



CNBM

**CNBM**

# 2023

## Environmental, Social and Governance (ESG) Report

Beijing New Building Materials  
Public Limited Company



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# Introduction

The report describes the performance of Beijing New Building Materials Public Limited Company (hereinafter “BNBM”, “the Company” or “We”) in environmental, social and governance (ESG) and social responsibility fulfilment in 2023, to facilitate communication with stakeholders and respond to their demands. The Board of Directors of BNBM is fully responsible for the Company’s sustainable development, and the report has been reviewed and approved by the Board of Directors.

## Reporting period

Unless otherwise specified, this report covers the period from 1 January 2023 to 31 December 2023 (hereinafter “the Reporting Period” or “this year”).

## Reporting scope

The entity of this report is Beijing New Building Materials Public Limited Company. The report mainly covers ESG performance related to the Company’s core business, as well as related policies and management during the Reporting Period.

## Reporting cycle

The Environmental, Social and Governance (ESG) Report of Beijing New Building Materials Public Limited Company is published on an annual basis.

## Preparation basis

This report is prepared in accordance with the *Shenzhen Stock Exchange Guidelines No. 1 for Self-discipline Regulation of Listed Companies - Standardised Operation of the Companies Listed on the Main Board (2023)* and the *SASAC’s Study on ESG Special Report Compilation for Listed Companies Controlled by Central Enterprises*. It also refers to the Sustainability Reporting Standards (2022) released by the Global Reporting Initiative (GRI), the Guidance on Social Responsibility by the International Organisation for Standardisation (ISO 26000: 2010), the National Standard GB/T36000 Guidance on Social Responsibility, and the United Nations’ Sustainable Development Goals (SDGs). The results of the materiality assessment conducted in accordance with the reporting principles in the above guidance and standards are also considered as the basis for information disclosure. This report is published in both Chinese and English. In case of any inconsistency between the two versions, the Chinese version shall prevail.

## Information description

The historical information quoted in this report is final statistics. In case of any inconsistency between the financial information and the annual report, the annual report shall prevail. Unless otherwise specified, the financial figures in this report are denominated in RMB.

## Terms and definitions

During the Reporting Period, the following terms shall have the definitions stated below, unless otherwise indicated:

“China”	The People’s Republic of China
“30.60”	General secretary Xi Jinping proposed that “China will scale up its Intended Nationally Determined Contributions by adopting more vigorous policies and measures. We aim to have CO2 emissions peak before 2030 and achieve carbon neutrality before 2060.” at the General Debate of the 75th Session of the United Nations General Assembly, i.e., “carbon peaking and carbon neutrality”
“CNBM”	China National Building Material Group Company Limited.
“CNBM Company”	China National Building Material Company Limited.
“Dragon Brand Company”	BNBM Dragon Brand Company.
“Taishan Gypsum”	Taishan Gypsum Co., Ltd.
“Dream Brand New Materials”	Dream Brand New Materials Co., Ltd.
“BNBM Waterproof”	BNBM Waterproof Co., Ltd.
“BNBM Coatings”	BNBM Coatings Co., Ltd.
“International Company”	BNBM International Company.

## Report access

The download links for the electronic version are listed below:

Shenzhen Stock Exchange: <http://www.szse.cn>

cninfo: [www.cninfo.com.cn](http://www.cninfo.com.cn)

The official website of BNBM:

<https://www.bnbm.com.cn>



## Chairman statement

### Striding on the new journey towards stable development

In 2023, under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and the spirit of the 20th CPC National Congress, BNBM sought stable development, seized opportunities, met challenges to make progress with joint efforts, enterprising and successfully accomplished the annual work tasks. Firmly implementing the company strategy of “One Body, Two Wings and Global Layout”, the new pattern of “strengthening one body, two wings flying together” has basically been formed, and the “global layout” is steadily advancing, and the company is making progress on a new journey of high-quality development in the new era.

**We resolutely take steady steps towards reform and development to build a new pattern of high-quality development.** BNBM adheres to the overall leadership of the Party, guarantees high-quality development with high-quality Party building, and the quality of Party building work has been comprehensively improved. We insist on deepening the reform and improving the corporate governance system, and the reform of market-oriented operation mechanism has been developed in depth. Focusing on the company's strategy, “One Body, Two Wings and Global Layout” has opened up a new space for the company's endogenous growth and made new breakthroughs. We insist on accelerating the construction of the pace of original innovation, striving to make breakthroughs in core technologies, and giving full play to the role of the “question setter”. In 2023, BNBM contributed to the construction of a number of national strategic projects, continuously transformed from a famous brand in the industry to a famous brand in the society, accelerated its transformation into a consumer building materials manufacturing service provider, and BNBM recorded a brand value over RMB 100 billion for the first time.

**We uphold the overall planning to promote a new strategy of low-carbon development, to create a new, green and sustainable life.** BNBM firmly upholds the philosophy of “Greenway Builds A Better Future”, actively implements the Group’s energy conservation and ecological environmental protection plan under the “Fourteenth Five-Year Plan”, and undertakes the mission of “Green Technology and Quality Life” to promote the building, city and residential environment to be greening. Guided by the common development of the value chain and driven by technological innovation, we endeavour to develop a circular economy and continue to develop green and low-carbon products and services that meet the market demand. In addition, we made efforts to promote building energy conservation and prefabricated building solutions, and facilitate sustainable and high-quality development on the basis of our low-carbon transformation.

**We put people first to attract and retain talents, and create a harmonious enterprise with mutual benefits.** BNBM attaches great importance to the safety development concept of “people first and life first”, implements the safety policy of “putting safety first prevention at the core and comprehensive management”, ensures workplace safety through science and technology, and comprehensively promotes the intrinsic safety. We always cherish talents, and pursues fairness, justice, diversity and equality, creating a working environment where talents feel recognised, valued, respected and empowered. We build a comprehensive training system and promotion channels at all levels, with a focus on cultivating, uniting and satisfying talents. In addition, we firmly follow the development path of inclusiveness and mutual benefits, continuously strengthen strategic partnerships, expand new overseas business opportunities, and establish cooperative relationships with our global partners based on the principle of “consultation, contribution and shared benefits”. Moreover, we care about the society and devote ourselves to social welfare undertakings such as helping the weak and the needy, disaster relief and assistance, and donation for education, demonstrating a responsible corporate image and facilitating the protection and improvement of people's livelihoods.

### We move forward with unwavering determination to take responsibility despite the challenges that lie ahead

In the upcoming year, BNBM will firmly grasp the primary task of high-quality development, seize the opportunity of the new sci-tech innovation and industrial transformation, couple the industrial chain, supply chain, innovation chain and value chain, improve the modernized industrial system, and focus on accelerating the formation of new productivity. We will move forward with revolution by upholding strong bases, and looking ahead with brave to create a better future.



Chairman of BNBM

# Statement of the Board of Directors

The Board of Directors of BNBM believes that establishing and improving the ESG management system can continuously inject impetus to the sustainable development of the Company. The Board of Directors, as the highest decision-making authority for sustainable development, is fully responsible for the Company's sustainable development strategy and coordinates the ESG management efforts on this basis.

The Strategy and ESG Committee of the Company is responsible for coordinating, supervising and managing the Company's ESG strategies, policies and objectives, as well as the related risks and opportunities. The Committee also regularly reports to the Board of Directors on major ESG matters and ensures that the Board of Directors is well-informed of the work progress on important ESG matters. The Board of Directors regularly listens to and reviews reports from the Strategy and ESG Committee on the ESG work progress and provides guidance on the ESG policies. Relevant management of the Company is responsible for the implementation of the ESG strategies and objectives, and regularly reports to the Strategy and ESG Committee on major ESG matters. The Company organises relevant institutions to provide special trainings for the Board of Directors from time to time, to help the Board of Directors to understand the latest ESG trends and outstanding ESG practices. Placing great emphasis on the communication with stakeholders on ESG matters, BNBM identifies, evaluates and manages important ESG matters in a proactive manner. Please refer to the Chapter "Sustainable development process" in this report for details of the governance structure and assessment results.

The Company integrates ESG risk management into its daily risk management system. Under the guidance of the Strategy and ESG Committee, all functional departments, sector companies and their branches and subsidiaries identify and prevent significant ESG risks in their daily operations and production. The Strategy and ESG Committee reviews the identification of and response to the relevant risks and makes regular reports on risk management to the Board of Directors.

This year, the Company has developed a sustainable development strategy. By implementing effective strategies, the Company aims to maintain a balance between its impact on the environment and society and the achievement of its business objectives and to promote sustainable development.

This report discloses the above environmental, social and governance related matters in detail, which has been reviewed and approved by the Board of Directors on March 18, 2024.

# About us

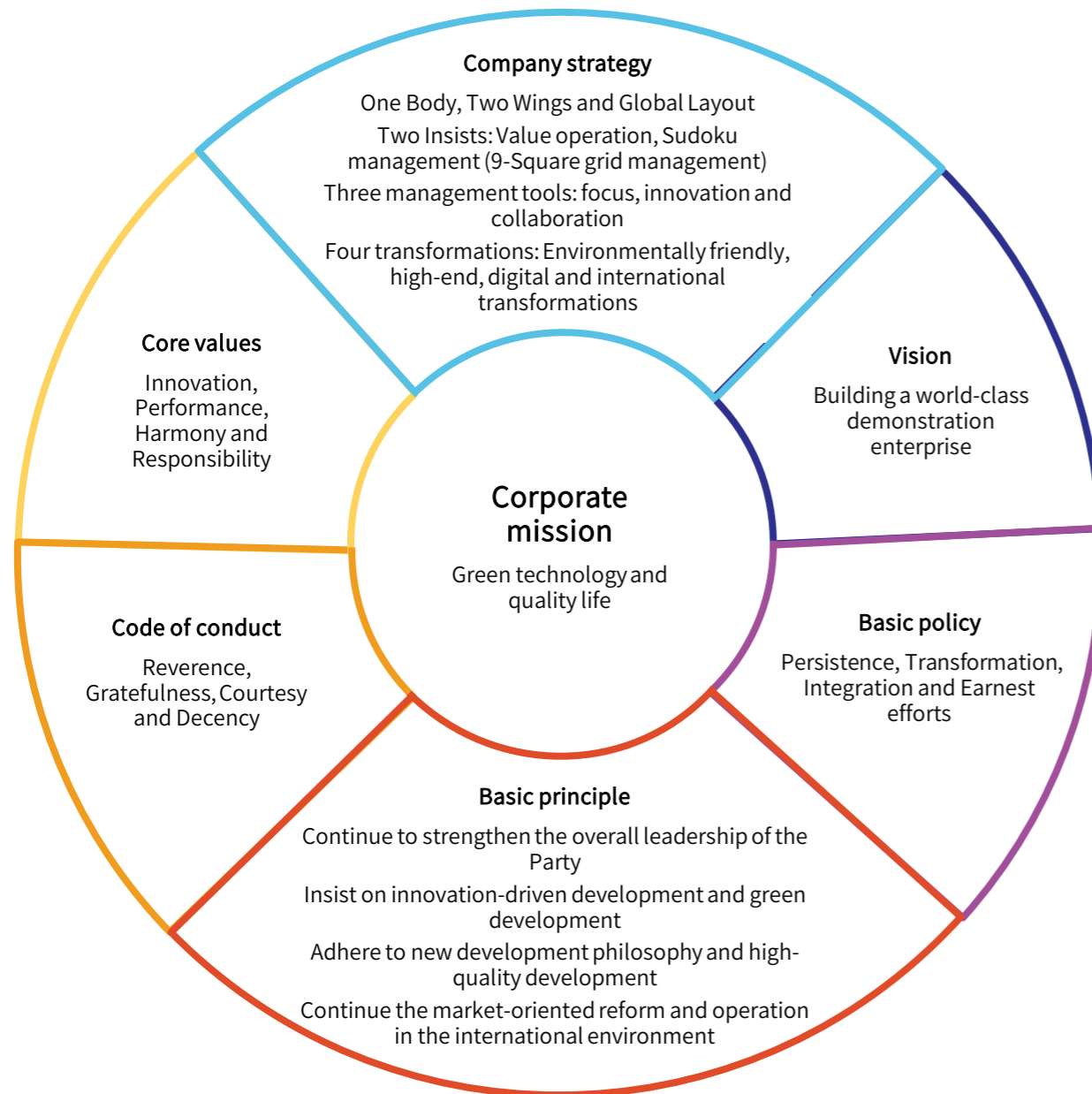
## Company profile

Beijing New Building Materials Public Limited Company (BNBM) is the new green building materials platform of China National Building Materials Group, which is one of the Fortune Global 500 enterprises. The Company was established in 1979 under the care of Comrade Deng Xiaoping, and listed in Shenzhen Stock Exchange (000786.SZ) in 1997. The Company has total assets of nearly RMB 30.7 billion, with annual sales revenue of more than RMB 20 billion and nearly 13,000 employees. The Company has more than 120 industrial bases at home and abroad with gypsum board, waterproof material and coatings as the three core businesses. The production capacity of gypsum board is 3.503 billion square metres, which is the world's largest gypsum board and steel stud industrial group. The waterproof material business scale ranks among the top three in the industry. In the coatings business, China Time-Honored Brand "Lighthouse" with a century old served a pillar of the great power. The Company has won the Outstanding Contribution Award to the Global Gypsum Industry twice and the Global Gypsum Company of the Year three times, and was awarded the "First Prize of National Enterprise Management Modernisation Innovation Achievement" "Manufacturing Single Champion Demonstration Enterprise" "China Green-Benefit Enterprise Best Model Award", "National May 1 Labour Award" and other honours, as a national innovative enterprise. In 2016, the Company was awarded the China Grand Awards for Industry. In 2022, the Company was awarded the National Quality Award, which was recognized three years later. In 2023, the brand value exceeded RMB 100 billion for the first time, reaching RMB 100.537 billion.

Committed to "Green Technology and Quality Life", BNBM promotes the building, city and residential environment to be greening. BNBM also advocates circular economy, energy saving and prefabricated buildings, and creates a green building industry chain throughout the life cycle from raw materials, production, products, construction, application and recycling. BNBM implements the development strategy of "One Body, Two Wings and Global Layout", strengthens, expands and optimises gypsum boards and gypsum boards+, and accelerates the development of waterproof material and coatings. The Company also positions itself in emerging international markets, speeds up the transformation into a comprehensive manufacturer of consumer building materials and service provider, encouraging four transformations from "workplace decoration to residential decoration, from cities to counties and townships, from base material to surface material, and from products to services".



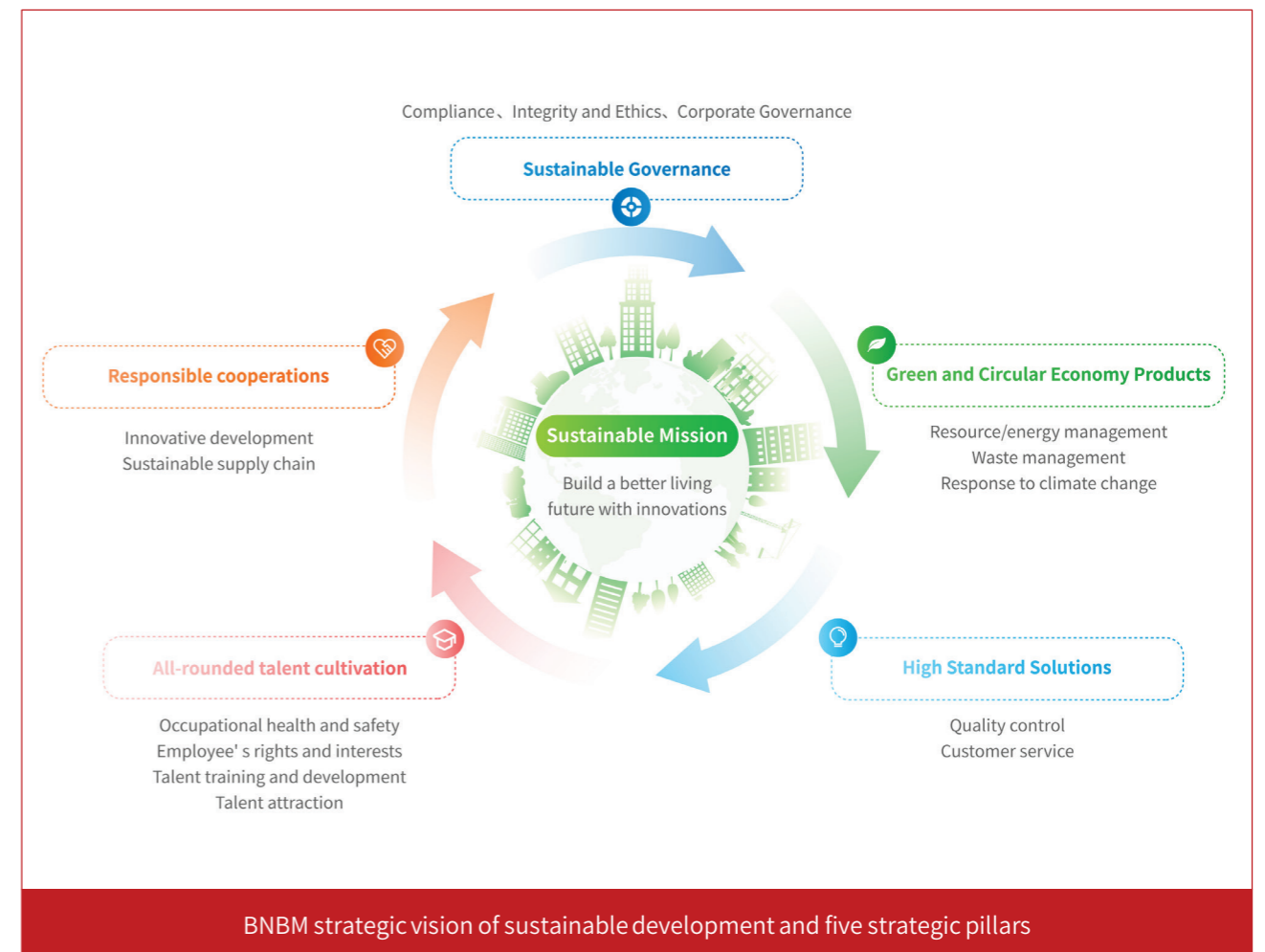
## Corporate culture



# Sustainable development process

## Sustainable development strategy

To further promote the Company's sustainable development process, this year, with "Green Technology, Quality Life" as our mission, the Company has formulated the sustainable development strategy of BNBM, which clarified five strategic sectors, to "promote the building, city and residential environment to be greening". Specifically, guided by the common development of value chain and driven by technological innovation, the Company continuously aimed at developing green and low-carbon products and services that meet the market demand, cultivate premium talents in the industry, and make efforts to promote the wider application of energy conservation construction and prefabricated building solutions.



## Five strategic segments

### Sustainable governance

Accelerate the integration of the concept of sustainable development into the company's management system, take root in the operational concepts of efficient governance, integrity and self-discipline, and honesty. Also continuously convey the company's sustainable development policy to all employees, enhance the awareness of sustainable development among all employees, and promote the steady growth of the company.

### Green and circular economy products

With innovation as the core, the company promotes the "double-cycle" circular economy model of product circulation and production circulation, and continuously enhances the capacity of industrial by-product consumption through technology improvement and management optimization. We will increase the usage of clean energy and promote energy saving and emission reductions in production with technology upgrading as a key factor, accomplishing the gradient utilization of resources.

### High standard solutions

Taking the opportunity of low-carbon and more diversified product demand, the company insists on perfecting the quality system construction, comprehensively laying out the efficient service network, and creating first-class quality products and services. The company continues to promote industrial innovation and research and development, accelerate the key research and development strength and core scientific research application transformation efficiency, to provide customers with healthier and safer, more low-carbon and environmentally friendly building solutions.

### All-rounded talent cultivation

The company establishes a sound mechanism to protect the rights and interests of employees and health and safety, continuously improves the ability to cultivate talents, and wholeheartedly builds a working environment that meets the development needs of employees, attracting, retaining and cultivating talents at all levels, and promoting the common progress of employees and the company, for the sustainable development of the industry to transport the backbone.

### Responsible cooperations

The company builds long-term and stable cooperative relationships with suppliers, distributors and other partners based on the principles of honest cooperation and mutual benefit, and promotes the concept of sustainable development through business exchanges, technical exchanges and friendly cooperation. The company also maintains win-win harmony with the communities in which it operates to promote the harmonious development of the value chain.

## Sustainable development governance structure

We recognise and actively undertake our social responsibility and highly value the coordinated development with the society. To effectively implement our sustainable development strategy, this year, the Company has upgraded the Strategy Committee into the Strategy and ESG Committee, and specially established an ESG Working Group, with directors or senior management as the group leader. Besides, the Company has also published the *Working Rules of the Strategy and ESG Committee of the Board of Directors*, specifying the composition, roles and responsibilities, decision-making processes and rules of procedure of the Committee to ensure all works are carried out in a standardised and orderly manner. The Company has organized directors to attend ESG related training, covering corporate governance, ESG development trends, and analysis of ESG disclosure, with a total of 11 participants during the Reporting Period, empowering the Company's sustainable development management.

### The Board of Directors

The Board of Directors, as the highest decision-making authority for ESG work, is responsible for the Company's ESG strategy and reporting. It regularly listens to and reviews reports from the Strategy and ESG Committee on the ESG work progress, and provides guidance on the ESG policies.

### Strategy and ESG Committee

The Strategy and ESG Committee, under the Board of Directors, is mainly responsible for conducting research on the Company's long-term development strategy and ESG-related matters, and making recommendations. The main responsibilities include:

Conduct research on the Company's overall ESG management objectives, management strategy and management policies, and make recommendations;

Conduct research on the Company's ESG (including climate change) related risks and opportunities and make recommendations;






Conduct research on the Company's significant ESG matters that are subject to the approval of the Board of Directors and make recommendations;

Conduct research on other significant matters affecting the sustainable development of the Company and make recommendations.

### ESG Working Group

The ESG Working Group is responsible for the preparation for the Strategy and ESG Committee in making decisions on ESG matters. The work mainly includes collecting issues, reports and other relevant information on significant ESG matters reported by relevant departments of the Company or the holding (shareholding) companies, and overseeing the information and issuing written opinions before submitting formal proposals to the Strategy and ESG Committee.

# Sustainable development management performance

Sustainable Development Strategy Section	Core Initiatives	Key Performances and Highlights of Sustainable Development in 2023	UN SDGs
Sustainable corporate governance	Promote the efficiency of corporate governance, optimize the Company's internal governance structure, and attach importance to gender diversity in the board of directors and board of supervisors; continuously strengthen and improve compliance management and "1+N" internal control system, ensuring company's continuous development.	<ul style="list-style-type: none"> <li>1/3 of the Board are women and 100% of the main supervisors are women.</li> <li>A total of 26,379 people participated in anti-corruption training, with 100% coverage of the Board and 100% of employees covered by anti-corruption training.</li> </ul>	
Green and circular economy products	Promoting green building materials application, practice the concept of green production, release the <i>Company's carbon peaking action plan</i> for the first time, continuously improve the capacity of using industrial by-product gypsum as raw material, build a cascade resources utilisation system; promote circular economy, strengthen environmental protection in production and operation, close to accomplish the reuse of all wastewater and achieve "zero discharge" of all industrial wastewater.	<ul style="list-style-type: none"> <li>Approximately 14.81 million tonnes of gypsum as a by-product of other industries were consumed throughout the year;</li> <li>Maintain 100% comprehensive utilisation rate of general waste.</li> <li>Carbon emissions per RMB 10,000 of gross industrial output value decreased by 6.42% year-on-year. The comprehensive energy consumption of RMB 10,000 of output value decreased by 5.67% year-on-year.</li> <li>The annual use of clean energy (biomass fuel, photovoltaic power generation, wind power, steam, etc.) accounted for 15.58%, equivalent to a reduction of about 557,400 tons of carbon dioxide emissions.</li> <li>Emission intensity of sulfur dioxide, nitrogen oxides and industrial particulate decreased by 15.92%, 13.95% and 32.76% year-on-year respectively, exceeding the set targets.</li> <li>A total of 27 enterprises have obtained the title of national "Green Factory", and 8 new enterprises have obtained the title of "Green Factory" at the national or provincial level.</li> </ul>	
High Standard Solutions	Constantly strengthen the quality of products and service, effectively promote the growth of business and the quality of company's development; improve the innovation management structure, establish a research and development incentive system, share scientific and technological innovation achievements, strengthen intellectual property protection, accelerate key scientific research and achievement transformation and application, and lead the development of the industry.	<ul style="list-style-type: none"> <li>Won the Silver Award of the Quality Control (QC) Chinese Group of the International Quality Management Group Conference (ICQCC);</li> <li>Annual R&amp;D investment reached RMB 952 million, with an R&amp;D investment intensity of 4.24%;</li> <li>A total of 6,418 patents have been granted, with 5 newly granted international patents.</li> </ul>	
All-rounded talent cultivation	Increase investment in health and safety management, promote the in-depth implementation of safety production management measures, strengthen the efficiency of safety risk rectification, and provide employees with a healthy and safe working environment; build a sound system to safeguard the rights and interests of employees, formulate a comprehensive employee development plan, and emphasize the refined development of employee training; Implement the equity incentive policy and grow together with employees.	<ul style="list-style-type: none"> <li>The annual investment in safety production was RMB 24.22 million;</li> <li>80 enterprises have been created to the standards of safety production, with a completion rate of 87%;</li> <li>49.18 hours of safety training per capita.</li> <li>Employee satisfaction has increased for 6 consecutive years;</li> <li>Issued the restricted stock incentive plan (draft) for the first time</li> </ul>	
Responsible cooperations	Empower partners, strengthen communication with suppliers and contractors, and build a stable and sustainable supply chain system; Actively expand overseas business, maintain friendly and cooperative relations with the places where we operate, and support local economic development; focus on public welfare and charity, actively carry out rural revitalisation work, promote sustainable building materials to the countryside, and actively participate in various public welfare undertakings such as love donations and post-disaster reconstruction.	<ul style="list-style-type: none"> <li>Over 80% of suppliers have been screened and assessed for environmental and social risks;</li> <li>Customer satisfaction scores have exceeded 9 out of 10 for eight consecutive years, leading the industry;</li> <li>Successfully upgraded the Tanzania plant to a region-leading gypsum board production line of 15 million square meters; The 40 million square meter gypsum board production line in Uzbekistan was successfully put into operation;</li> <li>A total of RMB 5,244,700 was donated and spent on rural revitalisation, public welfare and charity activities.</li> </ul>	



## Sustainability awards



Won the “2023 Top 100 ESG Listed Companies in China”



Selected into the “Central Enterprise ESG Pioneer 100 Index”



Selected into the “2023 Top 50 Excellent ESG Cases of Chinese Enterprises”



Won the “CRC Cup ESG Golden Bull Award for Top 50 Central Enterprises”



Won the “2023 Evergreen Award for Sustainable Development Contribution”



Won the title of “China’s Top 10 Influential Brands in the Green Ecology Category”



Won the “2023 National Quality Benchmark” award



Selected into the “2023 Top 10 Leading Enterprises with Technological Breakthroughs in the National Building Materials Industry”

## Sustainable development issue analysis and materiality assessment

This year, to further understand the focus of stakeholders on the sustainable development of BNBM, the Company carried out systematic identification and materiality analysis of material issues of sustainable development.

By summarizing and analyzing the sustainability concerns of the industry, combining the current situation of the Company's operations, and taking the supporting role of the sustainable development strategy in consideration, we identified a total of




**14**  
material issues

**3**  
environmental issues

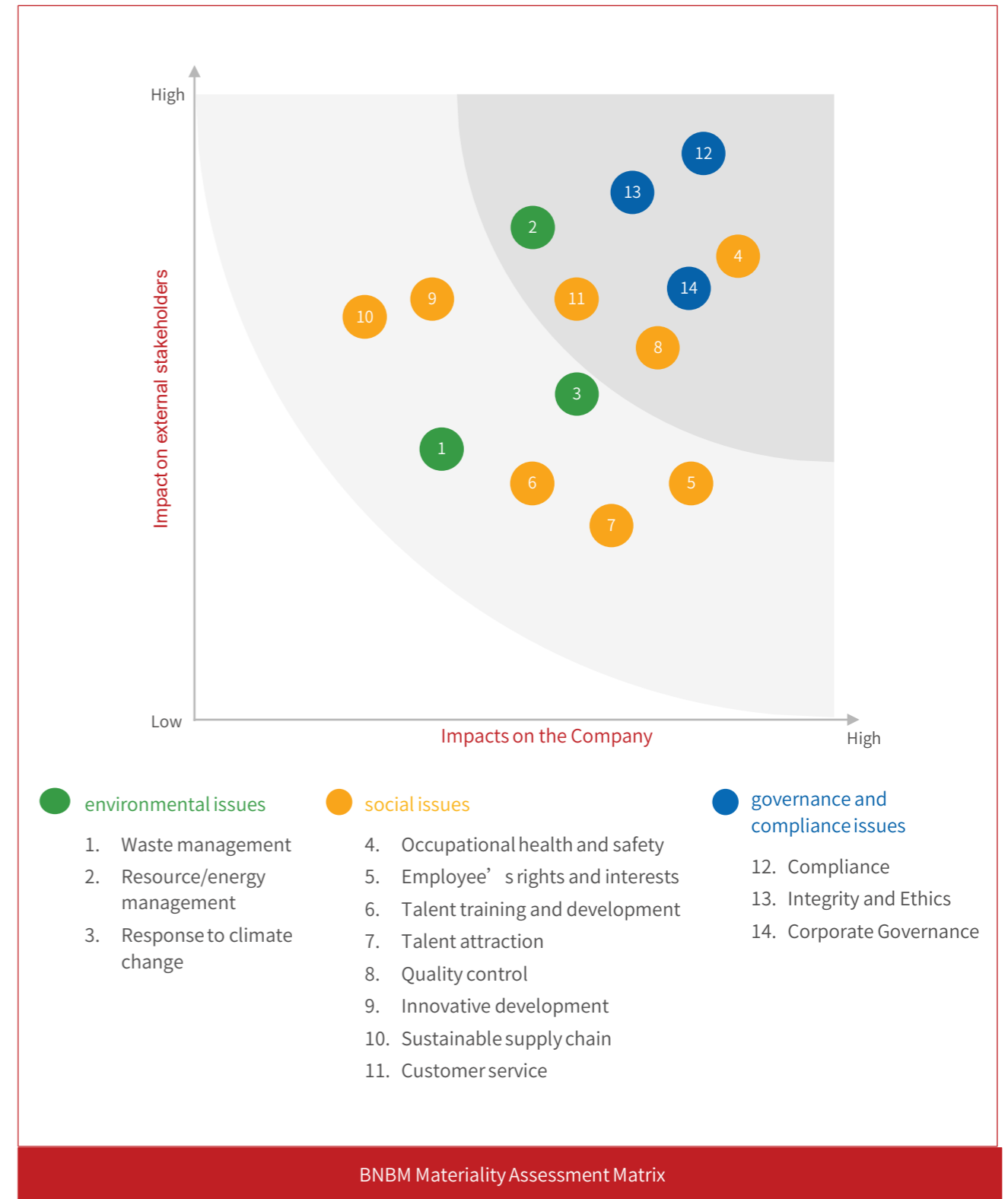
**8**  
social issues

**3**  
governance and compliance issues

For the 14 material issues, the Company conducted a materiality assessment using the following process:

-  conducted a stakeholder survey through online questionnaires
-  analysed and discussed the material issues with subject matter experts
-  conducted a fair and balanced analysis of the opinions of stakeholders and the priorities of the material issues

We formed a final materiality matrix by “Impacts on the Company” and “Impact on external stakeholders”. The Company’s Board of Directors and management team reviewed and approved the analysis of the material issues and provided recommendations for sustainable development based on the business conditions.



# 01

## Sustainable Governance

Strengthening governance system	019
Deepening party building	021
Implementing business ethic into daily operations	023
Consolidate risk management	027
Implement compliance	028

Corresponding material issues: Compliance, Integrity and Ethics, Corporate Governance



# Solid foundation for improving the management system

BNBM diligently implements the national strategic policies, steadily develops a sound corporate governance structure, continues to improve the compliance management system, and maintains high-quality operation of the Company. This year, the Company actively promotes compliance management, risk management and internal oversight, and intensifies the construction of the integrity system, achieving remarkable results in improving the modern corporate system with Chinese characteristics and the operational efficiency.

## Strengthening governance system

BNBM strictly complies with the *Company Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies* and other national laws and regulations. To improve the governance capability, BNBM also insists on improving the governance structure consisting of the Shareholders' meeting, the Board of Directors, the Board of Supervisors and the management, and deepens the management of the Shareholders' meeting, the Board of Directors, and the Board of Supervisors. We have established a scientific and effective standardised operation mechanism with clear powers and responsibilities, laying a solid foundation for the sustainable and high-quality development and contributing to the realisation of our strategic objectives. This year, the Company conducted a comprehensive analysis of the current governance of subsidiaries at all levels, and formulated the *BNBM Task List of the Board of Directors of Subsidiaries*. The Company also established a mechanism for conducting annual evaluation on the Board of Directors of subsidiaries, and promoted such mechanism at all levels.



“Three boards and one layer” governance structure of BNBM

Governance system

Deepening party building

Implementing business ethic into daily operations

Consolidate risk management

Implement compliance

**Shareholders' meeting**

Shareholders' meeting, as the highest authority of the Company, exercises the following powers and functions in accordance with the law: determining the Company's business policies and investment plans; electing and replacing directors and supervisors that are not employee representatives; deciding on the remuneration of the directors and supervisors; and deliberating on and approving the Company's annual financial budget plan and final accounting plan. In 2023, BNBM held 3 shareholders' meetings, with a total of 20 proposals approved.

**The Board of Directors**

The Board of Directors, as the Company's operational and decision-making body, exercises its authority in accordance with the law and is responsible to the Shareholders' meeting. The Board of Directors has established an Audit Committee, a Strategy and ESG Committee, a Nomination Committee, and a Remuneration and Appraisal Committee. Among them, independent directors account for the majority and serve as convener of the Audit Committee, Nomination Committee and Remuneration and Appraisal Committee, while the convener of the Audit Committee is accounting professional. As at the end of the Reporting Period, the Board of Directors had 9 directors, of which 3 were female. In 2023, BNBM held 7 Board meetings, with 53 proposals approved.

**The Board of Supervisors**

The Board of Supervisors, as the Company's supervisory body, is responsible to the Shareholders' meeting. The Board of Supervisors exercises its powers in accordance with the law to inspect the Company's financial affairs; supervise the directors and senior management in their performance of the duties, and propose the dismissal of any director or senior management who violates the laws, administrative regulations, the Articles of Association, or the resolutions of the Shareholders' meetings; and request the directors and senior management to rectify their behaviours that jeopardies the interests of the Company. As at the end of the Reporting Period, the Board of Supervisors had 3 supervisors, all of which were female. In 2023, BNBM held 7 Supervisors' meetings to prudently deliberate on the Company's periodical financial reports, implementation of internal control and other relevant significant matters, with 30 proposals approved.

**The management**

Main functions of the management include managing production and operation, organising and implementing the resolutions of the Board of Directors and reporting to the Board of Directors. The Board of Directors regularly inspects the functions assigned to the management and its performance to ensure the effective operation of the Company and the interests of the shareholders. As at the end of the Reporting Period, the Company had 6 major senior management, of which 1 was female.

Please refer to the *BNBM Articles of Association* for details of the Company's governance structure<sup>1</sup>.

<sup>1</sup>BNBM Articles of Association: <https://www.szse.cn/disclosure/listed/bulletinDetail/index.html?8862d4c0-f49a-4984-b8d0-fa71cb34372f>

## Deepening party building

Adhering to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, BNBM deeply studies and implements the spirit of the 20th CPC National Congress, takes learning as a priority to promote the work and applies theoretical learning results in daily tasks for higher work efficiency. We uphold and strengthen the Party's overall leadership, and transform the vitality of Party building into our service motivation to escort the high-quality and sustainable development of the Company.

### Integrating Party building into operation

The Company vigorously promotes the integration of Party building and business management. Firmly sticking to this guideline, BNBM earnestly implements the general requirements for Party building for the new era, actively carries out the “Party building+” activities, to fully explore the typical experience and highlights with multiple excellent cases summarised and refined. We are committed to leading the high-quality development of the Company with high-quality Party building.



Case: Party Building Leads to Unity, Innovation Overcomes Challenges

### Strengthening ideological education

To deeply study and implement Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and fully implement the spirit of the 20th CPC National Congress, the Company organises all Party members to conduct different kinds of study and education activities, constantly stimulates the vitality of grass-roots Party organisations, and vigorously promotes the in-depth integration of Party building and production and operation.

In 2023, the Company held a Party committee meeting to study the 70 items of General Secretary Xi Jinping's latest important speeches and instructions to firmly support “Two Establishes” with reaffirmed commitment to the “Two Upholds”. Gross-root Party branches organized **183** exchange seminars for party members and cadres for centralised study, and **54** team members and Party branch secretaries of sector companies gave thematic lectures on Party building, with more than **4,000** Party members participating in the study.



Party Lecture on the Theme of Education



Thematic Activity of “Commemorating Martyrs on Qingming Festival”

## Implementing business ethic into daily operations

BNBM attaches great importance to upholding business ethics especially integrity related issues. To this end, we deeply implement the integrity accountability system, continuously improve employee's awareness of business ethic and self-discipline, and guard against the risk of corruption by clear management responsibility, sound policies, strict supervision and inspection, risk prevention and control, and enhanced study and education. The Company continuously updates and improves the *Manual for Prevention and Control of Integrity Risks*, and carries out the monitoring of integrity risk indicators once a quarter. This year, the Company had no negative incidents in terms of ethical business practices such as corruption and unfair competition.

### Implementing the integrity system building

In strict compliance with relevant laws and regulations, BNBM has formulated a series of systems and policies, including the *BNBM Policy for Improving the Party Conduct and Upholding Integrity and the Provisions of BNBM Discipline Inspection Committee on the Integrity Commitment System for Leaders*. We also continue to improve and uphold the culture of integrity and anti-corruption. This year, we developed and revised more than 10 provisions, including the *BNBM Measures for the Implementation of Major Supervision (Trial)*. In this way, we have continued to improve the "Great Supervision"<sup>2</sup> working mechanism, and coordinated the internal supervision resources to establish a supervision system with unified objectives, clear rights and responsibilities, and collaborative efforts.

The company insists on integrating integrity construction into its central work. The Party committee (a board-level committee that leading the company's daily operation together with other committees under the Board) of the company effectively fulfils the main responsibility, the secretary of the party committee fulfils the responsibility of the first person responsible, and the members of the party committee strictly implement the "One Position, Dual Obligations"<sup>3</sup> rule. The Discipline Inspection Commission Office of the Company carries out the supervision and inspection to implement the spirit of the eight requirements, while the Supervisory and Enforcement Office of Discipline Inspection Commission carries out political supervision. All types of supervisory authorities work together to build a solid regulatory bond.

This year, the Company and 46 affiliated companies in signing the *Letter of Responsibility for Improving Party Conduct and Upholding Integrity*. It has clarified 32 key performance indicators for the integrity building within the Party and the responsibility for managing and governing the Party. As a result, a responsibility system of "responsibility fulfilment supervised by each upper level and implementation assured at all levels", as well as a work pattern of "joint efforts and joint governance", have been established.



Conference of the Leading Group for Building Party Conduct and Integrity and Anti-Corruption



Signing of the Statement of Responsibility for the Construction of a Clean Party and the Commitment to Honesty and Self-Discipline

<sup>2</sup> "Great Supervision" refers to the in-depth integration of internal Party supervision and corporate management supervision, fully leveraging the strengths of both Party building and corporate governance. This approach enables various supervision forces to complement each other with a focus on the weak links in corporate development, devising strategies for addressing issues, and establishing a comprehensive and multidimensional supervision system with vertically segmented oversight chains and horizontally coordinated supervision bodies based on business divisions.

<sup>3</sup>The "One Position, Dual Obligations" rule requires that a single role carries both the responsibility for improving conduct and upholding integrity within the Party, and for the operational management.



### Multiple reporting channels and whistleblowing system

The Company has established an open and transparent supervision and reporting channel, through which employees, consumers, suppliers and other stakeholders can report potential violations of laws and regulations such as corruption, fraud, unfair competition and conflicts of interest and other behaviour that violate business ethics via letters, phone calls, emails or in-person reports. If there is a report, the relevant departments of the Company will strictly follow the corresponding system to accept and verify the relevant clues to ensure that the issue is properly dealt with.

The Company strictly implements the *Rules for Handling Whistleblowing and Accusations by the Disciplinary Inspection and Supervision Authorities*, and maintains the confidentiality of the reporter's information and the content of the report, requiring all relevant personnel to sign confidentiality agreements to ensure that reporters' information is not disclosed. Any form of retaliation and persecution against reporters and witnesses is strictly prohibited. We are committed to preserving the privacy of reporters and ensuring the exercise of their legitimate rights.

### Enhancing business ethics supervision and management

BNBM insists on strengthening the prevention and control of integrity risks and establishes a top-down three-tier supervision system of the Dedicated supervision by Disciplinary Inspection Commission, functional supervision and frontline supervision, and regularly carries out all kinds of special supervision work. This year, the Company issued a total of 11 disciplinary inspection recommendations and 20 rectification notices, and carried out a "Follow-Up Checks" on the implementation of disciplinary inspection recommendations for four enterprises in 2022 to effectively implement the rectification effect.

The three-tier supervision system of BNBM includes:

#### Dedicated supervision by Disciplinary Inspection Commission:

Based on the relevant rules and regulations, seriously investigating and dealing with violations of laws, regulations and rules. Strengthening the supervision of key positions such as procurement and bidding, asset management, as well as the supervision of important nodes, key projects, the implementation of major decisions and deployments, etc. Implementing re-supervision of functional supervision to ensure the specificity of training efforts for integrity, the consistency of management, and the effectiveness of supervision.

#### Functional supervision:

Each functional department performs functional supervision, earnestly implements the supervision work, establishes functional supervision accounts, and continuously improves the integrated supervision and management closed-loop system to achieve seamless vertical and horizontal alignment within the supervision system, thereby reinforcing supervisory responsibilities, integrating supervisory forces and enhancing the overall effectiveness of supervision.

#### Frontline supervision:

Disciplinary Inspection Commission members and inspectors, as supervisory forcing at the grass-roots level and enterprises, regularly carry out extensive publicity and training on integrity to all-level employees, expand information collection channels, carry out regular heart-to-heart talks, and promptly report to the company's management in a timely manner after discovering the problems.

This year, the Company made continuous progress in anti-corruption supervision, including precise supervision task, targeted supervision efforts, professional supervision workforce and intelligent supervision methods.

Precise supervision task	Targeted supervision efforts	Professional supervision workforce	Intelligent supervision methods
Formulating the annual work ledger of the Disciplinary Inspection Commission to clarify and precisely advance disciplinary work by delineating 80 specific tasks across 7 aspects.	Continuously promote the specificity, precision and normalisation of supervision, innovatively carry out the special supervision for “Dual-new <sup>4</sup> ” and inspection and “Great Supervision” cross-inspection, and organize and carry out joint supervision and inspection of procurement and bidding and other special supervision and inspection, so as to promote the supervision of the ground to achieve practical results.	Conducting annual assessments of all 116 “Two Discipline Inspectors” at all levels, and conducting training based on the issues identified in the assessments to enhance their supervisory and regulatory capabilities.	Starting to establish the “Clean BNBM” information platform. We have promoted the information technology deeply integrated with disciplinary inspection and information technology-driven “Smart Disciplinary Inspection” .



The Company adheres to the principles of “integrity, cooperation, mutual benefit and common development” with suppliers, conducts procurement business in a fair, just, efficient and honest manner, and jointly maintains a clean and upright business environment. The Company formulates and implements the *BNBM Supplier Management Measures* and the *BNBM Supplier Blacklist Management Regulations*, and signs the *Confidentiality and Anti-Corruption Cooperation Agreement* with all suppliers to prevent corrupt practices. The Company regularly checks the compliance status of anti-corruption of suppliers from public channels. If suppliers are found to engage in corrupt behaviour, the Company will strictly implement the relevant regulations on anti-corruption of suppliers, blacklist them and terminate the cooperation immediately. This year, suppliers with whom the Company had cooperation 100% signed integrity agreements or integrity commitment letters in different forms to achieve full coverage of suppliers' anti-corruption management.

<sup>4</sup> “Dual-new” refers to newly merged and mixed ownership enterprises and newly entered and promoted cadres.

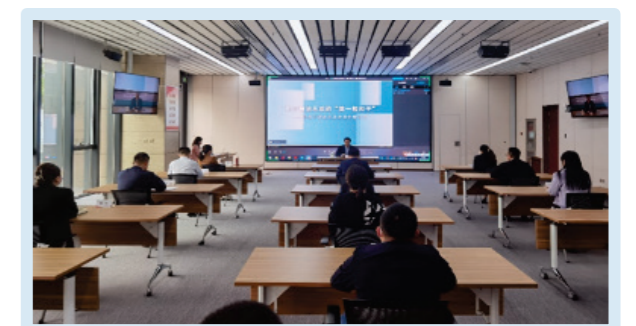
### Enhancing integrity awareness campaign

In 2023, BNBM continues to promote anti-corruption and integrity publicity, conduct anti-corruption awareness campaign for the Board of Directors, and continuously enhances the awareness of business ethics of the Board of Directors and staff at all levels.

- Deepened the construction of integrity culture, carried out special research work with the theme of “Every penny belongs to the community” integrity culture landing rule, and won the second prize of SASAC excellent subject results;
- Carried out the “Seven once<sup>5</sup>” frequent integrity education, compiled and issued 12 issues of Discipline Inspection Bulletin, pushed all kinds of learning materials for 128 times, and carried out warning education activities for 3 times, realizing full coverage of integrity education;
- Conducted “Monthly Talks on Improving Party Conduct and Upholding Integrity” in the whole level of enterprises, including topics such as disciplinary education and warning education, covering the employees in key management positions at all levels of enterprises;
- Strengthened the education and management of young cadres, and regularly conducted specialised training on integrity for middle-level and senior-level cadres born in the 1980s, with over 800 participants.



Conference of Party Building, Conduct and Integrity



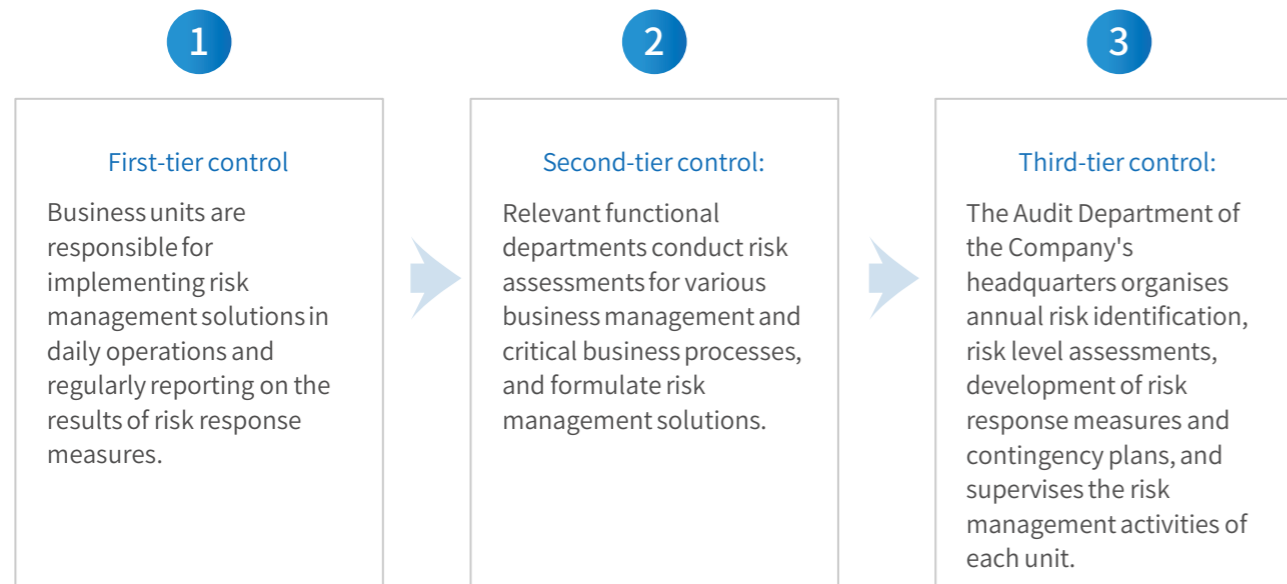

Specialised Training on Integrity

<sup>5</sup> “Seven once” : Talk once a month, report once a month, visit a week, one letter once every festival, lesson once a year, examination once a year, early warning once a year.

## Consolidate risk management

BNBM has established a “1+N” internal control system supported by various specific operational norms, with internal control system construction and supervisory system as the core. The level of risk prevention and control has been constantly enhanced by streamlining regulatory standards, rationalising risk management and improving internal control workflows. Based on the four principles of "full trust, full authorization, full transparency and full supervision", risk management is integrated into the top-level design, we have established a comprehensive risk management leadership group which is chaired by the chairman and includes the management team. This group has established a three-level risk prevention and control system consisting of business units, relevant functional departments and the audit department. The comprehensive implementation of risk management under this system effectively prevents various operational risks.

BNBM's three-tier risk prevention and control system:

The Company continues to strengthen the risk identification and internal monitoring capabilities, scores and assesses various risks based on industry characteristics and operational circumstances to determine major risks for the year and generate a comprehensive risk management report. The management report is submitted for management review, and the significant risk prevention and control responsibility ledger is established based on the identification results. Simultaneously, the Company conducts quarterly monitoring of significant and important risks, establishes a risk indicator library for various operations, and provides early warning and prevention measures for potential risks.

## Implement compliance

BNBM regards legal and compliance as the important cornerstone for the sustainable development. In strict compliance with the laws and regulations of nation and other overseas region where we operate, the Company has established internal regulations including the *Compliance Management Measures* to constantly improve the compliance management structure, deepen the construction of the legal compliance system, and strengthen awareness of operating in compliance with the law. This year, the Company did not encounter any significant illegal or non-compliant incidents in areas such as the environment protection, marketing or product services.

### Deepened compliance system

The Company has established a comprehensive compliance management system, which highlights the leading role of regulations, and clearly defines the principal leader of the Company as the primary person responsible for promoting the legal and compliance construction of the Company. A compliance management committee has been established with the principal leader of the Company as the leader of the leading group and the chief legal advisor of the Company as the leader of the working group. The committee is responsible for organising and coordinating compliance management, researching and deciding on major compliance management issues, as well as guiding, supervising and evaluating compliance management work of the Company.

### Enhanced compliance management

To prevent and control potential compliance risks, the Company has established three lines of defense for compliance management, in which the business departments play the main role, the Legal and Compliance Department leads, and the Audit and Discipline Inspection Department play supervises functional departments and supervisory departments to comprehensively implement compliance collaborative management work. In addition, the Company has established a reporting mechanism for non-compliance incidents. Major litigation cases must be reported at each level within specific time period, while other non-compliance incidents must be managed by each functional department based on their respective business areas and in accordance with the responsibilities of department heads, and recorded at the Company headquarters.

### A compliance culture

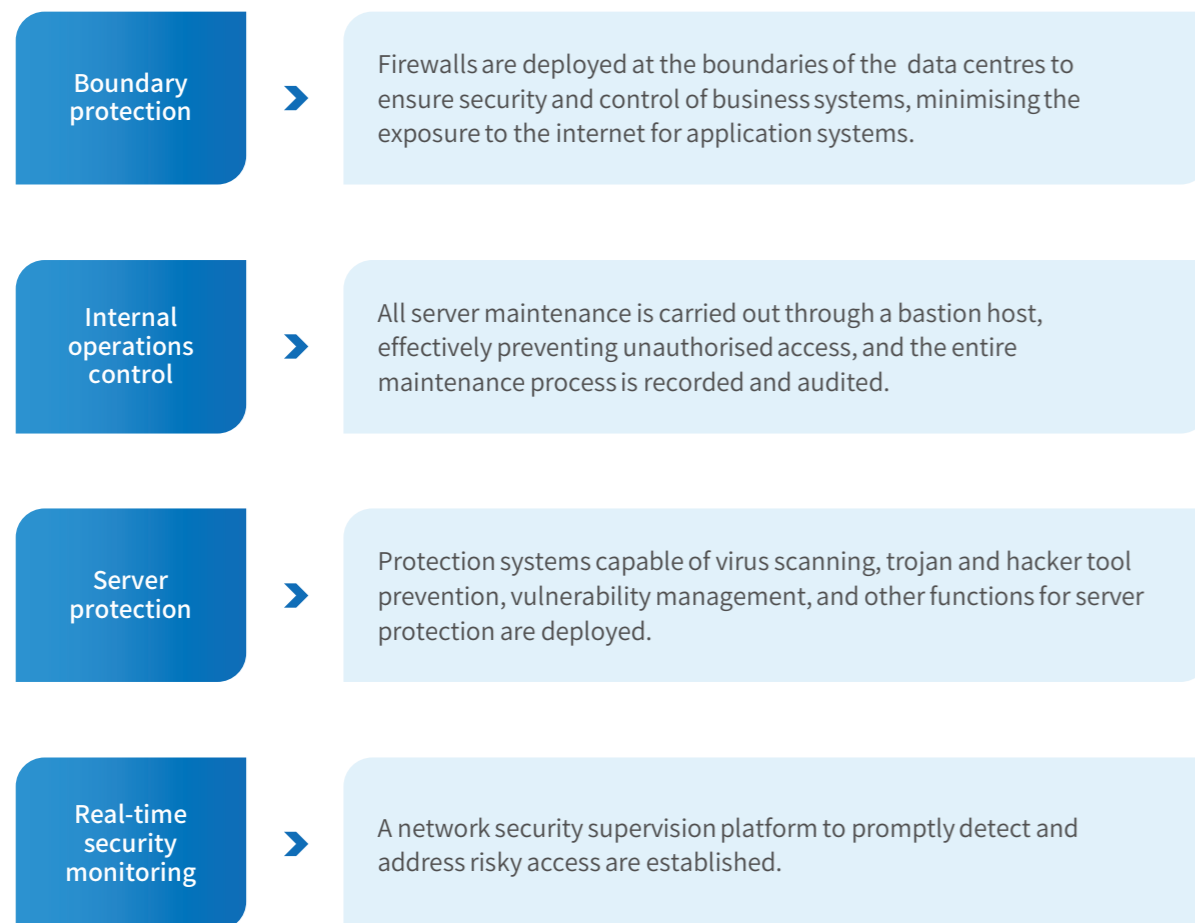
The Company continuously carries out legal education and publicity and organises internal or online training sessions, and invited external organisations to provide themed training on contract risk prevention, compliance officers and cross-border mergers and acquisitions for the Company and subsidiaries, creating and implementing a corporate culture that emphasises compliance with laws and regulations. This year, approximately 8,400 employees were covered by the legal compliance training.



### Information security protection

In strict compliance with the *Law of the PRC on Guarding State Secrets and Interim Regulations on the Protection of Commercial Secrets of Central State-Owned Enterprises*, and other laws and regulations, the Company has formulated rules and regulations including the *BNBM Information Security Management Policy*, and systematically implemented various measures to safeguard information security. Since 2021, the Company has been conducting the classification filing and assessment for the official website and internal systems, achieving a second-level cybersecurity protection level.

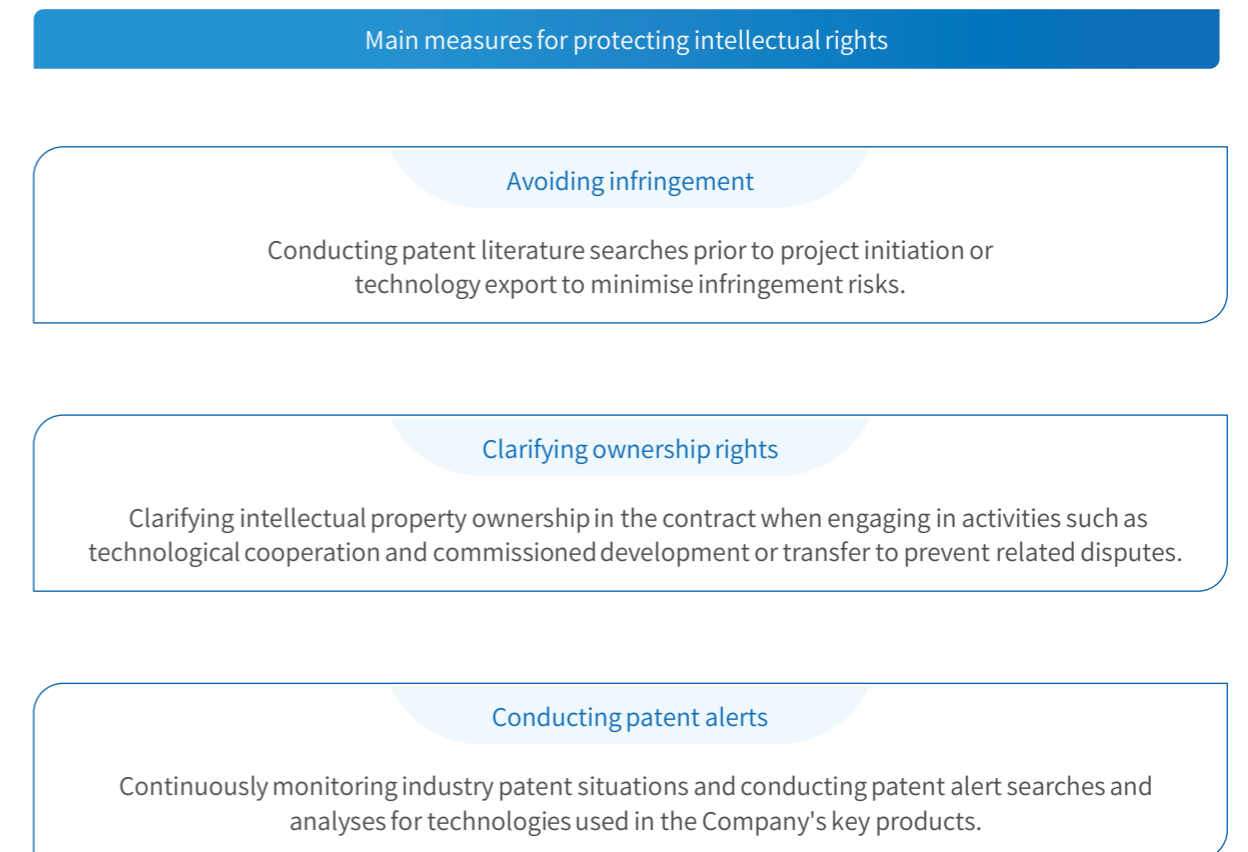
The Company has established the cybersecurity and informatisation leading group. The Chairman serves as the leader of the leading group, actively leading the Company's senior management and all employees in carrying out information security protection work. In addition, the Company has established the cybersecurity and information working group to carry out our routine cybersecurity management, which are focusing on implementing the following protective measures:



### Strong intellectual property protection

The Company always treat the protection of intellectual property rights as the core element to encourage employee innovation, promote economic development and ensure fair competition. In strict compliance with the *Patent Law of the PRC*, the Copyright Law of the PRC, and other relevant laws and regulations, BNBM has established internal regulations such as the *BNBM Patent Management Measures* to standardise intellectual property protection activities and build a comprehensive intellectual property protection management system.

The Company actively applies for patent registration and completes intellectual property application work effectively through techniques such as technology breakdown and background research in cooperation with technical experts and professional institutions. The Company promptly understands industry technological trends, organises technical exchange meetings, invites professionals to conduct patent searches and analysis on relevant technologies. The Company identifies key technologies requiring prioritised protection, and effectively prevent the risk of infringement.



# 02

## Green and Circular Economy Products

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Corresponding material issues: Resource/energy management, Waste management, Response to climate change



# Low-carbon operation and sustainable development

Driven by the mission of realisation of “Green Technology and Quality Life”, BNBM upholds the sustainable development concept of “Greenway Builds A Better Future”, and incorporates promoting low-carbon operation and circular economy as the key into the Company’s sustainable development new model. The Company is committed to minimising the negative impact of production and operation on the ecological environment and enhancing resource utilisation efficiency with continuous efforts in order to accelerate the achievement of the “Carbon Peaking and Carbon Neutrality” goals, and to assist society in actively responding to environmental risks and from a lifestyle of harmonious co-existence with nature.

## Advancing the “Carbon Peaking and Carbon Neutrality” strategy

To promote the achievement of the national "30.60" goal and promote the low-carbon development of the value chain, BNBM formulated the "Carbon Peaking Action Plan of BNBM" this year, which clearly aims to achieve carbon peaking in 2029 and make solid progress in carbon peaking and carbon neutrality. At the same time, the Company has established a leading team for carbon peaking and carbon neutrality to coordinate and deploy the work of carbon peaking and carbon neutrality, establish a communication and coordination mechanism for major issues of carbon peaking, and verify the completion of carbon peaking goals in a timely manner.

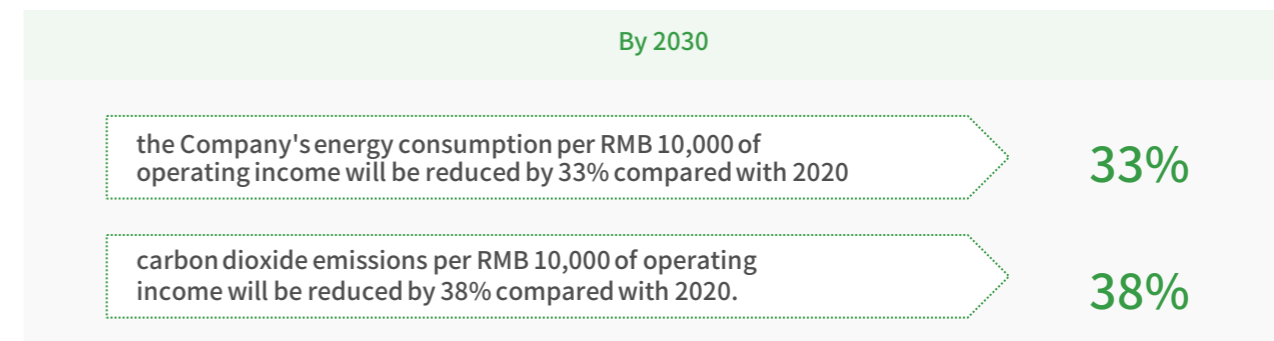
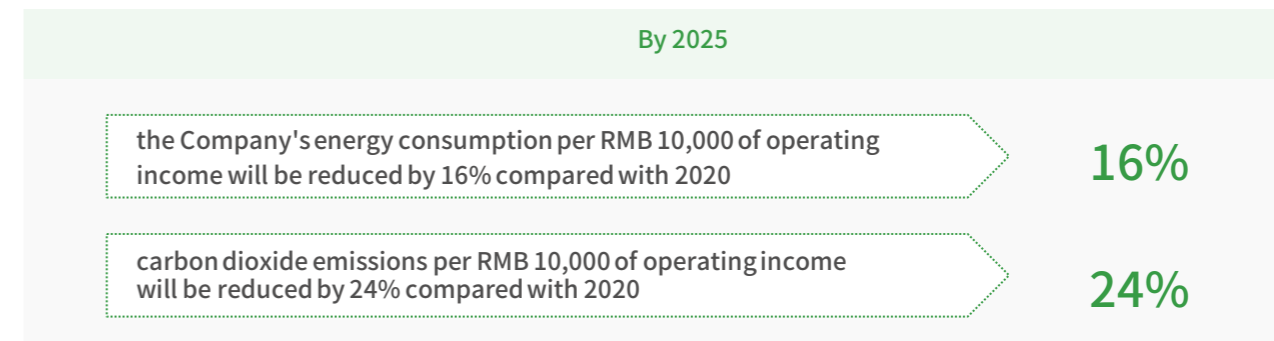
### Core Principles

The plan clearly takes "reducing carbon at the source based on reality", "development priority, equal emphasis on emission reduction", "innovation-driven, technology-led" and "active, steady and orderly promotion," as the four core principles, strengthening reduction at the source, strict process control, and optimizing end governance. Based on control of total volume, focusing on business structure optimisation, taking raw material fuel substitution and comprehensive utilisation of resources as the key, and low-carbon technology innovation as the driving force, the Company accelerate the production and application of green building materials.

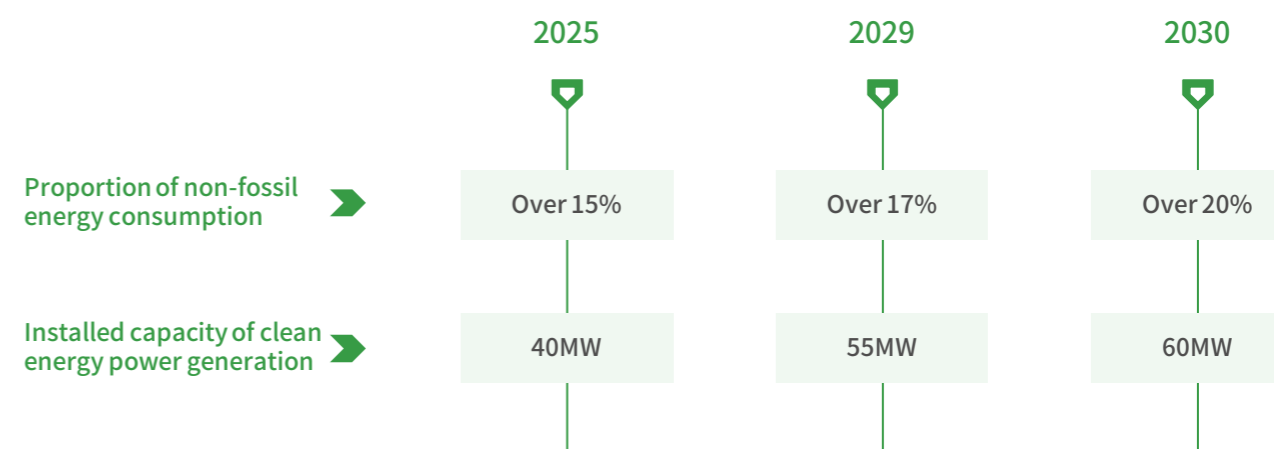
### Strategic goals

To implement of energy conservation and emission reduction system measures, the work plan has formulated overall goals and characteristic goals based on the Company's development situation, and promoted all-round emission reduction from point to area.

### Overall goal



### Featured goals



### Implementation path

The work plan emphasizes the green and low-carbon transformation of energy, the efficient use of resources and energy, and the vigorous promotion of circular economy as the three pillars to achieve carbon peaking, and is supported by digital technology development, low-carbon infrastructure construction, green supply chain management, and low-carbon development capacity building. Ten key tasks have been clarified, and six key projects have been planned to promote the development and implementation of the "Carbon Peaking and Carbon Neutrality" in an all-round and multi-dimensional manner.



#### Ten tasks

- Comprehensively optimize the layout of production operations
- Accelerate the green and low-carbon energy transition
- Improve the efficiency of resource and energy use
- Build green and low-carbon infrastructure
- Promote green, low-carbon and circulation transformation
- Improve the digital intelligence
- Strengthen the driving force for green and low-carbon innovation
- Strengthen green and low-carbon supply management
- Strengthen green and low-carbon development capabilities
- Deeply involved in international cooperation and exchanges



#### Six projects

- Gypsum board production line project
- Biomass addition project
- Clean energy substitution technology transformation projects
- Comprehensive renovation of industrial furnaces and acceleration production lines
- Distributed photovoltaic power generation project
- Gypsum board heavy-duty intelligent storage system

## Strengthening low-carbon production

BNBM actively implements the national carbon-reduction strategy of “Action of Central Enterprises for Energy Conservation and Carbon Reduction”, upholds “green” manufacturing to promote the implementation of the Company’s “Carbon Peaking and Carbon Neutrality” strategy, strengthens the construction of energy-saving and emission reduction targets, and promotes low-carbon technology transformation and process upgrades. The Company continues to implement clean energy substitution to improve the efficiency of energy use, reduce greenhouse gas emissions and drive forward the upgrading of production processes towards “near-zero emissions”.

As of the end of the Reporting Period, the Company's comprehensive energy consumption of RMB 10,000 of gross industrial output value reached **0.65** tons of standard coal per RMB 10,000, a year-on-year decrease of **5.67%**<sup>6</sup>; The carbon dioxide emissions of RMB 10,000 of gross industrial output value revenue decreased by **6.42%** year-on-year, exceeding the target.



<sup>6</sup> Remove the effect of raw material consumption such as asphalt.

The Company actively promotes the assessment mechanism energy conservation and emission reduction initiatives across all production bases by establishing an assessment system with the General Manager of each base as the primary responsible party. Energy conservation and carbon reduction, as well as ecological environmental protection indicators, have been incorporated into the performance evaluation scope of senior management. Incidences of serious environmental issues will impact the performance assessment of the management team, ensuring smooth communication of energy conservation and emission reduction tasks at each level and their effective implementation.

The Company is committed to enhancing green production management capabilities through digital methods. The Company has established an intelligent energy management system at the Tianjin base, enabling real-time collection, transmission and monitoring of energy consumption data during the production of gypsum boards. The base's data is synchronously aggregated at headquarters, facilitating real-time and visible transmission of production data and thereby enhancing the fine management of energy consumption.

**Promoting the usage of clean energy**

BNBM actively engages in research and application of clean energy, and advocates for the replacement of coal with clean energy sources such as natural gas, steam and biomass to empower reducing pollution and carbon emissions in production. This year, the Taicang and Wuhan bases completed the technological transformation to substitute coal with natural gas, and the Zhenjiang base finished the technological transformation to replace coal with low-pressure waste heat steam. Additionally, the Company is researching the biomass fuel application technologies and roof-based heat collection technologies. For the newly constructed production lines, clean fuel is used as the main heat source in the production process.

**In 2023**

the new installed capacity of BNBM’s photovoltaic power generation reached **24.99** MW, exceeding the target.

BNBM replaced approximately **27.4** thousand tonnes of standard coal with waste heat steam from power plants, **183.3** thousand tonnes of standard coal with biomass, and **113.3** thousand tonnes of standard coal with natural gas, resulting in an annual emission reduction of approximately **661.1** thousand tCO<sub>2</sub>e.

the total photovoltaic power generation of enterprises at various levels reached **29.98** GWh this year, or reduced emissions by approximately **9,580** tCO<sub>2</sub>e.

**Case Technological transformation for clean energy consumption**



In response to the national policy of “promoting coal substitution as well as transformation and upgrading”, Taishan Gypsum (Shaanxi) Co., Ltd. has replaced three traditional coal-fired gypsum calciners with natural gas-fired ones. This initiative is expected to substitute approximately 28 thousand tonnes of coal annually, reducing sulphur dioxide emissions by over 200 tonnes and nitrogen oxide emissions by approximately 190 tonnes.

Gas-fired calciners of Taishan Gypsum (Shaanxi) Co., Ltd.

**Case Photovoltaic power generation promotes green energy use**



BNBM Ningbo Co.,Ltd. uses the roofs of existing factories to install distributed photovoltaic power generations and increases the laying of photovoltaic modules on the existing roofs to accelerate the process of carbon reduction in production. During the year, the Company has installed 26,000 m<sup>2</sup> of photovoltaic modules and installed 9,260 photovoltaic modules, with a total installed power of 2,800 KW, an annual power generation capacity of 2.65 million KWh, saving about 840 tons of standard coal and reducing greenhouse gas emissions by about 2,110 tCO<sub>2</sub>e per year.

BNBM Ningbo Co.,Ltd. Factory rooftop photovoltaic modules

**case Clean energy substitution for low-carbon production**

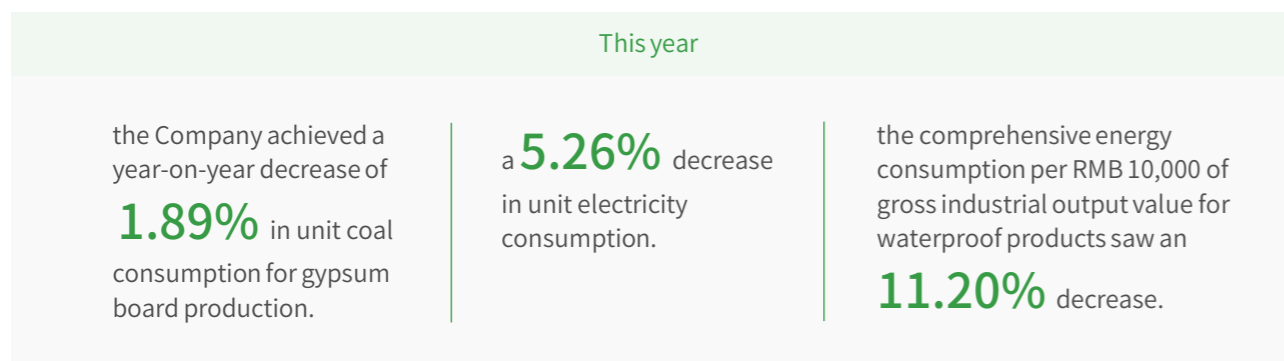


To promote the substitution of clean energy and achieve energy conservation and consumption reduction in the production process, Taishan Gypsum has significantly increased the utilisation of photovoltaic power generation. By 2023, the Company had put into operation wind and photovoltaic power generation at 7 branch factories, with a total installed capacity of 28.39 MW and an annual electricity generation of 27.579 million kWh.

Taishan Gypsum's subsidiary, Lianyungang Gangxing Building Materials Co., Ltd., achieved an installed capacity of 3.59 MW and grid-connected operation

## Reducing production resource consumption

BNBM deepens the concept of reducing energy consumption at the source, adheres to the optimisation of production technology as the starting point, improves energy efficiency, reduces energy consumption, and helps achieve the goal of carbon reduction.



- Reducing heat loss by insulating the metal corrugated pipes at BNBM Waterproof Panjin Base, resulting in an annual reduction of approximately **5** thousand cubic meters of natural gas usage;
- Organising a coal-saving and energy-reducing task force at Dragon Brand Company, reducing resource consumption through adjustments to the hot air furnace system and minimising evaporation, achieving a year-on-year decrease of **4.05%** of coal consumption this year

## Promoting circular economy

BNBM constantly promotes the building, city and residential environment to be greening,, promoting circular economy, energy saving and prefabricated buildings, and creating a green building industry chain throughout the life cycle from raw materials, production, construction, application and recycling.

The Company adheres to building factories close to the source of raw materials to fully utilises energy industry solid waste and heating, achieving comprehensive utilisation of resource.

In 2022, the Company was awarded the “Industrial Product Green Design Demonstration Enterprises” by the Ministry of Industry and Information Technology of China.

In 2023, the Company had utilised approximately 14.81 million tonnes of industrial by-product gypsum throughout the year, and the main products such as gypsum boards, mineral wool boards, waterproof materials and water-based coatings had all obtained environmental label product certification.

In the production process, we are committed to achieving comprehensive resource utilisation by using recycled materials, recycling resources, using waste materials and extending product life, thus creating a complete green building industry chain throughout the entire lifecycle.



Using industrial solid waste

Resources recycling

Utilise 100% industrial by-product gypsum to produce gypsum boards, achieving the recycling of industrial solid waste and conserving natural mineral resources.

case

FGD gypsum solid waste resources and steam cascade utilisation

The Hezhou base of BNBM in Guangxi has initiated a project for the resource utilisation of FGD gypsum solid waste. The project utilises the by-product FGD gypsum generated from power plant treatment of calcium carbonate solid waste as the raw materials and utilises the waste heat from the power plant steam as a heat source. This forms an industrial chain encompassing "waste marble slurry - FGD gypsum - gypsum board", with an annual consumption capability of approximately 300 thousand tonnes of FGD gypsum and an annual consumption of over 200 thousand tonnes of steam discharged by the power plants from power plants, achieving the recycling of solid waste and the cascade utilisation of energy.



case

Improving product service life by process innovation

Through targeted research for different application environments, BNBM OTAi Polymer Waterproof System (Tianjin) Co., Ltd. has established a multi-functional serial product development system, and formed a TPO membrane composite R&D and production platform by integrating the system with the production process and device. The platform enables the company to improve the performance of the product by 30% (the high-temperature ageing strength is about 8 times that of the national standard with no bending crack at the low temperature -50°C, and the artificial climate ageing capacity is 3.6 times that of the national standard), which prolongs the life of the product when applied on the roof to 10 -15 years.

Engage in technological research and development to extend product life and reduce resource waste.

Extending product lifetime

Utilise production waste heat, power plant waste heat and production condensate to support our production activities, thereby realising the reuse of resources.

case

Adopting a new type of dryer to improve the reuse of resources

To improve the efficiency of waste heat and water vapour recovery, the Company has adopted a new type of dryer in Tianjin base. The new type of dryer incorporates a double-bridge thermal insulation technology and a multilayer composite design with insulation materials. The average surface temperature is at least 3 degrees Celsius lower than traditional equipment, effectively reducing the resource consumption and save approximately 2,200 tonnes of standard coal. Additionally, the new equipment is equipped with a spray device at the top of the exhaust pipe, enabling the reuse of condensate water and nearly 10 thousand tonnes of water per year can be saved.

case

Promoting resource recycling with technological transformation of the calcium-based desulphurisation

Dream Brand New Materials actively promotes energy-saving and emission-reduction technological innovation and has implemented the technological transformation of calcium-based desulphurisation at production bases in Ningguo,base. Through technical transformation, the production line can utilise the calcium sulphate generated during desulfurisation as a raw material added to gypsum for recycling and reduce the pollution emission of desulfurisation wastewater.

case

Wastewater treatment system realizes water recycling

Tianjin base of the Company adopts an integrated microbial membrane filtration sewage treatment system, which can process 80 tonnes of production wastewater and domestic sewage per day, and the processed sewage will be used in pulping and other production links to achieve wastewater reuse and "zero emission" of sewage. This year, Tianjin production base was awarded the title of "Tianjin Water-saving Enterprise".

case

Recycling of leftovers from the production of waterproofing materials

BNBM Waterproof recycles PE film covering waste and testing waste to prepare modified asphalt adhesive by heating and dissolving waste and asphalt. We crush the polymer trimming by the variety, and then directly adds it to the pellets after ensuring the quality for mixing and use for the production of new products to achieve efficient application of materials. This year, we recycled a total of 437.7 tonnes of scrap waste and testing sample.

Utilise waste materials generated during production for subsequent production to enhance resource utilisation efficiency.

Using wastes

## Optimisation environmental management system

BNBM strictly adheres to the requirements of the Environmental Protection Law of the PRC, the Atmospheric Pollution Prevention and Control Law of the PRC, the Cleaner Production Promotion Law of the PRC, the Energy Conservation Law of the PRC, and other laws and regulations related to energy conservation and environmental protection. The Company continuously improves the environmental management policies, implements a variety of environmental protection measures and strengthens ecological environment supervision and management to vigorously promote environmental governance efforts.

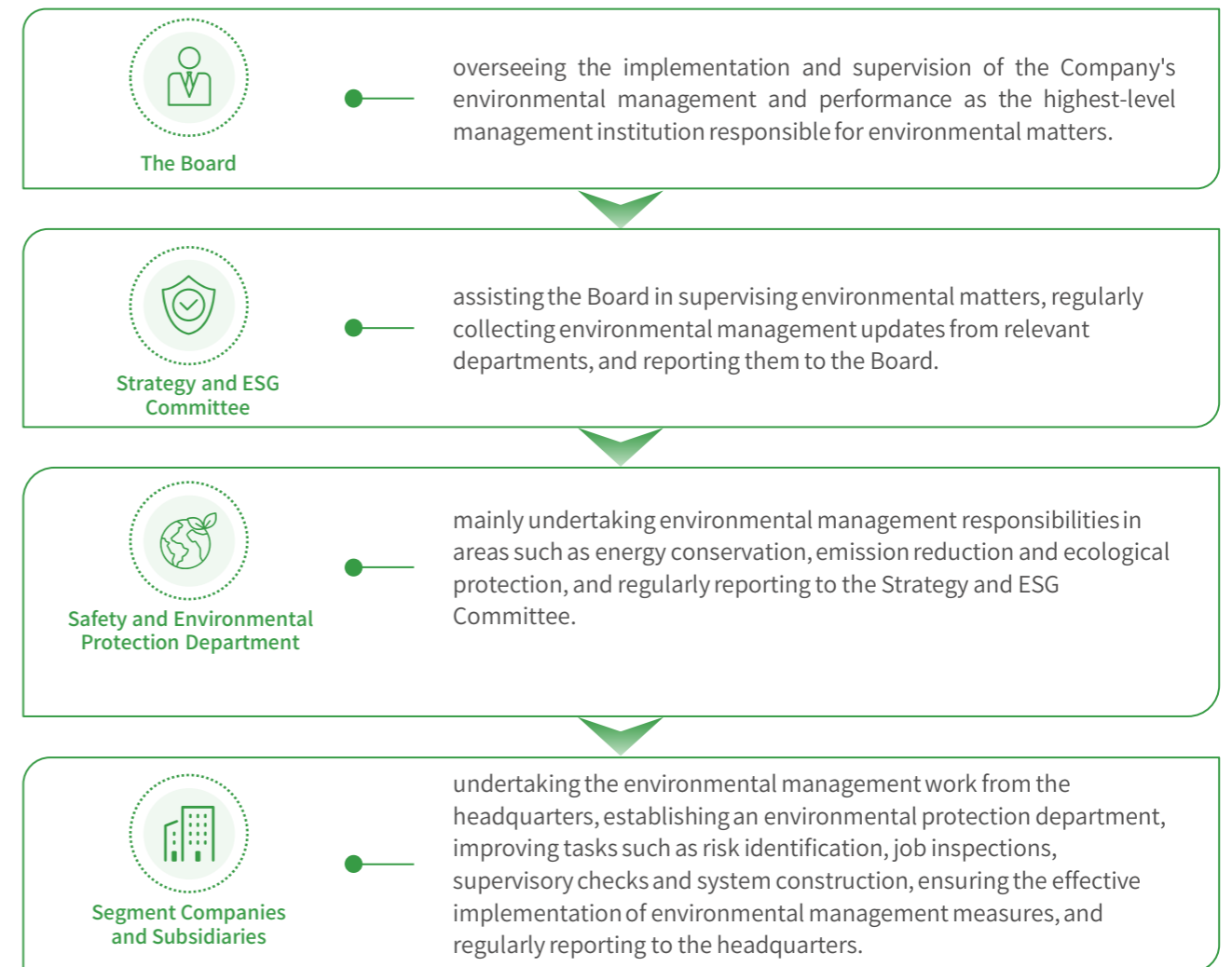
The Company diligently fulfils the main responsibilities of environmental management and continuously improves internal provisions such as the BNBM Ecological Environmental Protection Responsibility Policy and the BNBM Ecological Environmental Protection Management Policy. The Company also take the environmental performance as a factor in management level overall performance, including executive level. If cases such as serious environmental violation is happening, the management level performance will be affected while leading a deduction in their compensations. The Company continuously strengthens the construction of the environmental management system and promotes the ISO14001 environmental management system certification and green product certification across subsidiaries. This year all production bases of BNBM had carried out environmental management in accordance with the ISO14001 environmental management system certification.

### Key environmental protection performance

- Sulfur dioxide emission intensity was **0.37** kg/RMB 10,000 of industrial gross industrial output value, a year-on-year decrease **15.92%**;
- Industrial particulate matter emission intensity was **0.11** kg/RMB 10,000 of industrial gross industrial output value, a year-on-year decrease **32.76%**;
- Nitrogen oxide emission intensity was **0.64** kg/RMB 10,000 of industrial gross industrial output value, a year-on-year decrease of **13.95%**.
- **52** gypsum board production lines at all levels have achieved "near-zero emission", **27** enterprises have won the title of national "green factory", and **24** enterprises have won the title of provincial "green factory".

### Environmental management system

To promote the environmental management, BNBM has established an environmental management structure, including the Board, Strategy and ESG Committee and the Safety Production Management Committee Office (Safety and Environmental Protection Department), forming a top-down management mechanism. In addition, the Company has established a vertical management system of the “Headquarters - Segment Companies - Subsidiaries”, achieving comprehensive environmental management across the Company. This structure ensures continuous progress in the management of environmental protection and ecological development at all levels.



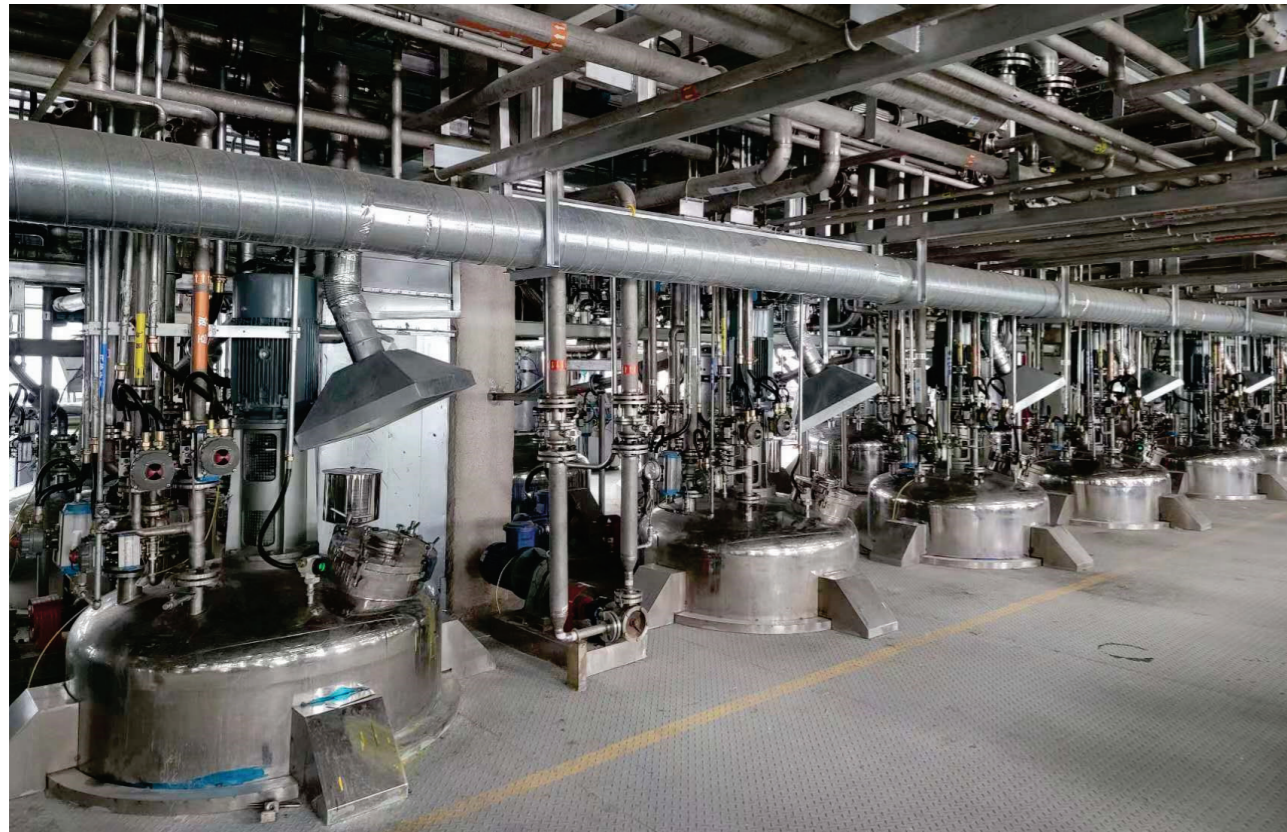
To continuously monitor environmental performance and effectively identify and prevent environmental risks, each subsidiary of BNBM formulates an annual self-monitoring plan at the beginning of each year, and strictly cooperates with professional external organisations to carry out regular monitoring activities according to the plan. The monitoring plan and results are publicly disclosed in accordance with local environmental department requirements, and real-time monitoring of emission data is achieved through access to the environmental online monitoring system linked with the local environmental protection agency. By the end of the Reporting Period, a total of 3,037 environmental hazards were investigated by the subsidiaries and all identified issues had been rectified.

In addition, each branch or subsidiary has formulated regulations such as the Management Measures for Environmental Emergencies and the Environmental Risk Hazard Investigation and Control Policy, in accordance with the guidelines provided by the headquarters. Additionally, response plans for environmental emergencies have been tailored to the specific characteristics of each production base. Besides, each production base regularly updates the list of key environmental factors, conducts risk assessment and evaluation based on the list, and organises comprehensive and specific emergency drills. In 2023, BNBM had no administrative penalties for environmental protection, no environmental emergencies, and no major violations of ecological and environmental regulations occurred.



### Reducing production environmental impact

In strict compliance with relevant laws and regulations of the country and various operational areas, BNBM has established the BNBM Ecological Environmental Management Policy, which clearly outlines the management methods and processes for wastewater, waste gas and waste disposal during operations at all subsidiaries and sets environmental emission standards that are stricter than the requirements of laws and regulations. This year, the Company completed the development of the latest clean coal combustion technology, further reducing emissions of soot, sulphur dioxide and nitrogen oxides. 52 gypsum board production lines reached the "near-zero emissions" technological level, with a 100% compliance rate for pollutant emissions.



Lighthouse Coating Workshop

### Wastewater management

The Company strictly complies with the sewage and wastewater discharge standards at operational sites. The production bases conduct initial treatment of production wastewater and cooling water as required by installing sewage treatment facilities. After meeting the disposal standards, the treated water is reused or discharged into the municipal pipelines for unified treatment at the sewage treatment plants. In addition, the Company's production bases such as those in Liaoning and Anhui have installed online wastewater monitoring systems to conduct real-time monitoring and adjustment of wastewater discharge concentrations to ensure compliance with regulations.

### Gases and toxic emission management

The company adheres to the high standards and strict requirements of waste gas treatment, and has set up a "near-zero emission" emission targets for toxic emissions including sulfur dioxide, nitrogen oxides and soot which is stricter than the national and industry standards, and the emission intensity is required to be less than 20, 30 and 5 mg/m<sup>3</sup> respectively, and gradually applies the standard to the gypsum board production line. For volatile organic compounds (VOCs), each production base is equipped with recycling and treatment equipment, and the compliance emission is required.



#### Online waste gas monitoring and exhaust treatment system

This year, the Sichuan base constructed an RTO incinerator system and added VOCs online monitoring equipment. This allows for real-time monitoring of VOCs emissions, ensuring compliance while achieving continuous monitoring of exhaust gas emissions.



The RTO incinerator system and online monitoring equipment at the Sichuan base

### SCR

#### SCR denitrification transformation

Dragon Brand Company implements SCR denitrification transformation, which transforms urea SNCR denitrification into ammonia SNCR+SCR composite denitrification. Ammonia is atomised and sprayed in the high-temperature flue to be SNCR denitrified first, and then mixed with air to below 450°C to enter the denitrification tower for further SCR denitrification, achieving the goal of "Near-Zero Emission" of nitrogen oxides.



#### Bag collector renovation

This year, Dragon Brand Company implemented a bag collector renovation project in addition to the original electric dust collection, achieving "Near-Zero Emission" of particulate.



#### Desulphurisation tower spray system renovation

This year, Dream Brand New Materials (Ningguo) Co., Ltd. conducted a technical upgrade of the second-line desulphurisation tower spray system, and added spray layers and installing gas distributors to achieve the reduction in sulphur dioxide emissions to below 15 mg/m<sup>3</sup>. Dragon Brand's magnesium oxide wet spray desulfurisation technology realizes automatic addition adjustment with PLC program, and achieves "Near-Zero Emission" of sulfur dioxide

### Solid waste management

BNBM strictly adheres to national laws and regulations and industry standards for the strict disposal of general industrial waste and hazardous waste. The Company formulated the BNBM Ecological and Environmental Protection Management System, introducing clearer requirements.

Hazardous waste	The Company has established strict hazardous waste disposal procedures. The departments generating waste of each production base must transfer hazardous waste to temporary storage areas on the same day, where it is segregated based on the type and strictly managed in terms of inbound and outbound movements. Each production base entrusts professional third-party entities to regularly process hazardous waste to ensure compliance treatment of hazardous waste.
General industrial waste	Each production base has set up general solid waste warehouses for the categorised management, storage and regular disposal.

## Keep green operations

BNBM promotes the concept of green office, and the headquarters R&D base has successively obtained the double green Three-Stars top certification issued by the Beijing Municipal Commission of Housing and Urban-Rural Development, which designed, constructed, operated and managed in accordance with the green Three-Stars standard.



#### Paperless office

Our internal online OA office collaboration system has fully covered our various management processes, and basically realised paperless office. At the same time, we have established a shared library of office supplies to share daily necessities such as paper, ink cartridges, drinking water and others among various departments, improving the efficiency of public resource allocation.



#### Construction of water-saving facilities

Bases has established rainwater collection pool, which has collected 75,164 m<sup>3</sup> of rainwater for reusing landscape water and green irrigation.



#### Equipment management

This year, the Company's headquarters replaced the cooling pump of cooler in the office area and air conditioner in the restaurant area from soft start to inverter control, which can save about 35,000 kWh of electricity for cooler and 20,000 kWh of electricity for air conditioner per year.

## Response to climate change

Climate change has become a core factor affecting the sustainable development of the Company. Recognizing the impact of extreme weather and sea level rise arising from climate change on human life, BNBM also pays constant attention to the opportunities brought about by climate change, such as energy transition and technological innovation, and is committed to providing more climate-resilient building solutions for the whole society, and earnestly implementing the mission of "Green Technology and Quality Life".



Aerial view of Taishan Gypsum (Yichang) Co., Ltd.

### Response to climate risks




This year, we identified climate change-related risks in accordance with factors such as the macro environment, industry characteristics, and our strategic development plan and with reference to the Recommendations of the Task Force on Climate-related Financial Disclosures by Task Force on Climate-related Financial Disclosures (TCFD), and took effective measures to address them in production, operation, supply chain and other links.

Description of risks and potential impacts		Response strategies
Transition risks		
Policies and laws	<ul style="list-style-type: none"> <li>As China advances the "30.60" goal, the country and various regions have successively introduced new policies to support the low-carbon transition, and high-emission economic activities will be under pressure, which brings increasing compliance risks to enterprises.</li> <li>As the Company has gradually expanded its business overseas and various countries and regions around the world have successively formulated or improved their laws and regulations related to climate change, our operational compliance costs will increase.</li> </ul>	<ul style="list-style-type: none"> <li>We should closely follow the development direction of low-carbon policies and industries in the countries and industries where we operate, accelerate the pace of enterprise transformation in accordance with our development, and resolutely implement the green and low-carbon development route and carbon peaking action plan.</li> </ul>

Description of risks and potential impacts	Response strategies
<p><b>Technologies</b></p> <ul style="list-style-type: none"> <li>Facing increasing stringent carbon reduction policy, we are required to carry out low-carbon process innovation and low-carbon technology renovation on a continuous basis, which in turn will increase scientific research and technology substitution costs.</li> </ul>	<ul style="list-style-type: none"> <li>Enhance the strength of technology research and development, build and efficiently apply a "Carbon Peaking and Carbon Neutrality" research and development platform, promote all factories to actively adopt new technologies and methods of energy conservation and carbon reduction, and improve the efficiency of energy-saving and carbon-reduction process research and technological transformation and application.</li> </ul>
<p><b>Markets</b></p> <ul style="list-style-type: none"> <li>The value chain downstream and customers are paying increasing attention to the low-carbon attributes of our products and services, which lead to higher low-carbon requirements for our main products. To adapt to market changes, we may face the risk of untimely and ineffective transformation in the process of low-carbon transformation of products, which will affect the efficiency of opening up new market.</li> </ul>	<ul style="list-style-type: none"> <li>We vigorously develop green product technology research and development and production line construction, and accelerate the commercialisation of our green products to expand the market share of our green products.</li> </ul>
<p><b>Reputation</b></p> <ul style="list-style-type: none"> <li>Stakeholders are constantly concerned about our performance in green and low-carbon development and response to climate change, and our reputation and image will be deteriorated when it does not meet expectations, which will further affect our market performance.</li> </ul>	<ul style="list-style-type: none"> <li>We have gradually carried out the brand building over green building materials, and strengthened brand publicity to enhance our influence and sustainable development image in the value chain;</li> </ul>
Physical risks	
<p><b>Acute risks</b></p> <ul style="list-style-type: none"> <li>Due to the frequent occurrence of natural disasters such as hurricanes and floods due to climate change, it may lead to water outages, power outages, destruction of production facilities, interruption of production and operation, damage to production and operation equipment, and threats to the safety of employees, which in turn leads to the inability of normal operation and economic losses;</li> <li>The associated acute risks will have an impact in terms of timeliness and safety on the logistics and transportation of products and goods, which in turn will lead to potential economic losses.</li> </ul>	<ul style="list-style-type: none"> <li>We have formulated relevant emergency management measures for extreme weather, and established a monitoring and warning mechanism. Each production bases involved are required to carry out emergency drills for natural disasters based on the local climate characteristics to ensure sufficient emergency supplies;</li> </ul>
<p><b>Chronic risks</b></p> <ul style="list-style-type: none"> <li>Chronic risks such as rising sea levels, changes in the distribution of water resources, and more frequent hot weather caused by climate change may have a potential impact on business operations, such as relocation of operation place, increased demand for refrigeration equipment, and shortened equipment lifespan, which increase our operating costs.</li> </ul>	<ul style="list-style-type: none"> <li>We pay attention to the official information of natural disasters and extreme weather warning and convey it in real time, keep abreast of the impact of natural disasters on the affiliated companies involved, and coordinate human, financial and material support.</li> </ul>

### Seizing climate opportunities

BNBM is fully aware of the necessity of low-carbon development. We grasp the market opportunities of sustainable development, and improve our operational efficiency and strengthens high-quality development through our own green transformation. Referring to the TCFD framework, we have identified key climate opportunities and financial impacts as below:

Types of opportunities	Description of opportunities and potential financial impacts
 <p>Products and services</p>	<p>The company promotes the building, city and residential environment to be greening with continuous efforts, and regards the development of green and low-carbon building solutions as an important market opportunity. The Company continues to reduce production energy consumption to develop low-carbon products, and continuously promotes the application of the circular economy concept, creating a full life-cycle green building industry chain, and comprehensively improving the performance of products in terms of environmental protection. We firmly believes that the Company can provide more diversified low-carbon solutions for the downstream of the value chain and the whole society, and promote the co-creation of economic and social value between the Company and society through the continuous development and application of green products.</p>
 <p>Resource efficiency</p>	<p>Guided by national and international low-carbon emission reduction policies, our production bases continue to carry out energy-saving and environmental protection technology substitution, improving production energy efficiency, reducing the use of resources and energy procurement costs while ensuring output.</p>
 <p>Energy sources</p>	<p>We have carried out the substitution of replacing coal with clean energy such as biomass energy and natural gas to reduce our own carbon emissions and reduce the compliance risks caused by the stricter low-carbon policies in the future. With the gradual improvement of the national carbon emission trading market, the comprehensive practice of clean energy has laid a good foundation for us to join the carbon emission trading, or bring us direct economic benefits.</p>

# 03

## High Standard Solutions

Quality of products and services	053
Technological innovation and application	057
Empowering green construction	063

Corresponding material issues: Quality control, Customer service



# Quality-first approach to deliver optimal services

## Quality of products and services

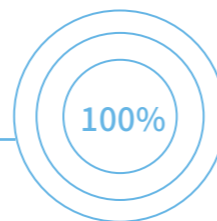
Ensuring and improving product quality lays the solid foundation of the steady development of BNBM. Adhering to creating first-class quality, first-class products, first-class service, BNBM manages to achieve the reasonable growth of business benefits and the effective improvement of development quality, and provide users with solutions of higher health value, safety and quality, in a bid to assist users in more sustainable development, and support the creation of a harmonious social environment. This year, our "practice based on value stream optimisation" won the 2023 "Typical Case of Industrial and Information Technology Quality Improvement", the "National Quality Benchmark" of the China Association for Quality, and the "National Building Materials Industry Quality Benchmark" of the China Building Materials Federation.

### Quality management structure

Committed to building a perfect quality management system and providing excellent products and services, BNBM has formed new advantages in competition and cooperation with technology, standards, brand, quality and service as the core. We have formulated the BNBM Product Quality Management System, establishing a top-down quality management structure to ensure that employees at all levels participate in product quality management. The Company has formulated the BNBM Management Plan for Quality Supervision and the BNBM Quality Control List, and carries out irregular quality management supervision and inspection on the affiliated companies involved. The affiliated sector companies involved have formulated internal management policies such as the Quality Management Policy and the Quality Supervision and Management Measures to realise the whole-process quality management of products in terms of procurement, production, quality inspection, quality evaluation. This year, all of our production bases have carried out quality management in accordance with ISO9001 Quality Management System Certification.

We also strengthen the centralised management and risk prevention and control of the quality of all levels of production. The headquarters collects and summarises the production of various products every month, carries out benchmarking and evaluation of the data such as product qualification rate, product consumption per unit, and product energy consumption, in an effort to monitor the production quality of the products in a timely manner. This year, we carried out quality supervision and inspection on **24** bases. In this process, we found **148** problems, of which **100%** were rectified.

This year, we set a quality management goal of "zero major quality accident, zero external quality supervision and punishment, 100% pass rate of product supervision and inspection by regulators, 100% pass rate of products, ". As of the end of the Reporting Period, all targets were achieved as planned.



## Quality management awards

We actively carried out total quality management activities and achieved excellent results this year:



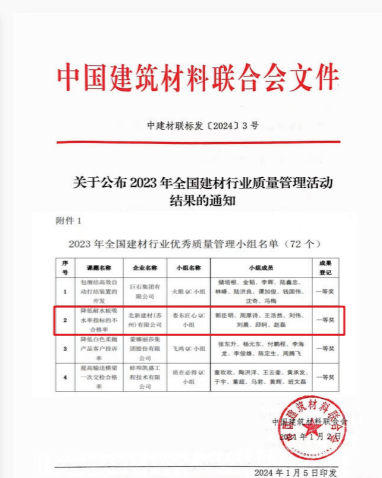
The mineral wool board QC team of Zhuozhou branch won the silver award of the Quality Control (QC) Chinese group of the International Quality Management Group Conference (ICQCC) with its achievement, and won the second prize in the Central Enterprise QC Group Results Presentation Competition;



4 QC excellent teams participated in the National Building Materials Industry QC Results Presentation hosted by the China Building Materials Federation, and won one each of the first, second, third and excellent prizes of National Building Materials Industry QC Group;



organized and held the "37th BNBM QC Achievement Publication Review Meeting" and published 34 achievements.



The silver award of the Quality Control (QC) Chinese group of the International Quality Management Group Conference (ICQCC) and the first prize for quality management activities in the national building materials industry

### Excellent customer service

Sticking to a customer-centric strategy, BNBM integrates the upstream and downstream resources of the industrial chain to build a new integrated industrial platform of "Technical Solutions + Product Integration + Service Consulting". We have thus realised the all-in-one solution that integrates the whole industry chain, the whole life cycle and the whole system. The purpose is to comprehensively promote the transformation of the "Marketing 2.0" model, achieve the upgrade from product to service, from quality to brand, from performance to green, and provide customers with value-added services for all products and all businesses.

We have formulated a range of internal management policies such as the BNBM Dealer Management System and the Sales and BNBM Measures for Managing of Sales Service, which standardise the customer service management process, and built an efficient customer service network throughout the country providing "one-stop" customer service covering the whole process of pre-sale, in-sale and after-sale.

#### Case

#### Application of digital platform improves the agility of user services

This year, we promoted the construction of e-commerce platforms, aiming to realise online and ecological marketing and transfixion between e-commerce and logistics, reach the consumption end, achieve "Online Customer Acquisition and Offline Services", and improve the agility of user service. In 2023, over 16,000 orders were placed on the platform, with a cumulative order amount of more than RMB 550 million.

#### Case

#### Joint efforts with dealers create a bright future

Dream Brand New Materials develops long-term partnership with dealers for mutual development. In the past five years of cooperation, under the leadership of the Company, the dealers focused on home decor retail and county and township markets. Based on the influence of Dream brand and the support of Dream Brand New Materials in the platform, operation, training, resources and market promotion, the dealers have achieved a rapid growth of 20% per year in the volume of shipments. The dealers introduced the healthy, environmentally friendly, high-quality products and professional solutions of Dream Brand New Materials to the market, and strived to provide customers with the superior services, so as to realise the coordinated development with the Company.



Sinopec customers visited and investigated

#### Customer complaint management

We attach great importance to customer complaints and have formulated and strictly implemented the BNBM Measures for Handling Customer Complaints, which clearly clarified the responsibilities of each department to ensure rapid response to customer opinions. We have also set up various forms of feedback channels such as telephone, Internet, and letter to ensure the smooth customer communication channels. For product quality problems, our person in charge of sales will quickly carry out on-site verification, and communicate with customers in a timely manner to discuss solutions. For service complaints, the person in charge will communicate with the department in charge of relevant business in a timely manner to rectify and adjust the deficiencies during the service. We also strictly stipulate the response time and processing time limit for each stage of the complaint, and clearly states that the customer complaint should be replied within 48 hours after receiving it. This year, we received a total of 34 complaints that we were held accountable for, all of which were properly resolved, and were widely recognised by customers.

#### Customer satisfaction survey

To understand the current situation and potential demand of customers for products and services, we have formulated the BNBM Measures for Customer Satisfaction Survey, and carried out annual satisfaction surveys for all customers. The average customer satisfaction score for all levels of dealerships reached 9.3 out of 9 in 2023, which is a stable performance. The personnel in charge of relevant business of the Company summarise and analyse the results of the customer satisfaction survey to form a report, put forward rectification opinions and suggestions to the management according to the analysis results and formulate the rectification measures to ensure the effective implementation.

#### Customer privacy protection

We have formulated the BNBM Measures for Managing Customer File to protect the privacy information of customers from infringement. Based on the information network security platform, we have established a series of protection measures to ensure the confidentiality of customer privacy data in the whole product transaction process. For the customer files that have been established and changed, no employee of the Company shall change or delete them at will, and all personnel who have access to customer files shall keep customer information confidential and shall not disclose it without permission.

## Technological innovation and application

Guided by the strategy of "One Body, Two Wings and Global Layout", BNBM has built an internal and external collaborative open innovation system focusing on three major businesses of gypsum board, waterproofing and coatings, leading the Company's sustainable development with scientific and technological innovation, and comprehensively empowering product innovation with technology, resources and professional knowledge. We insist on speeding up the construction of the source of original technology, strengthening the research ability of key core technology and major national scientific and technology, taking full advantage of the role as problem solvers, deepening the collaboration between production and research, and accelerating the transformation and promotion of scientific and technological achievements. We have formulated a series of policies such as the BNBM Measures for Managing Scientific Research Project to standardise job responsibilities, project management, and the use of funds, strengthen our scientific research project-based management model.



**Core scientific research performance in 2023**

**Undertaking key research and development projects**

Undertook or participated in 2 national key research and development programmes under the "Fourteenth Five-Year Plan", and 2 major scientific and technological researches under the "Technology Open Competition Mechanism" in the national building materials industry, and signed the project mandate.

**Accelerating the construction of the property rights system**

By the end of 2023, we had filed a total of 8,588 patent applications, of which 6,418 had been approved, bringing the total number of valid patents that we held up to 4,852. We also filed a total of 136 international patent applications, of which 32 had been approved.

**Promoting the joint development of the industry**

We have won the "Award for Special Contribution Standardisation Work" in the Gypsum Industry, and the three group standards prepared as the main drafting unit were selected as the "2023 Group Standard Application Demonstration Project" by the Ministry of Industry and Information Technology for the first time. By the end of 2023, we had participated in the formulation of 195 standards, including 69 national standards, 86 industry standards, and 40 group standards.



The Group company leaders at all levels pay attention to scientific research and innovation achievements

### Enhancing research and development management

In order to drive the continuous improvement of our scientific and technological innovation level, we have built an open innovation system based on internal and external collaboration, and promoted the integration of innovative resources.

- Internal innovation**

we carry out innovative research and development on the product side, production technology side and application technology side guided by customer needs, production and operation needs and application technology development.
- External innovation**





we cooperate with universities, research institutes and other enterprises in scientific research to realize win-win resources and promote the transformation efficiency of production, learning and research.

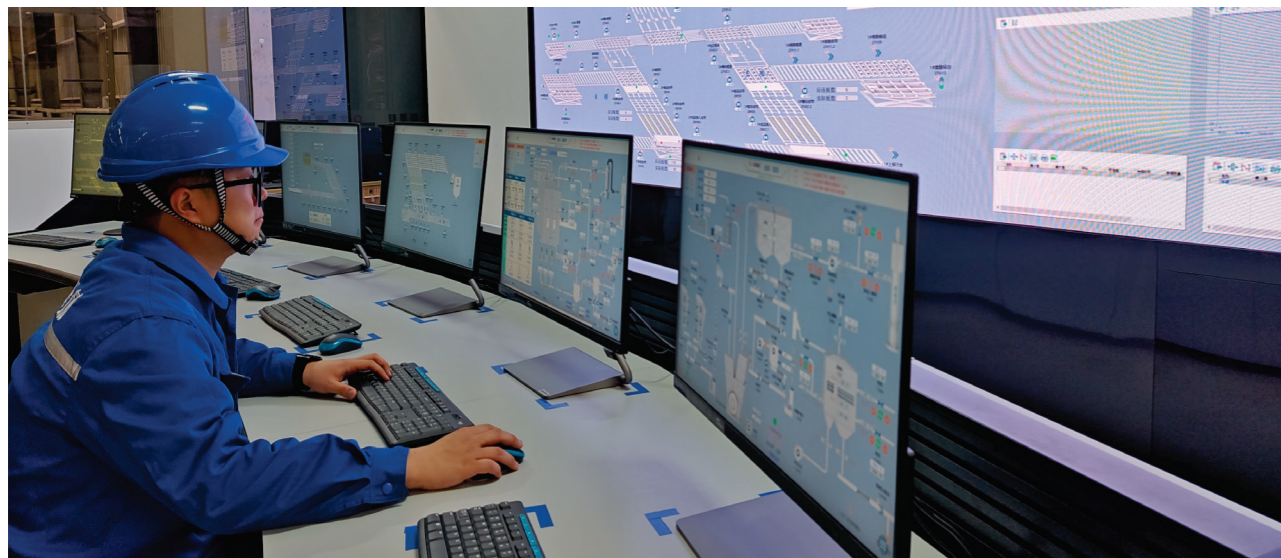
**Case** **School-Enterprise cooperation in technology development promotes urban green transformation**

In 2023, BNBM and China University of Geosciences (Beijing) jointly carried out scientific research. Focusing on the industry problems of single production mode and high production cost of phase change energy storage materials, the preparation process of high-performance porous carrier stereotyped phase change materials and a new leakage prevention process with common porous materials as the carrier, with a leakage rate being less than or equal to 1% and an enthalpy value being no more than 336kJ/m<sup>2</sup> in 1,000 high and low temperature cycle tests were successfully developed. Compared with phase change microcapsules, this technology has a lower production cost and is easy to mass produce. This technology enriches the process reserve of BNBM for the production of phase change energy storage building materials products, and helps the sustainable development and low-carbon transformation of the city.

### Establishing the incentive system for R&D

To improve the enthusiasm and creativity of R&D personnel, gather superior resources, and deeply implement core technology research, we have formulated the BNBM Measures for Managing the Declaration and Evaluation of Scientific and Technological Achievements and BNBM Patent Reward Measures for the Headquarters (Trial), and carried out a series of measures to stimulate the endogenous power of scientific and technological innovation:

- 
 Carry out the "Technology Open Competition Mechanism"<sup>7</sup> project: provide awards to the key participants in the project
- 
 Encourage invention patent application: provide financial incentives to patent inventors
- 
 Set up technological innovation awards: provide financial rewards to individuals and R&D teams who have contributed to technology research, development, promotion, and application
- 
 Provide external science and technology awards: provide project rewards in full amount to projects that have received external science and technology awards already, and we will simultaneously offer additional financial rewards.



Intelligent Control Center of Dragon Brand Company at Tianjin Base

<sup>7</sup> "Technology Open Competition Mechanism" is also known as the science and technology bounty system, which is a system of scientific research funding that is cashed in on scientific research results, and a non-periodic scientific research funding arrangement in which the government organizes an open call for scientific and technological innovations for the whole society.

### Promoting digitalisation

The Company insisted on deepening digital development, formulated the "1252"<sup>8</sup> digital transformation framework, and orderly pushed forward the construction work of factory digitisation, product research and development digitalisation, marketing digitalisation and decision-making control digitalisation.

This year, the Company vigorously advances the digital management implementation of factories: at the headquarters, the production data and quality inspection data have been uploaded in real time, realising the dynamic monitoring of product production quality.



Intelligent Control Center of Taishan Gypsum at Yichang Base

<sup>8</sup> "1252" : one strategy, two visions, five areas (digital construction areas), two platforms. One strategy: One Body, Two Wings and Global Layout. Two visions: digital business, digital value. Five digital construction areas: product development digitization, factory digitization, marketing digitization, supply chain digitization, decision control digitization. Two platforms: business center and data center.





### Intelligent product inspection solution improves quality inspection efficiency

We have realised automatic detection of water content, appearance size, and slurry paving area of plate products through intelligent means. This year, we successfully developed an automatic bubble diameter analysis system for plates, which effectively improved the accuracy of bubble size recognition through AI method to identify bubble diameter edges.



### Digital management system construction promotes efficient operation

We have built an BNBM e-commerce platform, and continued to keep strategic cooperation with a one-stop procurement platform, with a product launch rate of 80% in business segments. We also have carried out a series of digital management solutions, continuously promoting solutions such as including the establishment of spare parts intelligent warehouse, intelligent containers, intelligent power distribution systems, wide weighbridge unattended system to improve the efficiency of operation and management.

#### By the end of the Reporting Period

the number of companies that had obtained the certification of the integration management system of market-oriented and lean management had reached

12

We have completed the intelligent transformation of 20 digital factories

10

and the penetration rate of digital R&D and design tools reached

85%

key equipment has been equipped with automatic inspection and alarm functions.

50%

#### Case

### Digital transformation empowers high-quality development of enterprises

Taishan Gypsum (Yichang) Co., Ltd., a subsidiary of BNBM, has actively applied 5G technology to build an information technology platform, and achieve full 5G connection in the design and operation of factories, thereby successfully building 5G fully-connected factories. This year, the Company and China Telecom Yichang Branch jointly participated in the 6th “Blossom Cup” 5G Application Collection Competition and won the second prize of Hubei. The project was then selected into the top 10 benchmark cases of China Telecom Group's 5G fully-connected factories as well as the 2023 benchmark cases of 5G fully-connected factories of the Department of Economy and Information Technology of Hubei Province.

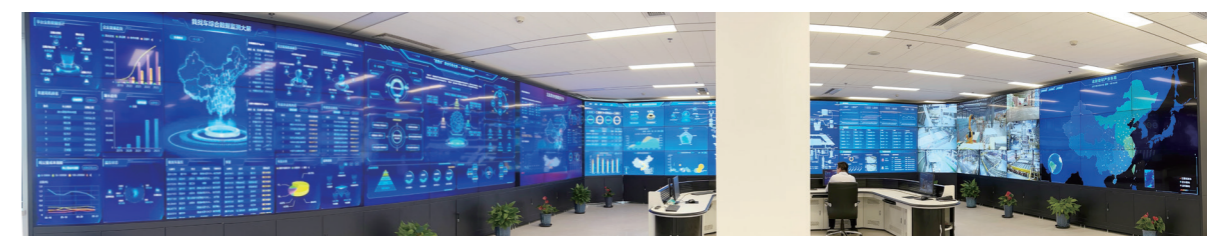


Taishan Gypsum participates in the 6th “Blossom Cup” 5G Application Collection Competition

#### Case

### Promoting steady digitalisation to build intelligent factories in full swing

Guided by an innovation-driven strategy, Dragon Brand Company strives to build a digital factory. By the end of the Reporting Period, Dragon Brand Company has carried out DCS and DCS+ transformation in 5 subsidiaries, including BNBM Shuo Zhou, BNBM Tianjin, BNBM Zhenjiang, BNBM Wuhan and BNBM Huainan. BNBM Binzhou, a subsidiary of Dragon Brand Company, has launched an intelligent raw material warehouse and AGV automatic forklift system, and gradually promoted the central control of operation, video inspection, unmanned on-site, intelligent production line, and data-based warehousing to greatly improve operational efficiency.



## Empowering sustainable construction

BNBM strives to promote steady technological innovation, efficiently adopts low-carbon technology, and collaborates with the value chain to create green and low-carbon service solutions for users, thus contributing to the high-quality development of the country and the society. In 2023, the Company successfully applied for RMB 1 billion of green loan line support to accelerate the development and application of green building materials, so as to promote a comprehensive green and low-carbon transformation of the society.

### Case

#### The application of green science and technology supports the construction of national projects

The high-quality waterproof materials developed by Henan Jinmuzhi Waterproof Material Co., Ltd. have been successfully applied to national projects. In the construction of Beijing Daxing International Airport, the Company is mainly engaged in the waterproofing engineering of aviation refuelling station, airport oil depot, the basement roof and other parts of the oil supply project, providing more than 100,000 square meters of elastomer modified asphalt waterproof roll materials. By doing so, the Company supports the new airport to become an international and world leading landmark representing the new century and the new standards.



### Case

#### The application of green science and technology supports the construction of national projects

In the construction of Zhengzhou Olympic Sports Centre, the Company provided more than 680,000 square meters of polymer modified asphalt self-adhesive waterproof roll materials, non-curing rubber asphalt waterproof coatings, JS polymer cement waterproof coatings, cementitious capillary crystalline waterproof coatings, polyvinyl chloride (PVC) waterproof roll materials, elastomer modified asphalt waterproof roll materials, and other materials. The completion and operation of the stadium will contribute to the construction of Zhengzhou as a national central city, leading the development of the Central Plains Urban Agglomeration and supporting the rise of the central region. Moreover, the project will accelerate the transformation of the old growth drivers into new ones and drive the supply-side structural reform in the central region, and contribute to the creation of an inland opening-up highland, as well as actively serve and participate in the construction of the “Belt and Road” .



### Case

#### Green building materials for rural areas to boost high-quality rural revitalisation



“Participating Enterprise in the National Green Building Materials to Rural Areas Activity” certificate of Sichuan Shuyang Waterproof Material Co., Ltd.

The National Green Building Materials to Rural Areas Activity (Sichuan Station), themed “Green Building Materials Enter Every Household to Create a Better Life Together” was launched in Qingbaijiang District of Chengdu. As one of the demonstration enterprises, BNBM Waterproof further refines the overall concept of green and low-carbon building materials, and continues to improve the quality of product offering. By making the concept and products of green and low-carbon building materials available to ordinary families, BNBM Waterproof keeps pace with social progress and satisfies people's growing demands for living a healthy and better life.

# 04

## All-rounded talent cultivation

Prioritising employee safety	067
Protecting employees' rights and interests	075
Caring for employee development	079

Corresponding material issues:  
Occupational health and safety, employee' s rights and interests  
Employee training and development, Talent attraction



# Harmonious ecology under the people-oriented concept

## Prioritising employee safety

Adhering to the corporate safety vision and core values of "Paying Attention to the Health and Safety of Employees, Creating an Excellent Working Environment and Community Environment, Ensuring Zero Accidents, and Building an Intrinsically Safe Enterprise", BNBM have formed a unified safety culture in units at all levels, and an atmosphere of "Stressing safety for every staff and every affair". We are committed to the concept of "All Risks Are Controllable and All Accidents Can Be Prevented", and focuses on the four pillars of "Guidance, Service, Supervision and Management" to promote companies at all levels to improve its safety governance with continuous efforts, so as to ensure the Company's stable, orderly and high-quality development.

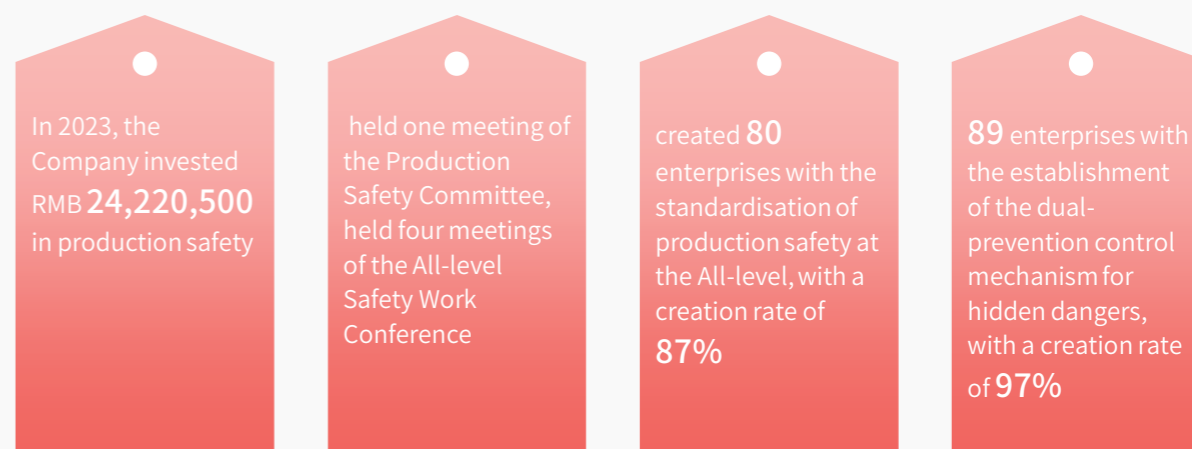
We strictly abide by the Law of the People's Republic of China on Work Safety, Law of the People's Republic of China on Prevention and Control of Occupational Diseases and other relevant laws and regulations. And we have formulated the BNBM Measures for Managing of Production Safety and Ecological and Environmental Protection Inspection, BNBM Occupational Health Management System, BNBM Measures for Managing of Safety and Environmental Protection Accident and Incident Reporting, Investigation and Handling and other rules and regulations. In these policies, we clarify the health and safety management processes at all levels, building a complete health and safety system guarantee.

In order to effectively promote the graded landing of safety production measures, the headquarters signs a letter of responsibility for production safety with the affiliated companies involved at the beginning of each year, clarifies the production safety responsibilities of the Company and the related production bases, and determines the main assessment targets and indicators of safety, so as to implement the main responsibility of safety and environmental protection at each level and to promote the comprehensive achievement of the safety targets through the performance appraisal and management system. The Company linked management performance, including executive level, with safety management performance indicators, which will affect their compensation in the event of serious safety violations, effectively promoting the overall promotion of the production safety responsibility system.

We set up and completed the following health and safety goals for this year and closely monitoring the health and safety performance based on these targets. This year, we accomplished the targets with **0** work-related fatality with main responsibility and an injury rate of **0.16‰**.

- 0 work-related fatality with main responsibility and a minor injury rate of 0.5‰
- 100% pass rate of regular verification of special equipment
- 100% rectification rate of potential safety hazards
- 100% of employees have a pre-job three-level education rate, 100% of main person in charge participate in safety training, and 100% of special operations personnel take on duties with induction training certificate

## Key Safety Performance



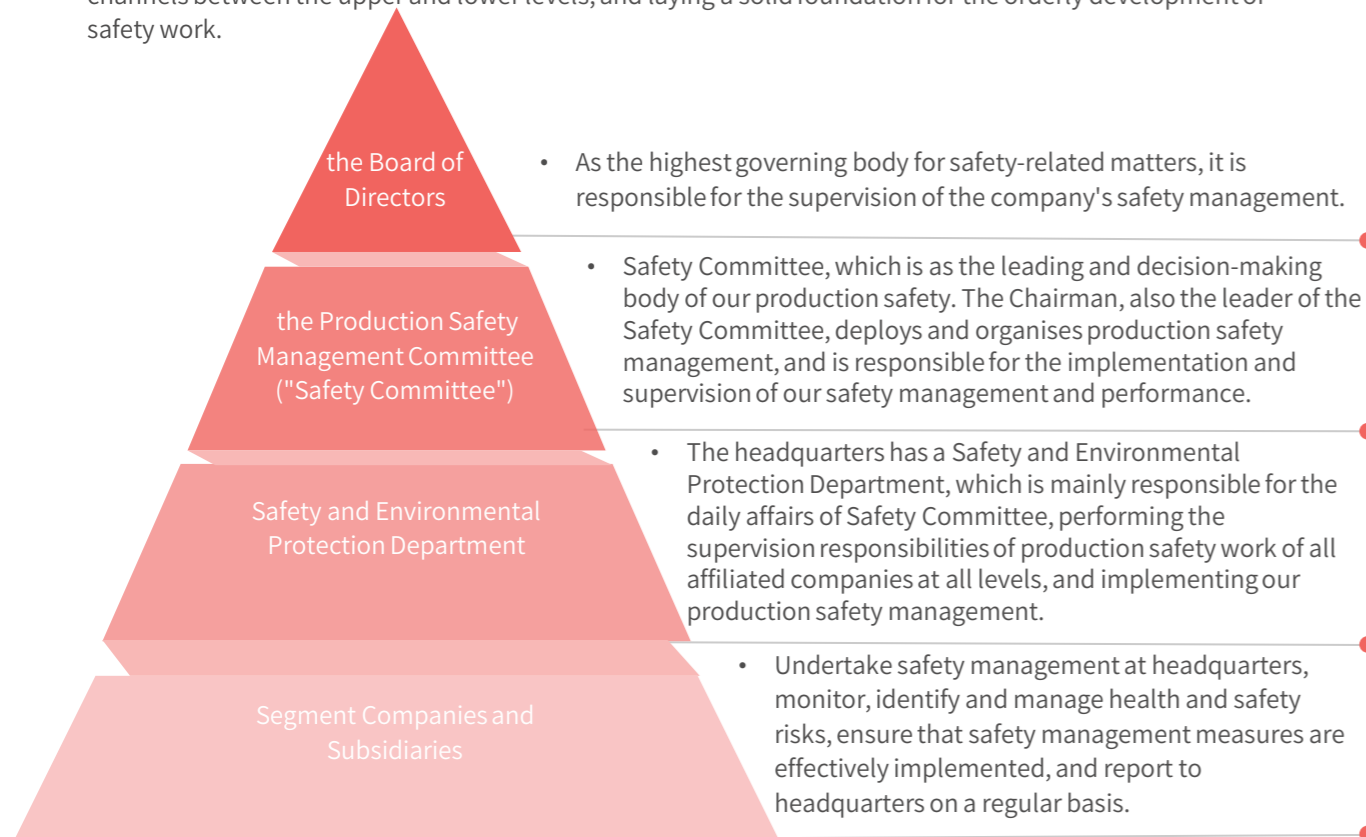
## Promoting the standardisation of production safety

The company insists on relying on safety production standardisation, vigorously promotes the safety standardization enhancement work of member enterprises, and strives to build the "first" first-class safety standardisation enterprise. The company formulated and issued the "BNBM Safety Production Standardisation Enhancement Action Plan", which clearly defines the organisation, expert members, work objectives and implementation steps, and implements classified management enhancement for member enterprises, adopting the methods of enterprise self-assessment, board recommendation, and on-site evaluation by coordinated experts to enhance the comprehensive management level of production safety of member enterprises. Since the launch of the action plan, enterprises at all levels have been actively carrying out self-assessment and applying for evaluation, achieving three new safety standardisation enterprises for the year, with a cumulative total of **1** level-one safety standardisation enterprise, **67** level-two safety standardization enterprises and **12** level-three safety standardization enterprises.

In 2023, the Company, together with Dragon Brand Company and Taishan Gypsum, carried out research and current situation evaluation of 5 outstanding member enterprises, and introduced mature level-one safety standardization cultivation experience in conjunction with a third-party professional organization to provide continuous guidance to 5 member enterprises. In November 2023, Taishan Gypsum (Liaocheng) Co., Ltd., a subsidiary of Taishan Gypsum, successfully passed the on-site assessment of level-one safety standardization, and became the first level-one safety standardization enterprise and level-one safety standardization demonstration enterprise in the domestic gypsum board industry and the new materials sector of China National Building Materials Group.

## Production Safety Management System

BNBM has established a top-down health and safety management structure, clarifying the safety management responsibilities at all levels, continuously specifying the safety management process, smoothing communication channels between the upper and lower levels, and laying a solid foundation for the orderly development of safety work.



This year, we revised or formulated the BNBM Measures for Managing Rewards and Punishments for Production Safety and Environmental Protection, the BNBM Measures for the Accountability of Safety and Environmental Protection Accidents and Incidents and other rules and regulations. With these policies, we enhanced our clear mechanism of rewards and punishments for safety work, clarified the responsibilities, accountability situations, accountability methods, accountability procedures and other affairs, and promoted the full implementation of safety and environmental protection responsibilities and the accountability system.



We promote ISO45001 - Occupational Health and Safety Management System certification for all member companies at all levels this year. This year, all of the Company's production plants carried out management work in accordance with the ISO45001 - Occupational Health and Safety Management System.



### Setting up effective communication channels

We have set up a "Zero Violation" communication and feedback mechanism to encourage employees to actively participate in safety management. Some affiliated companies involved encourage employees to pay attention to safety, learn safety, participate in production safety put forward suggestions for improvement of daily safety management by carrying out activities such as "Everyone Can Be A Safety Officer" and "Safety Knowledge Competition", and reward employees who give practical feedback and suggestions in accordance with relevant rules and regulations.



### Ensuring the safety of contractors

BNBM always treats contractors and employees equally. We adopt the same occupational safety management standards for all contractors, and carry out safety training and safety risk disclosure before employees enter the factory to ensure that they have fully understand security risks and countermeasures. We also strictly manage contractors in terms of their health and safety management capabilities. All affiliated companies involved should audit the safety qualifications of contractors, sign safety agreements with them, and clarify safety management responsibilities in strict accordance with our requirements. The affiliated companies involved regularly conduct safety audits for contractors and outsourced personnel, and carry out key audits for long-term cooperative contractors, so as to stop the "three violations"<sup>9</sup> in a timely manner and effectively ensure the health and safety of outsourced employees.

## Prevention and control of production safety risks

BNBM adheres to the management of production safety from the source, and realizes the systematic management of safety risks by discovering, identifying, evaluating and managing health and safety risks through regular health and safety audits. BNBM has formulated the BNBM Measures for Managing the Production and Operation Sites, Equipment and Facilities Safety with Major Risk Factors, the BNBM Measures for the Identification and Evaluation of Environmental Factors and Risk Factors and other policies. At the beginning of each year, the headquarters identifies the major risks of the production system, and forms the List of Major Risk Factors of the Production System and the Control Measures and the Guidelines for the Identification and Evaluation of Major Risk Factors and Important Environmental Factors of the Production System, so as to assist the production bases in effectively guarding against the safety risks.

We have established a top-down OHS risk management and control mechanism. The headquarters is responsible for identifying the highest level of risks and monitoring related risks. On this basis, the sector companies and production bases involved carry out health and safety risk prevention and control based on their own operating conditions and operational needs. In addition, we actively promote the construction of health and safety risk prevention mechanism: the headquarters supervises the work of companies at all levels relating to classified risk control and hazard investigation and management.

<sup>9</sup> Three violations refer to illegal operations, illegal commands, and violations of labour discipline.

# 强质量意识 固安全防线

Prioritising  
employee safety

Protecting employees'  
rights and interests

Caring for employee  
development

## Occupational health and safety audit

We have formulated the BNBM Measures for Managing Production Safety and Ecological and Environmental Protection Inspection, which clarifies the content and requirements of production safety inspection. The functional department of the headquarters formulates an annual safety inspection plan at the beginning of each year based on the business type and characteristics of the Company.

Audit functions at all levels

### Headquarters

According to the inspection plan, the headquarters carries out regular inspections and daily random inspections in forms of on-site inspections, remote video inspections, plate cross-inspections, etc. over sector companies, subsidiaries and project construction units

### Sector companies

Carry out annual safety management system inspections for all affiliated production bases, safety measures inspections at least once a month, and daily inspections, special inspections and other supervision and inspection work.

We carry out on-site safety risk assessment and hazard rectification, with the rectification rate of all safety hazards reaching 100% this year.

## Prevention and detection of occupational diseases

We prioritise the prevention and treatment of occupational diseases, and take all measures to protect the health and rights of all employees, in an effort to provide employees with a healthy and safe working environment. To prevent, control and eliminate occupational hazards, the headquarters carries out regular health examinations for all employees. All affiliated companies involved are required to carry out regular occupational disease examinations and monitoring of occupational risk factors annually, provide all employees with qualified personal protection equipment (PPE), and supervise their reasonable use.

## Production safety awareness publicity

BNBM carries out diversified safety awareness publicity activities with continued efforts, and strengthens employees' awareness of and ability to identify and prevent safety risks through emergency drills, warning education, special activities, etc.

### Carry out "Production Safety Month" activities

We involved publicise the spirit of "Production Safety Month", and carry out a series of activities such as hazard investigation and rectification, accident emergency drills, safety publicity and consultation to enhance employees' awareness of production safety.

#### Hazard investigation and rectification:

Carry out actions for all employees to find risks and hazards around them, and the main personnel in charge of at all levels lead to carry out the investigation and rectification of risks and hazards, and immediately rectify hazards when found.

#### Accident emergency drills:

Carry out emergency drills such as fire evacuation, food poisoning, mechanical injuries and electric shock injuries to effectively improve employees' emergency response capabilities in the face of various emergencies through various forms such as emergency knowledge training, sandbox simulation drills, on-site practical drills.

#### Safety publicity and consultation:

Set up publicity boards and banners with rich content and various forms, and hang or post them in the project area to publicise the knowledge of production safety and emergency rescue; carry out the oath and commitment signature activities for all employees to create a strong cultural atmosphere of safety to deepen the safety awareness of employees.



"Production Safety Month" activity

Case

Special risk management and control - special rectification action for potential safety risks of motor vehicles

This year, we implemented a special rectification action for potential safety risks of motor vehicles in the factory, and carried out a comprehensive investigation and centralised rectification of potential safety risks of powered vehicles on the place used for a particular purpose. We have formulated a rectification plan for the identified hidden risks, and prepared the Cases of Production Safety Accidents Relating to Motor Vehicles at Factories or Production Bases 2017~2022. All affiliated companies involved organized all employees to study the cases, carry out self-examine and rectify against the case, so as to further improve employees' awareness of vehicle operation safety.

Safety emergency drills

BNBM has formulated the BNBM Measures for Managing Response Plans for Major Safety and Environmental Protection Accidents in order to effectively respond to unexpected security incidents. This regulation has set out management requirements on division of emergency management responsibilities, emergency drills and emergency plans at the group level. Specifically, the headquarters and sub-companies at all levels are required to carry out emergency rescue drills no less than once a year to continuously improve the commanding level and capability of emergency rescue.

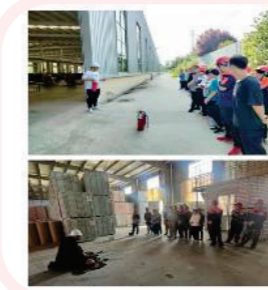
In 2023, the Company's affiliated companies at all levels conducted a total of 651 emergency drills.

651

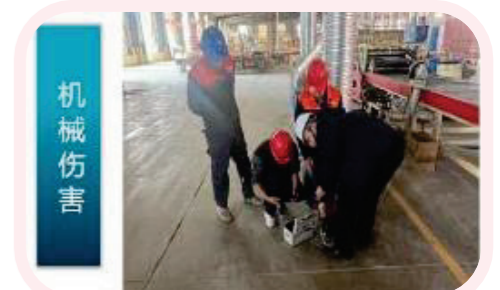


Emergency drill for explosive dust organized by BNBM OTAi Polymer Waterproof System (Tianjin) Co., Ltd.

Emergency drill organized by Dream Brand New Materials



消防演练  
现场处置方案



机械伤害

Safety training and promotion

To comprehensively improve the safety awareness of our employees, we have formulated the BNBM Measures for Managing Work Safety Training. Moreover, we prepare an annual education and training programme at the beginning of each year. This year, we conducted the following safety training sessions:

Third-party experts were engaged to conduct all-level safety training for resumption of work and production after the Spring Festival. These training sessions cover key points of safety management and control, case analysis, safety awareness enhancement, work safety accountability, and other aspects, with a total of 2,125 participants.

We prepared our own teaching materials and organized safety training for the main leaders and management personnel from sector companies of gypsum board, waterproofing and coatings, with a total of 610 participants.

All new employees were provided with pre-job safety education and were required to pass the three levels of safety education training prior to commencement of duties.

Case

Knowledge popularisation - "Ankang Cup" knowledge competition

In 2023, Taishan Gypsum (Yinchuan) Co., Ltd. carried out the "Ankang Cup" competition and added a safety literacy element to summer funny games. By integrating competitions and rewards, this activity enhanced our employees' awareness of "Everyone Pays Attention To Safety, Everyone Cares About Safety, Everyone Obeys Rules & Regulations", so as to reduce and eliminate various safety accidents.



Taishan Gypsum (Yinchuan) Co. Ltd. 2023 "Ankang Cup" competition and summer fun games

## Protecting employees' rights and interests



Adhering to the "people-oriented" development concept, BNBM provides employees with a comfortable working environment with diversity and equality. We continually improve to build a system to safeguard employee rights and interests and set up smooth communication channels to lay a solid talent foundation for the sustainable development.



We strictly abide by the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China and other laws and regulations. Taking into account the actual operations, we have set up a perfect employment management system and norms to safeguard employees' rights and interests and treat every employee fairly and equitably.

## Enforcement of rights and benefits

### Recruitment and dismissal

To establish fair and visible processes for recruiting and terminating employees, we have formulated internal systems such as the Recruitment Management System of BNBM Headquarters and the Employee Handbook of BNBM ("Employee Handbook") in accordance with relevant laws and regulations. In the recruitment process, we use scientific and systematic methods and tools for talent selection to achieve employment equality and eliminate discrimination against gender, geography, ethnicity, and religion.

We strictly prohibit the use of child labour and forced labour. In accordance with the Law of the People's Republic of China on the Protection of Minors, the Provisions on the Prohibition of Using Child Labour and other laws and regulations, the Employee Handbook has specified that child labour is strictly prohibited. In addition, new employees are required to submit authentic and valid documents (including identity information) before on-boarding to eliminate child labour from the source. We conclude employment contracts with our employees based on the principle of equality and voluntariness to ensure that all employees are employed voluntarily. Meanwhile, we monitor the employment of third parties and impose strict penalties in the case of any illegal employment by third parties, eliminating child labour and forced labour. During the Reporting Period, we had no illegal employment such as child labour or forced labour.

### Remuneration and performance

In 2023, we revised the BNBM Headquarters Measures for Managing Job Rank and Remuneration and the BNBM Headquarters Measures for Managing Performance to improve the integration of the rank and remuneration systems and performance appraisal results. In this way, we provide our employees with more detailed criteria for remuneration and performance appraisal. We have implemented an annual quantitative appraisal mechanism for all employees. Relevant functional departments are required to sign the Annual Organisational Performance Objective Responsibility Letter as the basis to carry out performance management of employees. This helps our employees to clarify their work objectives and continuously improve their work efficiency.

During the year, we piloted an excessive profit sharing incentive policy to create common interests between the Group and our employees. We also invited affiliated companies to try medium- and long-term incentive mechanisms and share their experiences. Through these initiatives, we have deepened the level of employees' understanding of incentives and pave the way for expanding the coverage of our future incentive policies. This year, the Company formally published the "BNBM 2023 Restricted Stock Incentive Plan (Draft)"<sup>10</sup>, which implements equity incentives for the Company's directors, senior management, and core and backbone personnel, and specifies the principles of equity incentives.

### Fair and transparent promotion

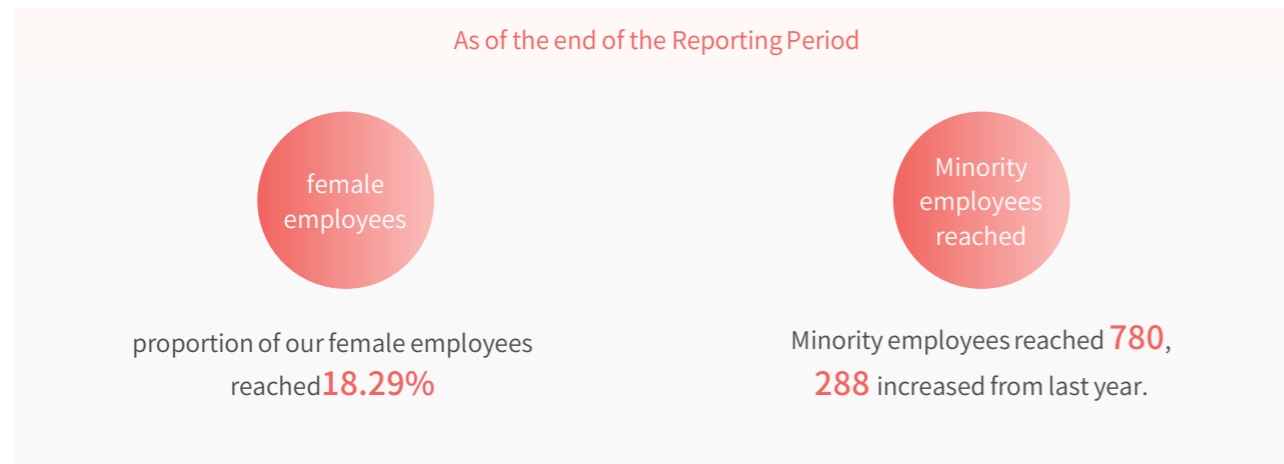
During the year, we improved our internal job rank system management, further detailing and clarifying the conditions for promotion, demotion and determination of employees at each rank. For the fairness and visibility of staff promotion, we have adopted a competitive system by releasing information about vacancies, and all eligible employees may apply. When a recruitment is completed, if there is any disagreement with the result, the candidates may, during the public announcement period, give feedback via the suggestion box, telephone, or email.

<sup>10</sup> BNBM 2023 Restricted Stock Incentive Plan (Draft): <https://www.szse.cn/disclosure/listed/bulletinDetail/index.html?434c3ae7-759a-4383-a5ff-35c01f500b6c>



### Diversity and equity

We have been creating a sound workplace with diversity and equity. By improving policies and systems, we uphold the principle of fairness, impartiality, and openness.



We also protect and safeguard the rights and interests of female employees. Specifically, we conduct team building activities and forums for female employees continuously to listen to their voices. In addition, we provide female employees with additional benefits and welfare, such as special insurance and maternity insurance, baby care rooms, and special check items added to the basic health check programme. The company also organized female employees to carry out recreational activities such as flower arranging on "International Women's Day" to enrich the daily life of female employees.

### Smooth communication channels

We endeavour to build smooth communication channels for our employees. In 2023, we revised the Employee Handbook to specify that our employees' rights to information, participation, expression, and supervision should be ensured. We advocate a frank communication mechanism, encouraging frank and friendly communication between employees and between supervisors and subordinates to build harmonious interpersonal relationships. Our labour union was established and has covered 100% employees at all levels.

We encourage them to raise reasonable suggestions and have established an employee representative meeting mechanism. The meeting is held annually, with representatives reporting on the production and operation and putting forward their opinions and suggestions. After the meeting, the business departments solve the relevant issues and reply in a timely manner, so as to practically implement the feedback from the staff. This year, we had addressed and provided feedback on all comments and suggestions from employees in a timely manner.

Furthermore, the labour union conducted satisfaction surveys covering all employees by questionnaires, interviews, and other means. As of the end of 2023, we have conducted the surveys over the six consecutive years and the results show an upward trend, with the satisfaction level of all employees increasing by 0.04% in the current year as compared to 2022.



## Caring for employee development

We insist on promoting the all-round development of employees and take it as our responsibility to the employees. We cherish talents and have comprehensive and diversified training programmes and talent development channels to help them to improve their working capabilities.

BNBM also looks forward to growing with its employees and cares for them by holding various employee activities, and constantly enhance the sense of well-being and sense of belonging of employees.

### Strengthening talent development

We continue to improve the employee training system by setting up various training programmes by categories and levels, including:

<p><b>Professional training:</b></p> <p>Strengthen the professional knowledge and skills required for different positions, thus enhancing the employees' competence. This year, through WeChat training, we provided 8 training sessions to the management from different business units, covering business solutions, internal control and management and labour union knowledge sharing and other topics.</p>	<p><b>Generic training:</b></p> <p>Strengthen the general knowledge and skills of the employees to enhance their professionalism and overall quality. This year, we conducted generic training such as "Workplace Communication" and "Stress and Emotion Management" for a total of 2,685 participants.</p>	<p><b>Special training:</b></p> <p>Offer medium/long term non-academic, non-degree training for specific groups, such as the senior manager training courses for young and middle-aged cadres including "Strategic Observation and Performance Breakdown Seminar" and "Enterprise Internationalisation Development Strategy".</p>
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#### Case

#### Enriching the talent pool by offering training courses for young and middle-aged cadres

In 2023, for the first time, we have launched a training programme for young and middle-aged cadres. Our in-house training organisation worked with a third party to develop the "3313 Talent Training Programme" using an innovative talent development model. Our "offline + online" training system adopts various teaching methods and approaches to help cadres to obtain management knowledge and tools in interactions. This helps them to improve their overall quality, thus growing into all-round talents required for long-term development of the Group. This year, we organized two training sessions for young and middle-aged cadres, with a total of 96 participants at all levels.



Training for young and middle-aged cadres

We attach importance to nurturing talents for the industry. This year, we improved the working system on the joint nurturing of postgraduate students by the Group and domestic universities, and raised requirements for selection and management of tutors from the Group and jointly constructed a perfect new talent cultivation system in the industry to create a high-quality talent development level in the industry. To this end, we had developed the Management Measures for Corporate Tutors of BNBM's Postgraduate Students Joint Nurturing Programme (Trial) and the Management Measures for Students of BNBM's Postgraduate Students Joint Nurturing Programme (Trial).

### Caring for employees

We always make progress together with our employees, care about their physical and mental health, and continue to enhance their happiness and sense of belonging by organising various activities. Through the "Warm Heart Programme", we timely provide care to retired employees, cadres, expatriates and their families. In 2023, about 14,000 employees of our organisations at all levels participated in warmth delivery activities to encourage full participation in corporate culture.

The company is committed to providing diversified and quality welfare protection for employees, building enterprise annuity plans, safeguarding and improving to enhance the level of employees' post-retirement welfare benefits and mobilizing employees' labor motivation. We also organize annual employee welfare checkups to help employees fully understand their own physical condition and prevent and treat diseases in a timely manner. In addition, we provide employees with benefits including free shuttle buses, free three meals, holiday gifts, extreme weather vacations and other benefits to enhance employees' sense of belonging.

We also offer special care to expatriate employees, employees in difficulty and female employees. In 2023, we offered subsidies amounting to RMB 431.9 thousand for 37 employees in difficult living conditions, and RMB 5,000 for one retired employee in extreme poverty, and visited a total of 72 expatriate employees and their families.


Colourful employee life

In 2023, we organized the “8.28 BNBM Corporate Culture Festival” with the theme of “Green Technology and Quality Life”. Specifically, a series of activities were carried out, including the “Unity” music festival, the “Simplicity” sports meeting, the “Dream” reading club, the cookery competition, the themed works exhibition, and the food festival.


“8.28 BNBM Corporate Culture Festival” 



In addition, we safeguard the health and well-being of our employees and their family members in their work and lives through activities such as the “Children’s Day” activity and the “Cooling Summer” activity this year.

“Day of Making Good Use of Resources” organized by Dream Brand New Materials for employees’ children 



Xinjiang Dance Show in BNBM (Hetian), a subsidiary of Dragon of Dragon Brand Group 



# 05

## Responsible cooperations

Empowering partners	085
Giving back to society	088

Corresponding material issues: Sustainable supply chain, Innovative development



## Commitment to win-win co-operation

### Empowering partners

Adhering to the principles of honest co-operation, equality and mutual benefit, and common development, we have established friendly, mutually trusting, mutually beneficial and stable relationships with our partners for win-win results.



#### Building sustainable supply chain

Our internal management systems, such as the *BNBM Supplier Management Measures* and the *BNBM Supplier Blacklist Management Regulations*, constitute a complete management system over supplier admission, auditing, assessment and exiting. The Company also integrates ESG concepts into supplier management to promote sustainable development of the supply chain.

#### Supplier admission

At the supplier admission stage, we review the qualifications of suppliers based on their operational qualifications, production and business qualifications, quality certificates, and require them to provide relevant supporting materials. In case of violations, we, depending on the severity, take measures to disable or cancel the admission and cooperation qualification of the violating suppliers and include them onto the supplier “blacklist” .

Additionally, we advocate sustainable procurement. Under the same conditions, we give priority to environmentally friendly suppliers whose products are featured with low carbon, environmental protection, low environmental damage, and clean energy and green packaging.

#### Supplier audit

We carry out annual audits for our suppliers based on the types of materials and services they provide in accordance with the relevant systems and procedures. For this purpose, we audit them via information review, site visits and product trials. To continuously monitor the service quality of suppliers, in addition to admission audits, we conduct at least one performance assessment for all suppliers each year. Then, we update the qualified supplier list based on the assessment results for dynamic management.

We have entered into safety and environmental protection related agreements with our suppliers, requiring both parties to comply with national laws and regulations and internal ESG-related management regulations. In these agreements, we make it clear that the suppliers are obliged to carry out their production and operation activities in accordance with the requirements on energy saving, water saving, environmental protection, recycling, low carbon and regeneration. Our suppliers are also required to save resources and energy and reduce pollutant emissions to a greater extent, minimising the negative impact on the ecology and human health.

#### Synergistic development of suppliers

We actively carry out strategic co-operation and technical exchanges with our suppliers. Through daily exchanges, we share suppliers with information on industrial policies, market situation, production and inventory status, and quality feedback, deepening mutual understanding and improve cooperation efficiency. Besides, according to the management needs, we carry out technical exchanges and training to our suppliers from time to time, covering equipment upgrading, technological innovation, process improvement and other aspects. These actions help to enhance the technical level and production capacity of both parties, and improve the quality of raw materials and service level. As of the end of the Reporting Period, we had conducted training and capacity enhancement activities with a total of 1,045 suppliers, promoting synergistic development of both parties.

## Promoting synergistic development of overseas businesses

BNBM has been actively expanding its overseas business, maintaining friendly cooperative relationships with the places of operation, and continuing to consolidate its plant construction projects in Uzbekistan and Tanzania, effectively supporting the development of the local economy.



BNBM in Tanzania donates plasterboards to local residents

- This year, we continued to support our businesses in Tanzania. Specifically, we had successfully developed a regional-leading gypsum board production line with an annual output of 15 million m<sup>2</sup> by upgrading the original production line of a local company we acquired;
- This year, the new gypsum board production line with an annual output of 40 million m<sup>2</sup> invested by BNBM in the eastern free trade zone of Uzbekistan was put into production. After our gypsum board products entered the market, we received unanimous praise from local dealers and customers for high product quality, which laid a solid foundation for building BNBM's second international sustainable prototype project.

Moreover, we attach importance to cultural exchanges and integration with overseas place of operation. Our cultural activities promote the integration of different cultures.



Performance by Tanzanian employees at "Unity" music festival

- This year, the "Day of Making Good Use of Resources" activity provided the first opportunity for us to interact culturally with local companies in Tanzania, passing on the corporate culture and showing a good corporate image.
- We arranged events such as "Unity" music festival and Spring Festival reunions to attract employees from bases in Uzbekistan and Tanzania. This allowed our employees to exchange cultures and enhance cultural development through dynamic integration of Chinese culture, BNBM culture, and the local culture.

## Giving back to society

We are always mindful of our corporate social responsibilities and insist on integrating such responsibilities into development and daily operations. By continually sharing our development results with the society and actively participating in public welfare and voluntary activities, we display a responsible corporate image and contribute to the development of the society with "the power of BNBM".

This year, the donations and spending of BNBM on rural revitalisation, public welfare, and charitable activities totaled

RMB **5,244.7** thousand

### Supporting rural revitalisation

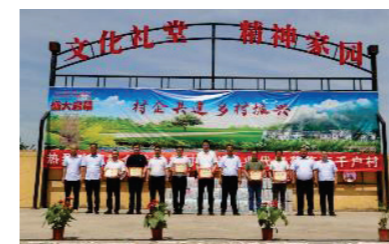
We always implement the major decisions and deployments of the state on rural revitalisation by integrating social responsibilities into corporate missions and effectively promoting the progress in this regard. To help develop the economy of the areas where we operate, we have made great efforts on targeted assistance for rural revitalisation, infrastructure construction, housing design, public welfare, and other causes.

This year, we spent a total of

RMB **5,002** thousand

#### Case

#### Village-enterprise co-construction to consolidate the results of rural revitalisation



BNBM Waterproof (Xianyang) Co.,Ltd. explored the model of "Rural Revitalisation through Village-Enterprise Co-construction", and actively liaised with the village committee of Nanqianhu, Jiufeng Town, Zhouzhi County, Xi'an. We have also explored the new path of village-enterprise cooperation of "Enterprise Driving Village Development, Enterprise Promoting Village Development, Village-Enterprise Interaction". Through "Village-Enterprise Co-construction, Village-Enterprise Linkage, Village-Enterprise Co-operation", the advantages of villages and enterprises were complemented, farmers' returns were increased, and the results of rural revitalisation could be effectively consolidated.

### Engaging in charitable activities

We continue to devote ourselves to public welfare and charitable causes. We have made various public welfare endeavours such as conveying culture to villages, teaching in villages, and making donations to promote the harmonious development of the society.

Case

#### Fulfilling corporate responsibility by launching the “Good Building” class welfare programme

This year, we conducted the “Good Building” class welfare teaching programme by dispatching a team of six volunteers to teach at the Yongshan Ethnic Primary School in Yunnan. Through various courses and interactive games, our volunteers conveyed love and care to the children and light up their dreams.



“Good Building” class welfare programme

Case

#### “Dream” team contributes to the community with love and care

This year, our volunteers from the “Dream” team of Dream Brand New Materials spontaneously went to the northern mountainous area where the company is located to visit the lonely elderly and left-behind children, and presented them with rice, noodles, and other daily necessities. During the visit, the volunteers learned about the living conditions and needs of the elderly and actively coordinated with relevant social organisations to provide more practical and effective assistance to them. In addition, the volunteers encouraged the children left behind to be brave in facing difficulties and challenges, and to establish a positive outlook on life and values.



“Dream” team volunteers

#### 国务院国有资产监督管理委员会

##### 感谢信

中国建材集团有限公司：  
中央和国家机关老旧小区综合整治旨在消除安全隐患，改善居住环境，切实提高广大干部职工安全感、幸福感和获得感。2023年，国务院国资委老旧小区综合整治项目全面开工，受党委高度重视，机关服务局精心组织，目前已基本完成全部改造内容。在项目实施过程中，贵集团公司所属北新建材彰显央企担当，不设条件、不讲困难，保质保量按期完成龙牌外墙腻子及腻子产品供应，全程提供技术指导，有力保障了项目顺利实施。此外，在办公区日常维修改造过程中也给予了大力支持。春节将至，特此向贵集团公司及所属北新建材表示衷心感谢。



The company received a letter of appreciation from SASAC for assisting in the comprehensive improvement of old campuses of central and state organs.

### Support for post-disaster reconstruction



Support for post-disaster reconstruction in Zhuozhou

In August 2023, the severe typhoon-induced flooding ravaged Zhuozhou in Hebei Province. After understanding the situation, while urgently carrying out self-rescue and resuming work, we gave full play to BNBM’s advantages in building materials industry and actively engaged in the post-disaster reconstruction of Zhuozhou. We had opened product and service delivery channels to deliver the best products and services to villagers with the fastest speed at the lowest price to help them rebuild their homes. In response to wall dampness occurred after the flooding, we developed and designed assembled moisture-removing channels and partitions to allow for rapid reconstruction in damaged houses. And once the construction is completed, the houses could be used. As of December 2023, Dragon Brand Group had repaired the houses for **12** hard-hit families using sustainable building materials at no cost.

Furthermore, we followed closely the needs of post-disaster reconstruction and developed sustainable home products, sustainable decoration materials and assembly techniques. We have also opened dozens of “Reassuring Stores” in villages and towns to provide local residents with green and high-quality building materials at cost. This helped the villagers resettle and embrace warmth in the cold winter.

# ESG key performance indicators<sup>11</sup>

## General information

Indicator	Unit	2022	2023
Revenue	RMB million	20,154.70	22,425.90
Gross industrial output value (current price)	RMB million	19,739.04	21,166.21

## Environmental KPIs

Indicator	Unit	2022	2023
<b>Energy</b>			
Total energy consumption	10,000 tce	148.26	137.66
Comprehensive energy consumption per RMB million of revenue	tce/RMB million	73.56	61.38
Comprehensive energy consumption per RMB 10 thousand of gross industrial output value	tce/RMB 10 thousand	0.75	0.65
Total direct energy consumption <sup>12</sup>	10,000 tce	148.12	137.53
Clean energy consumption (Biomass fuel, solar and wind energy and heat recovery steam)	10,000 tce	21.90	21.44
Biomass fuel consumption	10,000 tonnes	36.67	36.73
Total indirect energy consumption <sup>13</sup>	10,000 tce	0.14	0.13
Purchased green electricity <sup>14</sup>	tce	0	10.34

<sup>11</sup> The coverage of the following KPIs is the same as that of the consolidated statements. In case of any discrepancies between the total number and the sum of the data and ratios disclosed herein, it is due to rounding.

<sup>12</sup> Direct energy consumption covers non-renewable energy sources such as coal, natural gas, liquefied petroleum gas, petrol and diesel, as well as self-generated electricity using renewable energy sources. The result is calculated in accordance with the *General Rules for Calculation of the Comprehensive Energy Consumption* (GB/T 2589-2020).

<sup>13</sup> Indirect energy consumption covers purchased electricity and purchased heat. The result is calculated in accordance with the *General Rules for Calculation of the Comprehensive Energy Consumption* (GB/T 2589-2020).

<sup>14</sup> Purchased green electricity refers to the electricity purchased through contracts with renewable energy power producers.

Indicator	Unit	2022	2023
<b>GHG emissions</b>			
Total GHG emissions <sup>15</sup>	10,000 tCO <sub>2</sub> e	346.74	346.61
Direct GHG emissions (Scope 1)	10,000 tCO <sub>2</sub> e	335.22	337.14
Indirect GHG emissions (Scope 2)	10,000 tCO <sub>2</sub> e	11.52	9.47
GHG Emissions per RMB million of revenue	10,000 tCO <sub>2</sub> e/RMB million	0.0172	0.0154
GHG Emissions per RMB million of gross industrial output value	10,000 tCO <sub>2</sub> e/RMB million	0.0176	0.0164
<b>Water</b>			
Total water consumption	10,000 tonnes	1,237.14	1,180.66
Water consumption per RMB million of revenue	10,000 tonnes/RMB million	0.0614	0.0526
Water consumption per RMB million of gross industrial output value	10,000 tonnes/RMB million	0.0627	0.0558
Fresh water consumption	10,000 tonnes	1,227.11	1,167.78
Recycled water consumption <sup>16</sup>	10,000 tonnes	299.10	293.54
<b>Wastewater</b>			
Total industrial wastewater discharge	10,000 tonnes	334.39	324.45
Chemical oxygen demand (COD)	Tonnes	629.16	108.81
Ammonia nitrogen	Tonnes	4.75	4.56
<b>Waste gas</b>			
Total emissions of nitrogen oxides	Tonnes	1,474.42	1,360.46
Total emissions of sulphur dioxides	Tonnes	872.79	786.89
Total emissions of industrial particulate matters	Tonnes	314.39	222.67
Total emissions of volatile organic compounds (VOCs)	Tonnes	2.59	1.70

<sup>15</sup> The calculation of GHG-related emissions has referred to the Notice on the Key Work Related to the Management of Enterprise Greenhouse Gas Emission Reporting in 2022, the General Guideline of the Greenhouse Gas Emissions Accounting and Reporting for Industrial Enterprises (GB/T 32150-2015), as well as other national and international standards.

<sup>16</sup> Recycled water consumption = the amount of water per cycle x the number of cycles.



Indicator	Unit	2022	2023
<b>Waste</b>			
General waste generated	10,000 tonnes	25.04	13.95
General waste generated per RMB 10 thousand of revenue	tonnes/RMB 10 thousand	0.124	0.062
Hazardous waste generated	Tonnes	220	360
Hazardous waste generated per RMB 10 thousand of revenue	tonnes/RMB 10 thousand	0.000109	0.000161
Comprehensive utilisation rate of general waste	%	100	100
Industrial waste consumption	10,000 tonnes	1,458.19	1,480.87
<b>Others</b>			
Environmental protection expenditure <sup>17</sup>	RMB 10 thousand	29,716.32	22,558.62
Number of products with green certification in the year	Case	32	48
R&D cost of green products <sup>18</sup>	RMB 10 thousand	82,144.53	90,213.72
Revenue from green products <sup>19</sup>	RMB 10 thousand	1,596,992.89	1,713,184.59

<sup>17</sup> Environmental protection expenditure includes the expenditures for environmental protection and ecological restoration.

<sup>18,19</sup> The green products refer to the ESG management standard of CNBM Company, including gypsum board, waterproof material and waterproof coating.

## Social KPIs

### Employee-related indicators

Primary indicator	Secondary indicator	Unit	2022	2023
<b>Employees</b>				
Total employees as of the end of the Reporting Period		Person	13,065	12,786
By gender	Male	Person	10,663	10,448
	Female	Person	2,402	2,338
By ethnicity	Han employees	Person	12,573	12,006
	Minority employees	Person	492	780

Primary indicator	Secondary indicator	Unit	2022	2023
By position level	Senior employees	Person	141	147
	Female employees at senior level	Person	13	8
	Middle-level employees	Person	470	472
	Female employees at middle level	Person	86	86
	General employees	Person	12,454	12,167
By age	Under 30 years old	Person	2,478	2,151
	30-50 years old	Person	8,102	9,531
	Over 50 years old	Person	2,485	1,104
Disabled employees		Person	55	56
New hirings during the Reporting Period		Person	1,049	1,026
<b>Employee turnover rate<sup>20</sup></b>				
Total turnover rate		%	10.38	12.07
Turnover rate (voluntary resignation)		%	9.71	10.07
By gender	Male	%	10.12	11.92
	Female	%	11.72	12.75
By ethnicity	Han employees	%	10.23	12.04
	Minority employees	%	16.86	12.56
By position level	Senior employees	%	0.00	0.00
	Middle-level employees	%	9.57	8.07
	General employees	%	11.85	12.37
By age	Under 30 years old	%	9.66	27.94
	30-50 years old	%	10.43	8.58
	Over 50 years old	%	11.06	11.23
<b>Development and training</b>				
Total participants in training		Person	147,027	153,602
Coverage		%	95.17	93.16

<sup>20</sup> Employee turnover rate = Employee turnover rate for FY2023 = number of employees turned over / number of employees on board at the end of the period

Primary indicator	Secondary indicator	Unit	2022	2023
Average training hours of employees		Hours/person	97.49	81.95
By gender	Male	Hours/person	97.86	82.11
	Female	Hours/person	97.08	81.23
By ethnicity	Han employees	Hours/person	97.57	81.93
	Minority employees	Hours/person	95.46	82.15
By position level	Senior employees	Hours/person	140	145
	Middle-level employees	Hours/person	109.55	182.37
	General employees	Hours/person	96.56	77.29
By age	Under 30 years old	Hours/person	99.11	84.96
	30-50 years old	Hours/person	97.62	82.12
	Over 50 years old	Hours/person	95.48	74.53
<b>Health and safety</b>				
Work-related deaths		Person	0	0
	Regular employees	Person	0	0
	Contractors <sup>21</sup>	Person	/	0
Death rate per 1,000 employees		%	0	0
Lost days due to work injury		Day	0	0
LTIFR per million hours of employees		%	0	0
LTIFR per million hours of contractors <sup>22</sup>		%	/	0
Work safety accidents		Case	0	0
Participants in health and safety training		Person	115,881	115,035
Duration of work safety training		Hour	5,870	6,009
Work safety investment		RMB 10 thousand	2,913	2,422.05
Social insurance coverage of dispatched workers		%	100	100

21, 22.. This year, the Company improved its statistics and added new data on contractor health and safety.

Primary indicator	Secondary indicator	Unit	2022	2023
<b>Others</b>				
Total employees participating in satisfaction surveys		Person	7,402	7,486
Coverage of employees participating in satisfaction surveys		%	56.66	58.55
Employee satisfaction <sup>23</sup>		%	84.36	84.39
Total employees in the labour union as of the end of the Reporting Period		Person	12,217	12,786
Proportion of employees in the labour union as of the end of the Reporting Period		%	93.51	100
Proportion of employees with collective contract		%	100	100
Average number of days of paid annual leave per employee		Day/person	9.31	10.25

23. Employee satisfaction surveys cover all levels of employees.

**Supply chain-related indicators**

Primary indicator	Secondary indicator	Unit	2022	2023
Suppliers with long-term cooperation		-	3,164	3,525
Suppliers screened and controlled based on environmental and social risks		-	2,706	2,841
	Suppliers assessed as having significant negative impact	-	0	0
	Suppliers assessed as having significant negative impact and having rectified	-	0	0
	Suppliers assessed as having significant negative impact and whose cooperation was terminated	-	0	0
Proportion of suppliers screened and controlled based on environmental and social risks		%	85.52	80.60
Suppliers who passed the certification for quality, occupational health and safety, environment protection, or energy management		-	1,076	1,210
Suppliers participating in training and capacity enhancements		-	902	1,045

### Product/Service-related indicators

Indicator	Unit	2022	2023
Total customer complaints	Case	36 <sup>24</sup>	34
Complaint resolution rate	%	100	100
Total customers participating in satisfaction surveys	Case	3,169	4,598
Proportion of customers participating in satisfaction surveys	%	20	23
Customers surveyed as satisfied	Case	3,105	4,552

<sup>24</sup> The Company broader the scope of customer complaints in this year, and restated the relevant performance in 2022.

### Social contribution-related indicators

Indicator	Unit	2022	2023
Public welfare donations	RMB 10 thousand	703.60	524.47
Number of volunteers	Person	50	46
Voluntary service hours	Hour	82	356

## Governance KPIs

### Business ethics-related indicators

Indicator	Unit	2022	2023
Total anti-corruption training conducted during the year	Session	106	145
Total participants of anti-corruption training during the year	Person	5,611	26,379

Indicator	Unit	2022	2023
Coverage of directors participating in training	%	100	100
Coverage of regular employees participating in training	%	100	100
Total compliance training conducted during the year	Session	19	19
Total participants of compliance training during the year	Person	6,000	8,400
Total ESG training during the year	Session	4	6
Total duration of ESG training during the year	Hour	12	18
Total participants of ESG training during the year	Person	90	120

### Innovation and R&D-related indicators

Indicator	Unit	2022	2023
Annual R&D investment	RMB 100 million	8.61	9.52
Patents applied for during the year	-	889	704
Patents for inventions	-	466	362
Patents granted during the year	-	628	606
Patents for inventions	-	240	227
Cumulative valid patents	-	4,628	4,852
Patents for inventions	-	937	1,204
Cumulative software copyrights registered	-	34	34
Provincial and ministerial awards in science and technology	-	8	5
Standards for which BNBM participated in preparation or revision	-	203	195



# Perspective

Never stop to move forward. We will bear in mind the national most fundamental interests and commit to an advanced country in materials. We uphold the values of "innovation, performance, harmony and responsibility" to compile a new chapter for high-quality development.

**In the coming year, we will seek progress while maintaining stability.** Adhering to the development in "greenization, advancement, digitalization and internationalization", we will enhance the competitiveness of our brands at home and abroad with our pioneering and innovative spirits, promoting reform and development.

**In the coming year, we will be open to the world.** We will accelerate the deployment of the corporate strategy of "One Body, Two Wings and Global Layout", develop high-quality, green customised whole-house assembly system, and build one-stop product and technology solutions.

**In the coming year, we will ride the wind and waves to move forward.** Adhering to the basic policy of "Persistence, Innovation, Integration, and Practice", we will steadily go through the key stage of transformation and development. Striving for a world-class benchmark enterprise, we will contribute to a scientific and technological power and achieve the goal of scientific and technological self-reliance.

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# Feedback



Dear readers,

Thank you for reading this report. To improve the ESG management and better meet your expectations, we expect your valuable feedback and suggestions.

Please fill in the following information, which will be kept confidential:

Name: \_\_\_\_\_

Tel: \_\_\_\_\_

Address: \_\_\_\_\_

Unit/Occupation: \_\_\_\_\_

Email: \_\_\_\_\_

Postcode: \_\_\_\_\_

Closed questions

1. Are you satisfied with this report as a whole?

Yes    No    Neutral

2. Is all the information you are concerned about available in this report?

Yes    No    Neutral

3. Do you think this report faithfully presents BNBM's ESG work as well as the impact on stakeholders?

Yes    No    Neutral

4. Can you easily locate the information you are concerned about in this report?

Yes    No    Neutral

5. Are you satisfied with the layout and design of this report?

Yes    No    Neutral

Open questions

1. Which aspect of this report are you most satisfied with?

2. What do you want to know more about BNBM?

3. Do you have any suggestions for our future ESG work/social responsibilities and ESG reporting?



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