Scrap steel	%	45.11
	Waste bamboo and wood	%	53.01
Special business	Leftover material	%	90.41

### Energy consumption

Business Segment	Key Indicator	Unit	2025
Direct energy	Fuel Oil	MWh	3,232.52
	Gasoline	MWh	1,541,152.28
	Giesel oil	MWh	2,724,211.48
	Kerosene	MWh	8,642.68
	Natural gas	MWh	204,705.08
	Total consumption	MWh	4,481,944.05
	Consumption density	MWh/RMB10,000 in revenue	0.10
Indirect energy	Electricity	MWh	5,225,679.33
	Thermal power	MWh	45,409.89
	Total consumption	MWh	5,271,089.21
	Consumption density	MWh/RMB10,000 in revenue	0.12

### Resource consumption

Business Segment	Key Indicator	Unit	2025
Engineering contracting	Concrete	Tonnes	99,592,936.72
	Block	Cubic meters	13,432,817.89
	Steel	Tonnes	11,691,417.30
	Wood formwork	Cubic meters	3,971,256.68
Special business	Steel	Tonnes	643,777.06
	Flocculant	Tonnes	10,268.98
	Alkaline neutralizer (lime, etc.)	Tonnes	13,851.63

### Water resources management

Key Indicator	Unit	2025
New water	Cubic meters	33,934,820.00
Reuse of water	Cubic meters	8,393,831.19
Chemical oxygen demand (COD) emissions	Tonnes	0.00
Ammonia nitrogen emissions	Tonnes	0.00
New water consumption density	Cubic meters/RMB10,000 in revenue	0.75

### Social Key Performance

#### Scientific and technological innovation

Key Indicator	Unit	2025
Number of national science and technology research and development platform	/	25
Number of cumulative valid patents	/	54,251
Number of Metallurgical Science and Technology Awards obtained	/	25

## Employment

Key Indicator	Unit	2025
Number of on-the-job employees	/	89,982
Number of on-the-job employees by gender	Male	72,667
	Female	17,315
Number of on-the-job employees by employment type	Full-time	89,982
	Part time	0
Number of on-the-job employees by age	Aged 35 or below	34,027
	Age 36-40	17,264
	Aged 41-45	14,124
	Aged 46-50	9,291
	Aged 51 and above	15,276
Number of on-the-job employees by education	Master's degree or above	15,070
	Bachelor's degree	52,304
	Junior college	10,144
	High school, technical secondary school, technical school	6,750
Number of on-the-job employees by region	Junior high school and below	5,714
	In China (including Hong Kong, Macao and Taiwan)	83,694
	Overseas	6,288

Key Indicator	Unit	2025
Total employee turnover	/	3,720
Employee turnover rate by gender	Male	4.29
	Femal	2.70
Employee turnover rate by age	Aged 35 or below	7.94
	Age 36-40	2.10
	Aged 41-45	1.50
	Aged 46-50	1.60
	Aged 51 and above	1.04
Employee Turnover Ratio by Region	In China (including Hong Kong, Macao and Taiwan)	4.40
	Overseas	0.59
Labor contract signing rate	%	100

## Health and Safety

Key Indicator	Unit	2023	2024	2025
Number of work-related injuries	/	0	0	0
Work-related fatality rate	%	0	0	0

Key Indicator	Unit	2025
Occupational health record coverage	%	100
Work days lost due to work injury	Days	0
Number of items under safety inspection	/	3,580
Number of subsidiaries subject to safety inspection	/	28
Number of published articles related to safety production in publications (above the prefecture level)	/	137
Number of new occupational diseases	/	0
Number of improved emergency rescue plans	/	19
Emergency rescue related funds	RMB10,000	11,362
Number of emergency rescue drills	/	8,652
Number of emergency rescue participants	/	181,692
Number of safe, civilized and standardized construction site	/	276

## Development and Training

Key Indicator	Unit	2025
Number of employees trained during the Reporting Period	/	92,010
Percentage of employees receiving training by gender	Male	81.47
	Female	18.53
Percentage of employees receiving training by employee category	Management talents	43.50
	Professional and technical talents	45.46
	Skilled talents	11.04
Number of participants receiving training during the reporting period	/	985,260
Average number of training hours received by employees during the reporting period	Hour	85.36
Average hours of training by gender	Male	83.88
	Female	91.83
Average training hours by employee category	Management talents	90.41
	Professional and technical talents	89.27
	Skilled talents	45.96

## Supply Chain Management

Key Indicator	Unit	2025
Total number of suppliers	/	219,338
Number of suppliers (in China)	/	219,085
East China	/	68,422
South China	/	17,467
Central China	/	34,785
North China	/	38,085
Northwest China	/	10,050
Southwest China	/	39,133
Northeast China	/	11,071
Hong Kong, Macao and Taiwan	/	72
Number of suppliers (overseas)	/	253

## Product Responsibility

Key Indicator	Unit	2025
Customer satisfaction rate <sup>1</sup>	%	97.51
Number of customer complaints related to major incidents	/	0
Complaint handling closure rate	%	100

## Anti-Corruption

Key Indicator	Unit	2025
Number of concluded corruption lawsuits brought by MCC or its employees	/	0

## Community Investment

Key Indicator	Unit	2025
Total amount of donations	RMB10,000	389
Total investment in consumption assistance	RMB10,000	1,407.97

<sup>1</sup> The statistical scope of this data includes the annual customer satisfaction and complaint numbers of Chongqing CCID property

## Index of Reporting Guidelines

### SSE Index

Aspect	Serial number	Topic	Corresponding clause	Chapte
Environmental	1	Addressing climate change	Articles 21 to 28	Address Climate Change
	2	Pollutant discharge	Article 30	Practice Environmental Protection
	3	Waste disposal	Article 31	Practice Environmental Protection
	4	Ecosystem and biodiversity conservation	Article 32	Support Green Industries
	5	Environmental compliance management	Article 33	Practice Environmental Protection
	6	Energy utilization	Article 35	Practice Environmental Protection
	7	Water resources utilization	Article 36	Practice Environmental Protection
	8	Circular economy	Article 37	Practice Environmental Protection
Social	9	Rural revitalization	Article 39	Promote Social Welfare
	10	Social contribution	Article 40	Promote Social Welfare
	11	Innovation-driven development	Article 42	Lead Technological Innovation
	12	Scientific and technological ethics	Article 43	Lead Technological Innovation
	13	Supply chain security	Article 45	Ensure Quality and Safety
	14	Equal treatment of SMEs	Article 46	Ensure Quality and Safety
	15	Product and service safety and quality	Article 47	Ensure Quality and Safety
	16	Data security and customer privacy protection	Article 48	Information Security and Privacy Protection
	17	Employee	Article 50	Empower Talent Development
Sustainability Governance	18	Due diligence	Article 52	Strengthen Risk Management
	19	Stakeholder Communication	Article 53	Double Materiality Assessment
	20	Anti-commercial bribery and anti-corruption	Article 55	Abide by Business Ethics
	21	Anti-unfair competition	Article 56	Abide by Business Ethics

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### Environmental

General Disclosures and Key Performance	Description	Chapter
<b>Aspect A1: Emissions</b>		
General Disclosures	Policies relating to air and GHG emissions, discharge into water and land, generation of hazardous and non-hazardous waste, etc.; and b) information on compliance with relevant laws and regulations that have a significant impact on the issuer.	Practice Environmental Protection
Key Performance Indicators	A1.1 Types of emissions and related emission data.	ESG KPI Table
	A1.3 Total hazardous waste generated (in tonnes) and, where applicable, intensity (e.g. per unit of production volume, per facility).	ESG KPI Table
	A1.4 Total amount of non-hazardous waste generated (in tonnes) and, where applicable, intensity (e.g. per unit of production volume, per facility).	ESG KPI Table
	A1.5 Description of the emission targets set and the steps taken to achieve them.	Practice Environmental Protection
	A1.6 Description of the methods used to handle hazardous and non-hazardous wastes and Description of the waste reduction targets set and the steps taken to achieve these targets.	Practice Environmental Protection
<b>Aspect A2: Use of Resources</b>		
General Disclosures	Policies on the efficient use of resources, including energy, water and other raw materials.	Practice Environmental Protection
Key Performance Indicators	A2.1 Total consumption (in thousands of kWh) and intensity (e.g. per unit of production volume, per facility) of direct and/or indirect energy (e.g. electricity, gas or oil) by type.	ESG KPI Table
	A2.2 Total water consumption and intensity (e.g. per unit of production volume, per facility).	Practice Environmental Protection
	A2.3 Description of the energy efficiency targets set and the steps taken to achieve them.	Practice Environmental Protection
	A2.4 Describe any problems that may arise in obtaining suitable water sources, as well as water efficiency targets set and steps taken to achieve them.	Practice Environmental Protection
	A2.5 The total amount of packaging materials used in finished goods (in tonnes) and, where applicable, per unit of production.	NA
<b>Aspect A3: Environment and Natural Resources</b>		
General Disclosures	Policies to mitigate the issuer's significant impact on the environment and natural resources.	Practice Environmental Protection Support Green Industries
Key Performance Indicators	A3.1 Description of the significant impacts of business activities on the environment and natural resources and actions taken to manage such impacts.	Practice Environmental Protection Support Green Industries

### Social

General Disclosures and Key Performance	Description	Chapter
<b>Aspect B1: Employment</b>		
General Disclosures	Policies relating to remuneration and dismissal, recruitment and promotion, working hours, holidays, equal opportunity, diversity, anti-discrimination and other benefits and benefits: a); and b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Empower Talent Development
Key Performance Indicators	B1.1 Total number of employees by gender, employment type (e.g. full-time or part-time), age group and geographical region.	ESG KPI Table
	B1.2 Employee turnover rate by gender, age group and geographical region.	ESG KPI Table
<b>Aspect B2: Health and Safety</b>		
General Disclosures	Policies relating to providing a safe working environment and protecting employees from occupational hazards; and b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Ensure Quality and Safety
Key Performance Indicators	B2.1 Number and rate of work-related fatalities in each of the last three years including the reporting year.	ESG KPI Table
	B2.2 Number of days lost due to work injury.	ESG KPI Table
	B2.3 Description of the occupational health and safety measures adopted and how they are implemented and monitored.	Ensure Quality and Safety
<b>Aspect B3: Development and Training</b>		
General Disclosures	Policies on enhancing employees' knowledge and skills in performing their job duties. Describe training activities.	Empower Talent Development
Key Performance Indicators	B3.1 Percentage of employees trained by gender and employee category (e.g. senior management, middle management).	ESG KPI Table
	B3.2 Average training hours completed per employee by gender and employee category.	ESG KPI Table
<b>Aspect B4: Labor Standards</b>		
General Disclosures	Policies relating to the prevention of child or forced labor: a); and b) information on compliance with relevant laws and regulations that have a significant impact on the issuer.	Empower Talent Development
Key Performance Indicators	B4.1 Description of measures to review recruitment practices to avoid child and forced labor.	Empower Talent Development
	B4.2 Description of the steps taken to eliminate violations when they are identified.	Empower Talent Development
<b>Aspect B5: Supply Chain Management</b>		
General Disclosures	Environmental and social risk policies to manage the supply chain.	Ensure Quality and Safety

General Disclosures and Key Performance		Description	Chapter
Key Performance Indicators	B5.1	Number of suppliers by geographical region.	ESG KPI Table
	B5.2	Description of practices relating to the engagement of suppliers, the number of suppliers to whom such practices are implemented, and how they are implemented and monitored.	Ensure Quality and Safety
Key Performance Indicators	B5.3	Description of the practices used to identify environmental and social risks at each link of the supply chain, and how they are implemented and monitored.	Ensure Quality and Safety
	B5.4	Description of the practices to promote the multiplicity of environmentally friendly products and services in supplier selection, and the relevant implementation and monitoring methods.	Ensure Quality and Safety
<b>Aspect B6: Product Responsibility</b>			
General Disclosures		Policies relating to health and safety, advertising, labeling and privacy matters relating to products and services provided, as well as remedies; and b) information on compliance with relevant laws and regulations that have a significant impact on the issuer.	Ensure Quality and Safety
Key Performance Indicators	B6.1	Percentage of the total number of products sold or shipped that are subject to recall for safety and health reasons.	NA
	B6.2	Number of complaints received regarding products and services and how to deal with them.	Ensure Quality and Safety
	B6.3	Describe practices relating to the maintenance and protection of intellectual property rights.	Lead Technological Innovation
	B6.4	Description of the quality verification process and product recovery procedures.	Ensure Quality and Safety
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Information Security and Privacy Protection
<b>Aspect B7: Anti-Corruption</b>			
General Disclosures		Policies relating to the prevention of bribery, extortion, fraud and money laundering: a); and b) information on compliance with relevant laws and regulations that have a significant impact on the issuer.	Abide by Business Ethics
Key Performance Indicators	B7.1	The number of concluded corruption litigation cases brought against the issuer or its employees during the Reporting Period and the outcome of the litigation.	Abide by Business Ethics
	B7.2	Description of the preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Abide by Business Ethics
	B7.3	Description of anti-corruption training provided to directors and employees.	Abide by Business Ethics
<b>Aspect B8: Community Investment</b>			
General Disclosures		Policies on community involvement to understand the needs of the communities in which they operate and to ensure that their business activities take into account the interests of the communities.	Promote Social Welfare
Key Performance Indicators	B8.1	Focus on areas of contribution (e.g. education, environmental issues, labor needs, health, culture, sports).	Promote Social Welfare
	B8.2	Resources (e.g. money or time) used in the area of focus.	Promote Social Welfare

## Part D Climate-Related Disclosures

Climate-related Disclosures	Disclosure	Response	Location	
<b>(I) Governance</b>				
General Disclosures	Information about governance bodies (which may include boards, committees or other equivalent governance bodies) or individuals responsible for overseeing climate-related risks and opportunities.			
Key Performance Indicators	(i) How the organization or individual determines whether it has the appropriate skills and competencies to monitor strategies to address climate-related risks and opportunities, either currently or in the future.	The governance structure has been disclosed, and relevant performance indicators have been incorporated into the remuneration policy, while the appropriate skills of the governance body, the manner and frequency of learning about risks and opportunities, etc. have not been disclosed yet.	Relevant governance processes and internal capacity building are still in the stage of integration and deepening, and the above information cannot be specifically disclosed at present.	
	(ii) How the organization or individual considers climate-related risks and opportunities in the process of overseeing the issuer's strategy, significant transaction decisions and risk management procedures and related policies, including whether the institution or individual considers trade-off assessments related to those climate-related risks and opportunities.			
	(iii) How the organization or individual oversees goal setting on climate-related risks and opportunities and monitors progress towards achievement, including whether and how relevant performance indicators are incorporated into remuneration policies.			1.2 Addressing Climate Change
Key Performance Indicators	How and how often the organization or individual is informed of climate-related risks and opportunities.			
General Disclosures	The role of management in the governance processes, controls and procedures used to monitor, manage and monitor climate-related risks and opportunities.	The role of management in the governance processes, controls and procedures used to monitor, manage and monitor climate-related risks and opportunities has been disclosed.	Disclosed	
<b>(II) Strategy</b>				
Climate-related risks and opportunities				
General Disclosures	Describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, access to financing or cost of capital in the short, medium or long term.	Not disclosed	Information on the Company's climate-related opportunities is not yet publicly available and may qualify for the applicable exemption.	
General Disclosures	For each climate-related risk identified by the issuer, explain whether the issuer considers the risk to be a climate-related physical risk or a climate-related transition risk.	Disclosed risk identification checklist	Disclosed	
			1.2 Addressing Climate Change	

Climate-related Disclosures	Disclosure	Response	Location
General Disclosures For each climate-related risk and opportunity identified by the issuer, specify the time horizon (short-term, medium-term or long-term) in which it reasonably expects to affect the issuer.	Time horizon for impacts of climate-related risks and opportunities have not been developed	Information on the Company's climate-related opportunities is not yet publicly available and may qualify for the applicable exemption.	
General Disclosures Explain how an issuer defines the short, medium and long term and how these definitions are linked to the scope of its strategic decision planning.	Time horizon for impacts of climate-related risks and opportunities have not been developed	Information on the Company's climate-related opportunities is not yet publicly available and may qualify for the applicable exemption.	
<b>Business Model &amp; Value Chain</b>			
General Disclosures Issuers need to disclose information that allows people to understand the current and expected impacts of climate-related risks and opportunities on their business models and value chains. Specifically, the issuer needs to make the following disclosures:			
(i) Description of the current and anticipated impacts of climate-related risks and opportunities on the issuer's business model and value chain;	Not disclosed	The Company's current climate-related analysis work has not yet completed the assessment of its specific impact concentrations in its business model and value chain.	1.2 Addressing Climate Change
(ii) Description of where climate-related risks and opportunities are concentrated in the issuer's business model and value chain (e.g., geographical region, facility and asset type).			
Information on how the issuer currently and plans in the future to allocate resources to support the actions disclosed above.			
<b>Strategies and Decisions</b>			
General Disclosures Information on how the issuer has and plans to address climate-related risks and opportunities in its strategies and decisions, including how the Issuer plans to achieve any climate-related goals it has set, and any goals required by law or regulation.			
(i) Current and expected future changes to the issuer's business model, including resource allocation, in response to climate-related risks and opportunities.	Strategies and decisions disclosed	Disclosed	
(ii) Any adaptation or mitigation work (direct or indirect) that has been or is expected to be carried out.			
(iii) Any climate-related transition plan of the Issuer (including information on the key assumptions used in developing the transition plan and the factors on which the plan relies), or if the Issuer does not have such a plan, make an appropriate negative statement.			
(iv) How the issuer plans to achieve climate-related targets (including any GHG emission targets, if any).			

Climate-related Disclosures	Disclosure	Response	Location
General Disclosures Information on how the issuer currently and plans in the future to allocate resources to support the actions disclosed above.	Response measures disclosed	Disclosed	
<b>Climate Resilience</b>			
General Disclosures The issuer's assessment of its climate resilience as of the reporting date, which helps to understand:			
(i) The impact, if any, of the issuer's analysis results on its strategy and business model, including how the issuer needs to respond to the impacts identified in the analysis of climate-related scenarios.	Scenario analysis not performed	The Company has not yet carried out scenario analysis and cannot disclose it for the time being.	
(ii) The scope of material uncertainties to be considered in the issuer's assessment of climate resilience.			
(iii) The ability of the issuer to adapt its short-, medium-and long-term strategies and business models to climate developments.			
General Disclosures How and when to conduct climate-related scenario analysis, including:			
(i) Inputs used, including:			1.2 Addressing Climate Change
(1) Climate-related scenarios used by issuers in their analysis and their sources.			
(2) Whether the analysis covers multiple different climate-related scenarios.			
(3) Analyze whether the climate-related scenarios used are related to climate-related transition risks or climate-related physical risks.			
(4) Whether the issuer has used a scenario in its scenario that is consistent with the latest international agreement on climate change.	Scenario analysis not performed	The Company has not yet carried out scenario analysis and cannot disclose it for the time being.	
(5) Why the issuer believes the chosen climate-related scenario is relevant to assessing its resilience to climate-related change, development or uncertainty.			
(6) The time horizon used by the issuer in the analysis.			
(7) The scope of operations covered by the Issuer Analysis (e.g. the location of operations and business units covered by the Analysis).			
(ii) Key assumptions made by the issuer in the analysis.			
Key Performance Indicators The reporting period in which the climate-related scenario analysis was conducted.			

Climate-related Disclosures	Disclosure	Response	Location
<b>(III) Risk Management</b>			
General Disclosures			
The processes and related policies used by the issuer to identify, assess, prioritize and maintain monitoring of climate-related risks, including information on the following.			
(i) Inputs and parameters used by the issuer (e.g. the scope of business covered by the sources and procedures).			
(ii) Issuers may have and how to use climate-related scenario analysis to identify climate-related risks.	Disclosed risk identification process, not disclosed climate-related scenario analysis, likelihood and degree, prioritization, etc.	The Company has not yet carried out scenario analysis and risk degree assessment, so it is temporarily unable to disclose.	
(iii) How the issuer assesses the nature, likelihood and extent of the impact of such risks (for example, the issuer may have considered qualitative factors, quantitative thresholds or other criteria used).			
(iv) Issuers may have and how to prioritize climate-related risks over other types of risks.			1.2 Addressing Climate Change
(v) How issuers monitor their climate-related risks.			
(vi) Issuers can have and how to change the processes they use compared to the previous reporting period.			
General Disclosures			
The process that the issuer uses to identify, assess, prioritize and maintain monitoring of climate-related opportunities (including information that the issuer can have and how to use climate-related scenario analysis to identify climate-related opportunities).			
	Not disclosed	Opportunity identification and evaluation were not carried out	
General Disclosures			
How and to what extent the process of identifying, assessing, prioritizing and monitoring climate-related risks and opportunities is integrated into the issuer's overall risk management process.			
	Climate-related risk and opportunity management processes have been disclosed and integrated into the overall risk management process.	Disclosed	
<b>(IV) Metrics and Targets</b>			
Greenhouse Gas Emissions			
The issuer is required to disclose the total absolute GHG emissions (expressed in metric tCO <sub>2</sub> e) during the reporting period, which are divided into:			
(i) Key Performance Indicators	Scope 1 Greenhouse Gas Emissions.		
(ii) Key Performance Indicators	Scope 2 Greenhouse Gas Emissions.	The Company has not yet carried out scope three emission statistics	1.2 Addressing Climate Change
(iii) Key Performance Indicators	Scope 3 Greenhouse Gas Emissions.		
Unless otherwise required by the jurisdiction or another exchange on which the issuer is listed, the issuer is required to measure its GHG emissions in accordance with the <i>Greenhouse Gas Accounting System: Corporate Accounting and Reporting Standards (2004)</i> .			

Climate-related Disclosures	Disclosure	Response	Location
General Disclosures			
Disclose the methodologies used to measure GHG emissions, including:			
(i) The measurements, inputs and assumptions used by the issuer to measure its GHG emissions.			
(ii) Why the issuer chose this measurement method, inputs and assumptions to measure GHG emissions.			
(iii) Any changes to measurement methods, inputs and assumptions made by the issuer during the reporting period and the reasons for such changes.	Scope 1 and Scope 2 GHG emissions have been disclosed, but Scope 3 cannot be disclosed.	The Company has not yet carried out scope three emission statistics.	1.2 Addressing Climate Change
General Disclosures			
For the Scope 2 GHG emissions disclosed pursuant to the above paragraph, disclose their Scope 2 GHG emissions on a geographical basis and provide information on any required contractual instruments to assist in understanding such emissions.			
General Disclosures			
For Scope 3 GHG emissions disclosed in accordance with the above paragraph, disclose the categories included in the issuer's measurement of Scope 3 GHG emissions in accordance with the Scope 3 categories described in GHG Accounting System: Enterprise Value Chain (Scope 3) Accounting and Reporting Standards (2011).			
salary			
General Disclosures			
Issuers are required to disclose how and how climate-related considerations may be incorporated into their remuneration policies, or provide an appropriate negative statement. This may form part of the disclosure pursuant to governance paragraph (a) (iv).			
	Disclosure has been made on the incorporation of climate-related considerations into remuneration policies.	Disclosed	
Climate-related goals			



Climate-related Disclosures	Disclosure	Response	Location
An issuer is required to disclose (a) the qualitative and quantitative climate-related targets it has set to monitor progress towards achieving its strategic objectives; and (b) any targets required by law or regulation, including any GHG emission targets. The issuer is required to disclose for each objective:			
(a) General Disclosures	Metrics used to set targets.		
(b) General Disclosures	The purpose of the target (e.g. mitigation, adaptation, or science-based initiatives).		
(c) General Disclosures	The scope of application of the target (e.g. whether the target applies to the entire group or part of the issuer (e.g. only to a certain business unit or geographical area)).	The Company has disclosed quantitative emission reduction targets, but has not yet disclosed how it sets and audits each target, and how it monitors the progress of achieving the targets.	1.2 Addressing Climate Change
(d) Key Performance Indicators	The applicable period of the target.	The Company has set emission reduction targets, and is currently establishing supporting target setting methodology, internal audit process and progress monitoring mechanism, the relevant details will be disclosed in the follow-up report.	
(e) Key Performance Indicators	The base period in which progress is measured.		
(f) Key Performance Indicators	Phased goals or medium-term targets, if any.		
(g) General Disclosures	If it is a quantitative goal, is it an absolute target or an intensity target.		
(h) General Disclosures	How the latest international agreement on climate change, including the judicial commitments generated by the agreement, can help issuers set goals.		
General Disclosures			
An issuer is required to disclose how it sets and reviews each target and how it monitors progress towards achievement, including:			
(a) Whether the target itself and the method of setting the goal have been verified by a third party.	Not disclosed	Not publicly disclosing its approach to setting and reviewing each objective.	
(b) Procedures for issuers to audit targets.			
(c) Indicators used to monitor progress towards achieving standards.			
(d) The content and reasons for any amendments to the targets.			
General Disclosures			
The issuer is required to disclose information about the performance of each climate-related target and an analysis of trends or changes in the issuer's performance.	The performance of indicators in the past three years has been disclosed	Disclosed	

Climate-related Disclosures	Disclosure	Response	Location
General Disclosures			
For each of the GHG emission targets disclosed in accordance with the above paragraph, the issuer shall disclose:			
(a) Which GHGs are covered by the target;			
(b) Whether the target covers Scope 1, Scope 2, or Scope 3 GHG emissions.	Scope 1 and Scope 2 GHG emissions have been disclosed, but Scope 3 cannot be disclosed.	The Company has not yet carried out scope three emission statistics	1.2 Addressing Climate Change
(c) Whether this target is a total GHG emission target or a net GHG emission target. In the case of net GHG emission targets, the issuer is required to disclose the relevant total GHG emission targets separately.			
(d) Whether the target is derived using an industry decarbonization approach.			

## Feedback Form

Dear readers:

Thank you for reading this report.

This is MCC's 17th *ESG (Environmental, Social, and Governance) and Sustainability Report*. To continuously improve our social responsibility information disclosure, better communicate with stakeholders, and more effectively promote social responsibility management and practice, we sincerely look forward to your feedback.

1.What is your overall evaluation of MCC's performance on social responsibility?

Very good     Good     Fair     Poor

2.What is your overall evaluation on this report?

Very good     Good     Fair     Poor

3.What do you think of MCC's performance on stakeholder communication?

Very good     Good     Fair     Poor

4.How do you think MCC is fulfilling its corporate responsibility?

Very good     Good     Fair     Poor

5.Do you think the content arrangement and layout design of this report are easy to read?

Very good     Good     Fair     Poor

6.What are your comments and suggestions for MCC to fulfill its social responsibility and this report?