



燕京啤酒
YANJING BEER



2025

Green Action Report



Brew Good for Life
Grow in Harmony with the World

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About the Report

Time Frame

This is an interim report covering the period from 1 January 2025 to 30 June 2025. To ensure the completeness of the report, some information has been appropriately extended beyond the time frame.

Reporting Scope

This report presents the environmental, social, and governance performance of Beijing Yanjing Brewery Co., Ltd. and its subsidiaries.

Terminology

For ease of reading, Beijing Yanjing Brewery Co., Ltd. is referred to as "Yanjing Beer", "Yanjing", "the Company", or "we/us" throughout this report.

References and Standards

This report has been prepared in accordance with the *GRI Sustainability Reporting Standards (GRI Standards 2021)* issued by the Global Sustainability Standards Board (GSSB), and with reference to the *Guidance for Alcoholic Beverage Enterprise ESG Disclosure* (T/CBJ 1106-2024) published by the China Alcoholic Drinks Association.

Languages and Access

This report is available in both Chinese and English in electronic format and can be accessed via the Company's official website (<https://www.yanjing.com.cn/>). Should there be any inconsistency between the Chinese and English version, the Chinese version shall prevail.

About Yanjing Beer

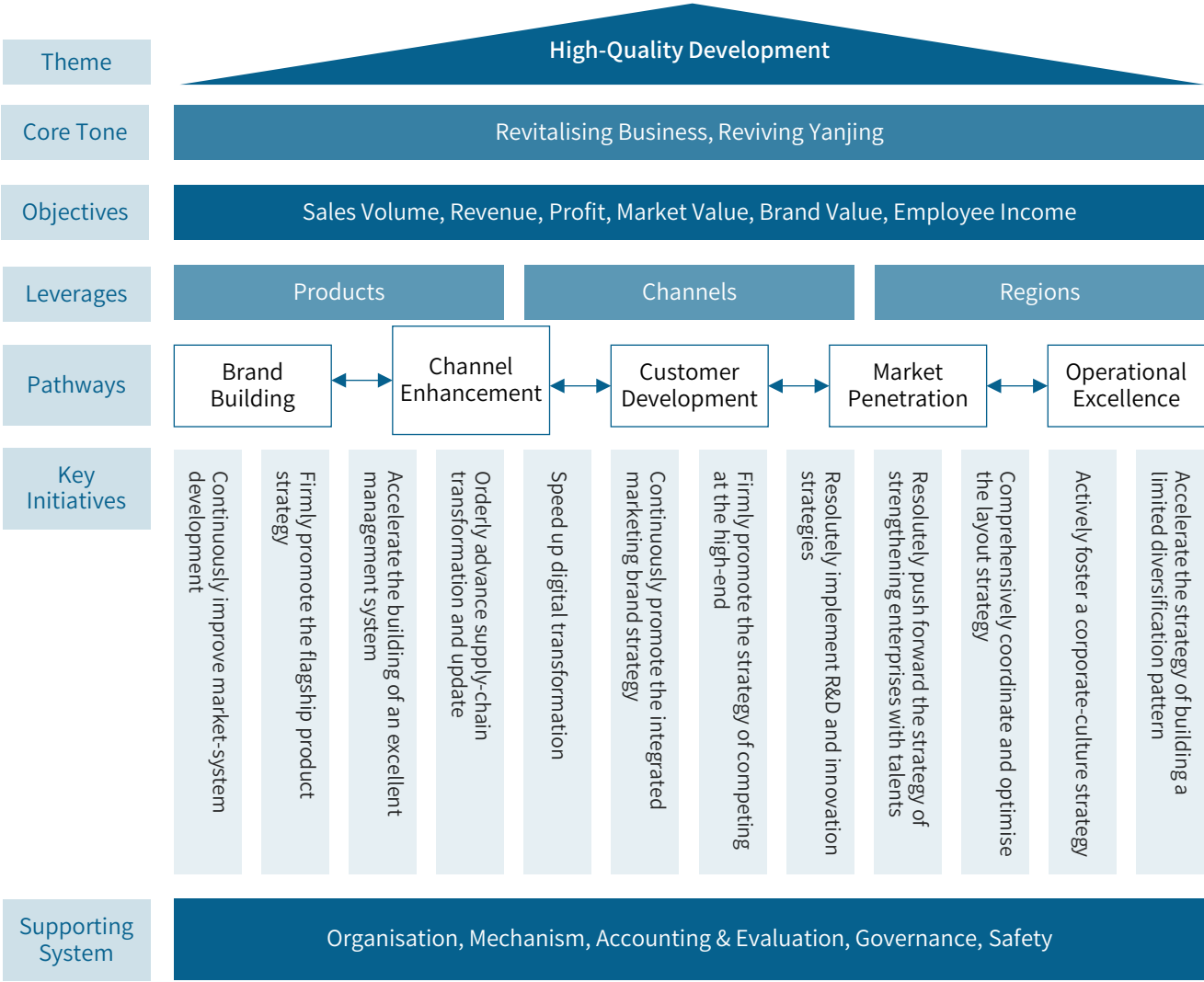
Company Overview

Yanjing Beer was founded in 1980, established as a group in 1993, and listed on the Shenzhen Stock Exchange in July 1997. The Company is mainly engaged in the production and sales of beer, water, beer raw materials, beverages, yeast, and feed products. As one of the largest brewery groups in China, Yanjing Beer has 60 directly or indirectly controlled subsidiaries, with operations spanning 18 provinces and cities nationwide. Over the years, we have developed a distinctive Yanjing business model and built core competitiveness through our strong market position, robust product offerings, brand strength, as well as management and technological capabilities, making significant contributions to the development of China's beer industry. As a leading enterprise in the Chinese beer industry, Yanjing Beer has always adhered to the principle that "quality is our lifeline". At Yanjing Beer, we embed our craftsmanship culture into every drop of beer and continuously optimise our product portfolio by expanding the share of mid- to high-end products, so as to enhance our competitiveness. Through five strategic growth drivers, including brand building, channel enhancement, customer development, market penetration, and operational excellence, the Company strives for ongoing improvements in operational performance, product upgrades, market expansion, and management optimisation. During the 14th Five-Year Plan period, the Company has formulated and implemented a 14th Five-Year Strategic Plan centred on high-quality development under the theme of "Revitalising Business, Reviving Yanjing". Staying true to the mission of "Brew Good for Life", the Company focuses on supply-side structural reform and strives to enhance new-quality productivity. To achieve a more efficient, more sustainable, and shared growth, the Company further advances the construction of an excellence-driven management system, drives supply chain transformation and upgrading, accelerates digital transformation, establishes a new research and development (R&D) system, and promotes low-carbon development.



Yanjing Beer's 14th Five-Year Strategic Plan

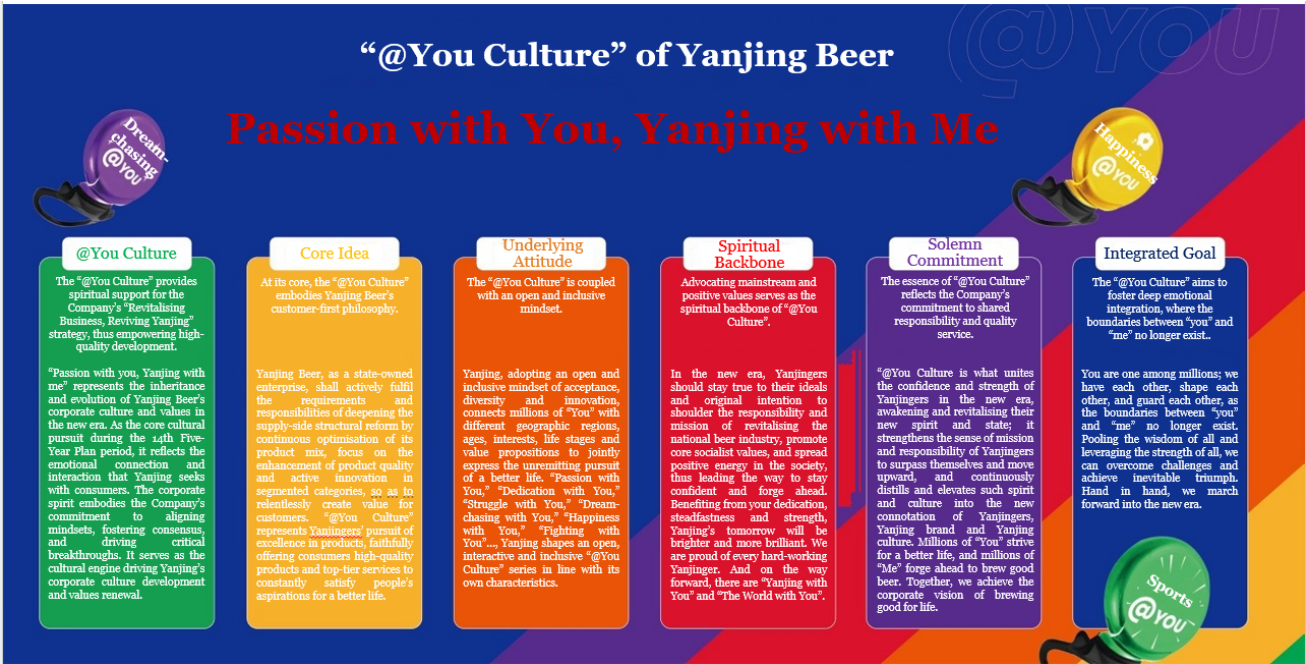
Sustainability is one of the core foundations that Yanjing Beer consistently upholds to drive high-quality development. In 2025, Yanjing Beer continues to implement its 14th Five-Year Strategic Plan. We refine our strategic priorities to further optimise resource allocation and enhance operational efficiency, so as to guide the Company through the second half of the 14th Five-Year Plan period toward steady progress and leapfrog development.



On the whole, at the business level, the Company is focused on developing new-quality productivity by advancing the construction of an excellence-driven management system, driving supply chain transformation and upgrading, accelerating digital transformation, establishing a new R&D system, and promoting low-carbon development. At the governance level, the Company has implemented an ESG governance system, fully integrating indicators regarding environmental protection, social responsibility, and corporate governance into all business operations, so as to enhance Yanjing Beer's modern corporate governance system.

Corporate Culture

"Passion with you, Yanjing with me" represents the inheritance and evolution of Yanjing Beer's corporate culture and values in the new era. As the core cultural pursuit during the 14th Five-Year Plan period, it reflects the emotional connection and interaction that Yanjing seeks with consumers. The corporate spirit embodies the Company's commitment to aligning mindsets, fostering consensus, and driving critical breakthroughs. It serves as the cultural engine driving Yanjing's corporate culture development and values renewal and provides spiritual support for the Company's "Revitalising Business, Reviving Yanjing" strategy, thus empowering high-quality development. "Passion with you, Yanjing with me" is condensed into the "@You Culture", where "@you" serves as its exclusive cultural symbol. The "@You Culture" aims to foster deep emotional integration, where the boundaries between "you" and "me" no longer exist.



The "@You Culture" of Yanjing Beer

The essence of "@You Culture": At its core, the "@You Culture" embodies Yanjing Beer's customer-first philosophy, coupled with an open and inclusive mindset. It reflects the Company's commitment to shared responsibility and quality service, while advocating mainstream and positive values serves as the spiritual backbone of our corporate culture. The "@You Culture" aims to foster deep emotional integration, where the boundaries between "you" and "me" no longer exist.

In 2025, the Company continues to enrich the brand value through the "@You Culture" initiative, delivering better lifestyle experience to consumers. The Company engages with consumers through high-quality products and precision marketing, creating deeper emotional connection. Thanks to our outstanding product performance, innovation capabilities, and market achievements, the Company has been named a "Brand of the Times" in the food industry and included in the first list of China's Leading Consumer Brands released by the Ministry of Industry and Information Technology, earning authoritative national recognition.



Transformation-Driven Growth

The spirit of "Revitalising Business, Reviving Yanjing" reflects Yanjing Beer's commitment to embracing transformation as the primary driving force in the recent period. In 2025, the Company continues to pursue systematic innovation and transformation. In corporate governance, the Company advances high-quality development driven by Party-building initiatives and continues to improve the sustainability management system. These efforts are made to enhance risk and compliance management, so as to build a solid foundation for steady growth in collaboration with all stakeholders.



Corporate Governance Enhancement

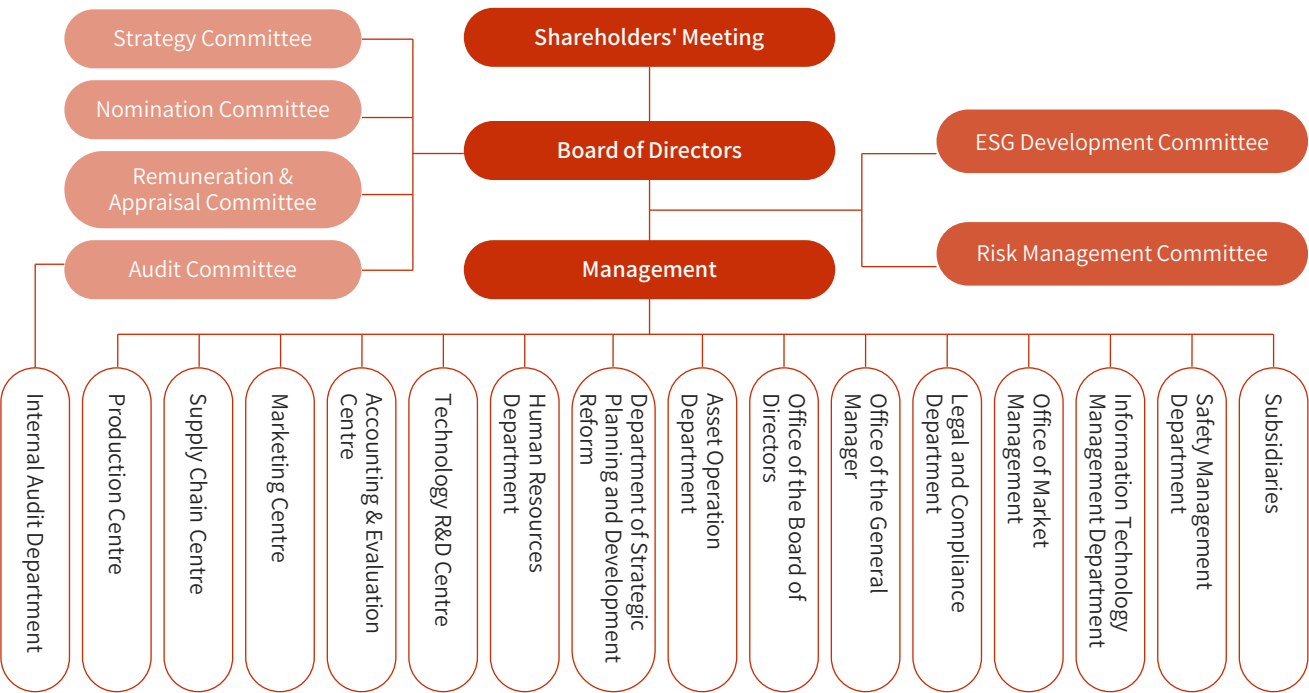
At Yanjing Beer, we are committed to enhancing our compliance and governance system, with a strong focus on investor relations management. The Company continuously improves the compliance, effectiveness, and sustainability performance of the governance practices, supporting steady development through measures such as enhancing disclosure quality and conducting compliance supervision.

Corporate Governance

Building and improving the governance system is the cornerstone of compliant operations and a key enabler for the Board of Directors to make appropriate decisions and operate efficiently. Yanjing Beer is steadily advancing institution-based corporate governance, keeping pace with regulatory updates and promptly adjusting corporate-level governance policies. The Company continues to refine the "1+M+N" governance framework.

Governance Structure and Mechanisms

The Company's governance structure is centred on the "1", which refers to the Articles of Association. "M" refers to the rules of procedure for relevant legal person governance bodies, and the working guidelines for special committees. "N" refers to specific policies related to Board decision-making, including the *Decision-Making Policy for Related-Party Transactions*, the *External Guarantee Management Policy*, and the *Major Investment Management Policy*. This comprehensive system provides a solid and reliable institutional foundation for the Board's informed decision-making.



Corporate Governance Structure

Shareholders' Meeting

- ◆ As the highest authority of the Company, the Shareholders' Meeting delegates decision-making authority to the Board of Directors.
- ◆ Meetings are convened in accordance with the *Rules on Shareholders' General Meetings of Listed Companies* and the *Articles of Association*.

Board of Directors and Special Committees

- ◆ The Board of Directors has established the Strategy Committee, the Audit Committee, the Nomination Committee, the Remuneration & Appraisal Committee, as well as the Risk Management Committee and the Environmental, Social and Corporate Governance (ESG) Development Committee, which are composed of both Board members and senior management members. These committees are responsible for the Company's overall governance, supervision, and regular review. Each committee operates with clearly defined responsibilities and works in close coordination to ensure the efficacy and professionalism of decision-making. All committee members possess relevant industry experience and professional expertise, and they regularly participate in training programmes to enhance their capabilities.
- ◆ The Audit Committee performs the functions of the Board of Supervisors, effectively exercising oversight and strengthening the role of the Shareholders' Meeting and the Board of Directors.
- ◆ The ESG Development Committee is responsible for the decision-making, management, and supervision of the Company's sustainability issues, ensuring that ESG priorities are fully integrated into daily operations.
- ◆ The Risk Management Committee focuses on risk prevention and control, providing a solid safeguard for the Company's operations.

Management

- ◆ The Management Team comprise various functional departments, including the Production Centre and the Supply Chain Centre, which cover the full operational cycle from production and market operations to technology R&D and human resources management.

● A Sustainability Framework Built on the New Triple Certification in Compliance, Innovation, and ESG

In recent years, Yanjing Beer has obtained the certifications of ISO 37301 Compliance Management System, ISO 56002 Innovation Management System, and ESG Management System, becoming the first ever enterprise in China to be certified under the CTS CQM/ S-RZ-ZY-58-001 *Requirements for and Guidelines on the Use of ESG Management System*. These certifications not only reflect the Company's strong commitment and continuous efforts in key areas, but also reinforce the corporate social responsibility and brand reputation. More importantly, they serve as a testament to Yanjing Beer's enhanced capability to provide transparent and reliable information to consumers and investors.



Board and Management Structure

The directors of the Company are nominated by the Board of Directors and are appointed by the Shareholders' Meeting upon Board resolution. Employee directors are elected by the Employee Representative Congress. Independent director candidates must have their qualifications and independence status reviewed and approved by the Shenzhen Stock Exchange before being submitted to the Shareholders' Meeting for election. The General Manager is nominated by the Chairman of the Board and appointed upon Board approval. Other senior management members are nominated by the General Manager and appointed by the Board of Directors. In the nomination and selection of directors and senior management, the Company gives full consideration to the opinions of stakeholders (including shareholders) and ensures a balanced approach to diversity, independence, and competence.

We place a strong focus on the professionalism of the Board and management team. The Company's directors and senior management possess broad expertise and extensive experience across multiple disciplines, including risk management, legal affairs, finance, and business administration. This collective expertise provides comprehensive support for the strategic planning and operational decision-making of the Company, thereby driving steady business growth and sustainable development.

Professional Background of Board Members			
Expertise	Number of Directors		Details
Risk Management	1		Liu Jingwei currently serves as Chairman of the Audit and Risk Committee of Beijing TRT Group and Chairman of the Consulting Executive Committee of the ShineWing Group, overseeing eight major business segments, including the risk management and internal control consulting services.
Legal Affairs	1		Geng Chao holds a master's degree in law.
Finance	3		Liu Xiangyu is a Senior Economist.
			Guo Xiaochuan is a professor and doctoral supervisor at the School of Economics and Management of Inner Mongolia University. He has served as an independent director of several listed companies, including Ningcheng Laojiao, Yili, and Baotou Aluminium.
Business Administration	2		Liu Jingwei is a Certified Public Accountant and a partner at ShineWing Certified Public Accountants (Special General Partnership). His previous roles include loan officer at the Forestry Fund Management Centre of the Ministry of Forestry, lecturer at the School of Economics and Management of Beijing Forestry University, and partner at Yuehua Certified Public Accountants. His auditing clients cover the alcoholic beverage business and he has extensive experience in the alcoholic beverage industry.
			Guo Xiaochuan is a professor and doctoral supervisor at the School of Management of Shanghai University, adjunct professor at the School of Management of Fudan University, and visiting professor at China Business Executives Academy, Dalian.
			Zhou Jian holds a PhD in Management and has completed post-doctoral research. He is a professor and doctoral supervisor at the Business School and the China Academy of Corporate Governance of Nankai University.

Note:
The above information is current as of 30 June 2025.

Standardisation of Board Governance

The Company strictly complies with laws and regulatory rules including the *Company Law of the People's Republic of China*, the *Guidelines for the Articles of Association of Listed Companies*, the *Guidelines for the Standardised Operation of Listed Companies*, and internal policies including the *Articles of Association*, the *Rules of Procedure for the Board of Directors*, and the *Rules of Procedure for the Shareholders' Meeting*. These measures ensure that the Shareholders' Meeting, the Board of Directors, and other corporate governance bodies operate in a standardised, well-governed, and efficient manner.

During the reporting period, the Company successfully convened four Board Meetings and one Shareholders' Meeting. The procedures for convening and holding these meetings, the qualifications of attendees, the voting processes, results, and resolutions all complied with relevant laws, regulations, and the Company's *Articles of Association*, further standardising the corporate governance system.

Beyond headquarters, Yanjing Beer continues to standardise the operations of the subsidiaries. The Company maintains strict oversight of relevant filing materials submitted by the subsidiaries and takes an active role in updating subsidiaries' Articles of Association. Besides, the Company also enhances training and communication with relevant personnel. A robust internal information reporting system is enforced to regulate the reporting of material information. In addition, a regular information flow mechanism has been established to ensure timely oversight of subsidiaries' operational performance. During the reporting period, the Company assisted subsidiaries with nearly 12 governance actions, including revisions to Articles of Association, organisational adjustments, changes in directors, supervisors, and senior management, and the completion of annual dividend distribution. In addition, 8 meetings of the Strategic, Audit, Remuneration and Appraisal, Nomination, Risk Management, and ESG Development Committees were held.

Support for Independent Directors in Their Roles

The Company fully supports independent directors in their roles, and leverages their expertise, impartiality and independence to oversee and balance powers in the Board of Directors and its affiliated special committees. The Company has formulated the *Code for Independent Directors*, stating that independent directors shall not hold any other roles here except that of independent directors. The Code also stipulates that they shall have no direct or indirect ties to the Company, major shareholders, actual controllers or directors who might influence their independent and objective judgement, so as to ensure the independence and objectivity of corporate governance. The Board of Directors consisted of 7 directors, including 4 independent directors, accounting for 57.14%.

Fostering an open and democratic deliberation atmosphere in the Board of Directors	<ul style="list-style-type: none">We proactively support independent directors in decision-making, oversight checks, and professional consultation in the Board of Directors, via services, information, communication, and implementation.
Establishing offices for independent directors	<ul style="list-style-type: none">The secretary of the Board of Directors strengthens communication with independent directors, promptly meeting their needs;Directors and senior management brief independent directors on the Company's production and operations;Functional departments, as instructed, handle groundwork for independent directors in their roles, ensuring they timely keep abreast of corporate development and key decisions.
Improving communication with independent directors	<ul style="list-style-type: none">The Company arranges site visits, seminars, and work reports for independent directors to gain comprehensive understanding of daily operations.

Diversity of the Board of Directors

Yanjing Beer prioritises diversity of the Board of Directors, aiming to build a decision-making team with varied backgrounds, experiences and perspectives. Currently, the Board of Directors spans a wide age range, covering members aged between 30 and 50 and over 50. The members leverage their rich industry experience and solid decision-making to underpin the scientific and stable corporate decisions. In addition, the Board of Directors comprises members with diverse professional backgrounds, ensuring professional decision-making by the Company.

Enhancement of Performance Capabilities for Directors and Senior Management

Directors and senior management, as leaders driving the Company's growth, bear the crucial responsibility of steering forward. Yanjing Beer prioritises the capabilities of directors and senior management, actively organising training programmes covering laws and regulations, exchange regulations, ESG and other cutting-edge themes to build up their performance capabilities and professional skills. During the reporting period, all directors and senior management attended 70 special training sessions organised by the Listed Companies Association of Beijing, earning a total of 350 credit points. Their performance capabilities have seen steady enhancement in this process.

Remuneration Management for Directors and Senior Management

The Company has established a differentiated remuneration system for directors and senior management, including basic annual salaries, annual incentives and benefits, to continuously encourage them to create long-term value for the Company.

Remuneration linked to sustainability performance	Mechanism of incentive and bonus clawback	Policy on remuneration decision-making rights
To strengthen ESG management, the Company focuses on performance assessments covering ESG metrics such as environmental protection and production safety. The assessment results are directly linked to the remuneration of management, and ESG efforts and target achievement are assessed regularly.	To strengthen accountability through performance-based salaries, the Company has established the mechanism of incentive and bonus clawback. For major economic losses or reputational harm from safety, environmental, quality or public relations incidents, annual bonuses of relevant operators and their supervisors are deducted based on the impact level. For breaches of laws, regulations and discipline or major adverse events, relevant performance-based salaries are clawed back, ensuring fairness and reasonableness in remuneration management.	Proposals on the confirmation of remuneration of directors and senior management, and on the next year's remuneration plan, are reviewed annually at shareholders' meetings via a combination of on-site and online voting. By this means, the decision-making rights of shareholders over the remuneration distribution of directors and senior management are fully safeguarded.

Investor Rights Protection

The Company continuously enhances the internal investor relations management system, framework and workflow. We maintain close engagement with investors through diverse channels, proactively address their concerns and needs, safeguard their legitimate rights, and inject vitality into the securities market.

Targets in H1 2025	Current Progress
<ul style="list-style-type: none">The response rate to investor queries at performance presentation shall reach 95% or aboveThe dividend distribution ratio shall comply with regulatory requirements	Achieved

Investor Relations Management Team Building

Yanjing Beer proactively advances investor relations management team building, shaping a corporate culture of serving and respecting investors. The Company continues to strengthen the development of team in the Office of the Board of Directors, explores new work approaches, optimises operational procedures, and enhances investor relations management capabilities to safeguard the Company's high-quality development.

During the reporting period, the investor relations team at headquarters comprises 5 members, with 100% participation in courses on investor protection and investor relations, delivered by regulators such as the Shenzhen Stock Exchange and the Listed Companies Association of Beijing.

Information Disclosure in Compliance with Laws and Regulations

The Company conducts information disclosure in compliance with laws and regulations in light of investor needs, ensuring such disclosure is true, accurate, complete, timely and fair. We strictly uphold the principle of fair disclosure, and effectively safeguard the legitimate rights and interests of small and medium-sized investors. The secretary of the Board of Directors leads the members of the team in the Office of the Board of Directors in refining the Company's policies according to the latest legal provisions and regulatory requirements. The team members maintain constant communication with stock exchanges and securities regulators, and actively cooperate with them to prepare and submit documents as required by the Shenzhen Stock Exchange. The Company issues timely announcements for major matters and resolutions. During the reporting period, the Company disclosed 112 announcements, including periodic reports and interim announcements, ensuring the timeliness and fairness of our information disclosure.

Investor Communication and Engagement Enhancement

At Yanjing Beer, we have always prioritised reciprocal engagement with investors, proactively managing investor relations. We interact with investors through a combination of online channels (including new media platforms, the official website, the "Easy IR" platform, IR hotline, fax, and email) and offline research.

During the reporting period, Yanjing Beer responded to 89 investor inquiries via the "Easy IR" platform, and released 4 *Investor Research Activity Records*. By exploring emerging channels such as websites and new media platforms, we proactively organise performance presentation and investor communication sessions to strengthen effective communication between the listed company and investors. This drives improvements in corporate governance and effectively protects the legitimate rights and interests of investors, particularly small and medium-sized investors.

Investor Communication Session Hosted to Engage In-depth with Investors

In June 2025, we hosted the 2025 Yanjing Beer Analyst and Investor Communication Session, attended by more than 100 participants. These included over 80 institutional representatives from renowned brokerages, fund companies, industrial capital firms, insurers, and mainstream financial media outlets, alongside several individual investors. At the session, our management engaged in in-depth exchanges with participants on topics such as the Company’ s 15th Five-Year Plan, labour efficiency enhancement, flagship product U8, and market development, fostering closer ties with investors.



2025 Yanjing Beer Analyst and Investor Communication Session

Rational Investment Culture Advocacy

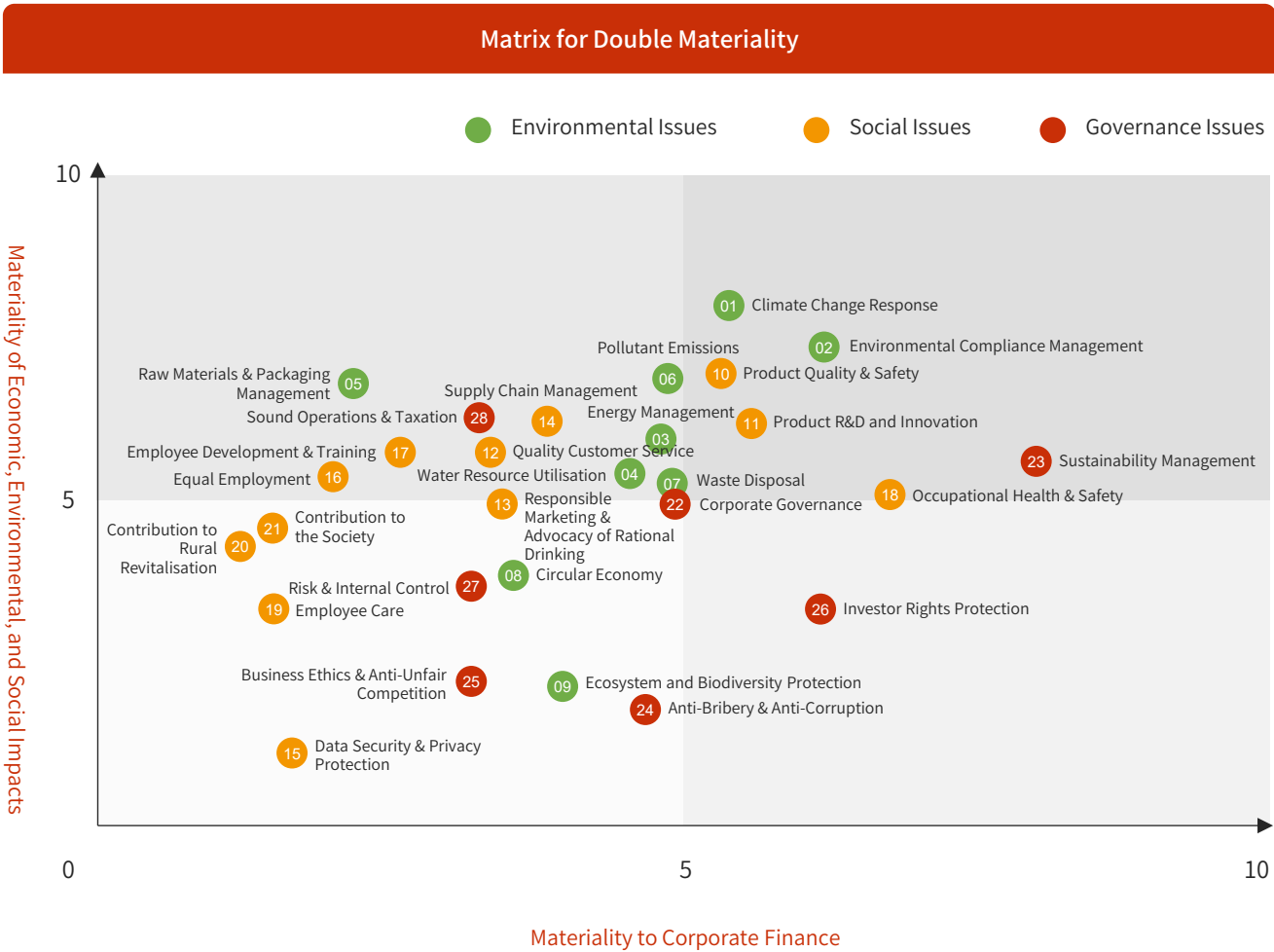
The Company actively participates in investor rights protection activities organised by securities regulatory bureaus and industry associations to disseminate financial knowledge. During the reporting period, Yanjing Beer joined the 2025 "5.15 National Investor Protection Publicity Day" campaign initiated by the Beijing Office of the China Securities Regulatory Commission, as well as the 2025 Publicity Month for Preventing Illegal Securities and Futures. Through concrete actions, we fulfil our primary responsibilities as a listed company: strengthening publicity for investor rights protection, advocating a sound investment culture, and fostering a positive atmosphere of caring for and cherishing investors.

Sustainability Management

The concept of sustainability serves as the cornerstone underpinning the long-term and stable growth of enterprises. Promoting sustainable development and embracing ESG principles have become the "era-defining mission" and "shared value consensus" for Chinese enterprises. Yanjing Beer has formulated a strategic sustainability framework and actively implemented a range of sustainability initiatives. As we advance our own steady growth, we contribute to the realisation of the UN Sustainable Development Goals (SDGs), working together to build a better and sustainable future.

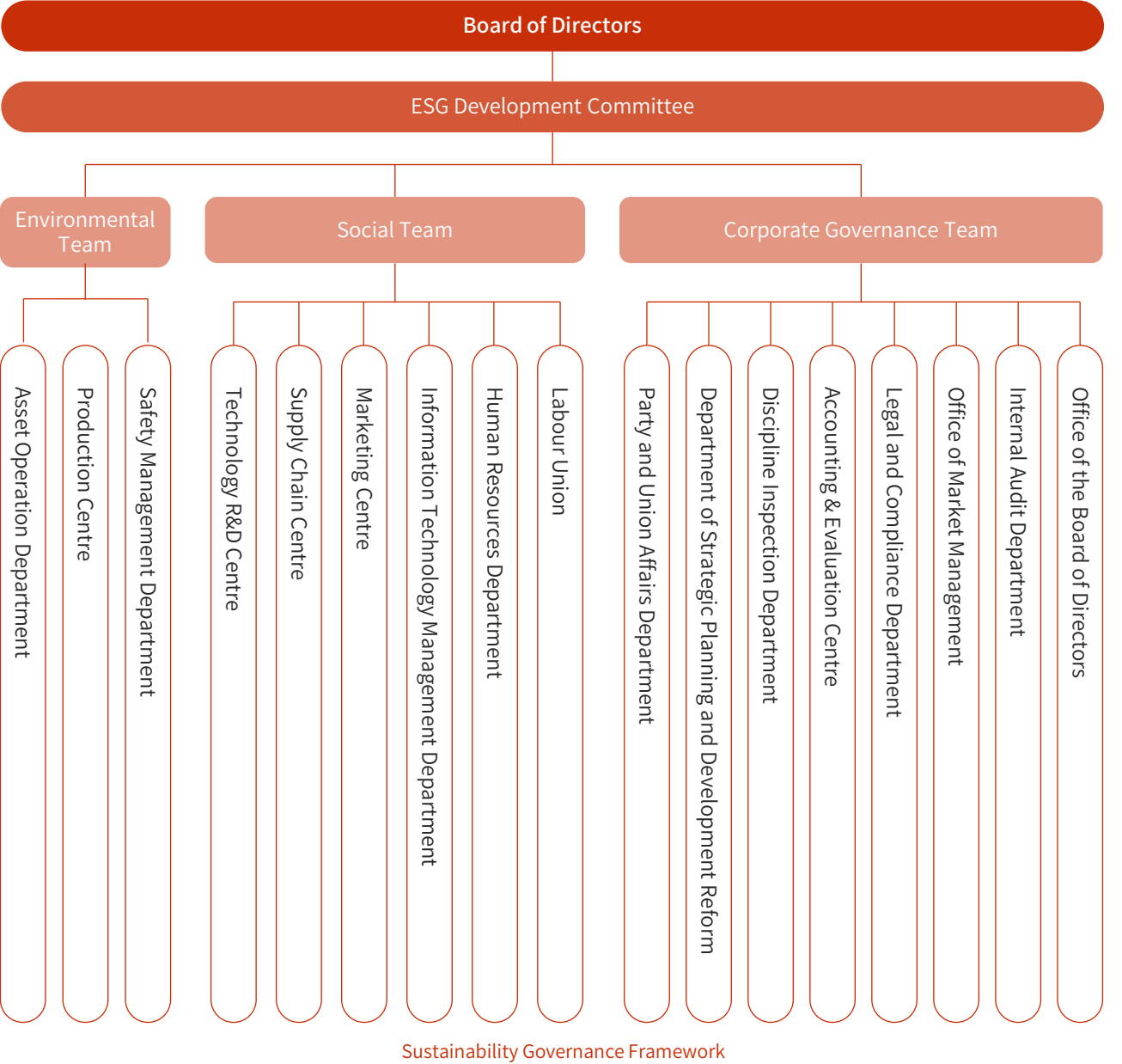
Material Issue Identification

Yanjing Beer has identified the material issues by analysing domestic and international policies, researching sustainability standards and ratings, and conducting peer benchmarking. Through this process, 28 sustainability issues relevant to the Company were sorted out, with each assessed for impact materiality and financial materiality. Those with a composite score of 5 or higher are deemed material. In doing so, we identified 19 material issues, including 18 with impact materiality, 7 with financial materiality, and 6 with both. For details of the assessment, see *Yanjing Beer Sustainability Report 2024*.



Sustainability Governance Structure and Division of Duties

Yanjing Beer has established a top-down and well-structured sustainability governance structure, comprising the decision-making level, management level, and execution level. All material issues are decided by the Board of Directors, coordinated by the Company's Environmental, Social and Governance (ESG) Development Committee, and advanced by the departments responsible for each issue. This process ensures the Company's sustainability goals are smoothly integrated into daily operation and management, with sustainability concepts, goals, and actions systematically implemented.



<div><p>Decision-Making Level</p><p>Board of Directors</p></div>	<ul style="list-style-type: none">• Deliberate and approve the Company's ESG strategy, goals, major issues, and management policies• Deliberate and approve the Company's ESG plans and goals, and supervise the implementation of the ESG strategy• Deliberate and approve the Company's annual sustainability (ESG) report• Review the ESG governance structure and governance results on a regular basis
<div><p>Management Level</p><p>ESG Development Committee</p></div>	<ul style="list-style-type: none">• Research, evaluate and formulate the Company's ESG development strategy, goals, major issues, and management policies• Identify and manage impacts, risks and opportunities related to daily ESG operation• Guide and supervise the implementation of ESG efforts• Establish and improve the internal ESG information reporting mechanism, defining reporting methods and frequency• Organise ESG training programmes for senior management to enhance the professional skills and capabilities of personnel at all levels in implementing and supervising sustainability related policies• Conduct ESG related performance evaluations of management and other key personnel on a regular basis• Review and submit the Company's ESG report to the Board of Directors
<div><p>Execution Level</p><p>ESG Team</p></div>	<ul style="list-style-type: none">• Improve ESG work rules: Formulate and improve ESG related policy documents, issue frameworks, phased work plans and specific implementation scheme to guide and standardise ESG work• Sort out ESG information: Collect, sort out and compile the Company's ESG information• Conduct external communication: Communicate with external partners such as consulting institutions and rating agencies, organise and conduct ESG business training, and monitor ESG policy requirements and trends• Advance the implementation of ESG efforts: Organise and coordinate all departments to carry out work in line with the Company's ESG strategy and goals• Provide feedback and improvement: Summarise ESG issues and achievements, promptly provide feedback to the ESG Development Committee, and put forward suggestions for improvement• Undertake other ESG tasks: Undertake other responsibilities related to the ESG working group

In building the ESG management team, the Company prioritises selecting leaders with ESG background and management expertise to coordinate the Company's related work. Ms. Xu Yuexiang, a core member of Yanjing Beer's ESG Development Committee, holds the "Advanced Registered ESG Analyst Certification" issued by the All-China Federation of Industry and Commerce Talent Exchange and Service Center, and has the capability to coordinate and manage ESG issues.

In addition, Yanjing Beer focuses on fostering an exclusive internal ESG culture. The Company continuously enhances internal ESG consensus. In January 2025, the Company conducted targeted training for ESG related staff in various departments and subsidiaries, covering the sharing of the latest sustainability trends, analysis of the Company's current situation, and interpretation of key issues. The training attracted over 100 participants, improving the ESG awareness of relevant key personnel within the Company.



Advanced Registered ESG Analyst Certification

Sustainability Strategy

Against a global backdrop of deep commitment to sustainability, Yanjing Beer has proactively embarked on this endeavour. We have upgraded our ESG strategy to a sustainability strategy, and striven to find more balanced solutions between corporate growth and various social issues.



At present, the Company's sustainability strategy fully covers all identified material issues. For issues of financial materiality, the Company has undertaken in-depth work to identify their impacts, risks and opportunities, and has fully incorporated countermeasures to address these into relevant actions.

Impacts, Risks and Opportunities of Issues with Financial Materiality			
Issue		Environmental Compliance Management	Climate Change Response
Impact Analysis	Type	Potential negative	Actual negative and potential negative
	Description	<ul style="list-style-type: none">In strict compliance with environmental laws and regulations, the Company formulates environmental management policies to guide operations, minimising environmental impacts from production and operation	<ul style="list-style-type: none">Uncontrolled greenhouse gas emissions from fossil fuels may worsen climate changeEffective energy management, substitution, and energy-saving and emission-reduction technology research and development can mitigate climate impactsThe Company may mobilise the value chain to mitigate climate change
	Scope	Corporate operation Downstream value chain	Upstream value chain Corporate operation Downstream value chain
Risk and/or Opportunity Analysis	Type and description	Risk <ul style="list-style-type: none">Inactive environmental compliance management may lead to fines	Risk + Opportunity <ul style="list-style-type: none">Inaction on climate change may cause failure to meet the industry standards and regulatory requirements, leading to direct economic losses.Proactive actions to explore new energy and develop new products may create development opportunities
	Impact cycle	Short-term, medium-term, and long-term	Short-term, medium-term, and long-term

Issue		Product Development and Innovation	Product Quality and Safety	Occupational Health and Safety
Impact Analysis	Type	Actual positive	Actual negative and potential negative	Actual positive and potential negative
	Description	<ul style="list-style-type: none">The Company develops new products based on market demands, which can meet consumers' diverse needs and drive industry growth	<ul style="list-style-type: none">The Company sells high-quality and safe products by means of quality control and other measures, which safeguards consumers' health and safetyEntry of unhealthy products into the market may pose health and safety risks to consumers	<ul style="list-style-type: none">The Company focuses on the health and safety of employees, contractors, and other partners. Through monitoring health and safety risks and fostering a healthy and safety culture, the health and safety of all personnel can be ensuredFailure to effectively manage health and safety risks could jeopardise the health and safety of workers, including employees and contractors
	Scope	Upstream value chain Corporate operation Downstream value chain	Corporate operation Downstream value chain	Upstream value chain Corporate operation
Risk and/or Opportunity Analysis	Type and description	Opportunities <ul style="list-style-type: none">The Company actively develops products that meet consumer needs, attracting more customers and driving consistent revenue growth	Risk + Opportunity <ul style="list-style-type: none">The Company provides healthy, safe, and high-quality products to earn consumer trust and strengthen loyaltyProduct quality and safety incidents may harm the Company's image and lead to poor product sales	Risk <ul style="list-style-type: none">Health and safety incidents involving employees and contractors may lead to direct economic losses, and further outcomes such as negative public opinion on the Company and a drop in stock price
	Impact cycle	Short-term, medium-term, and long-term	Short-term, medium-term, and long-term	Short-term, medium-term, and long-term

Issue		Sustainability Management	Investor Rights Protection	Occupational Health and Safety
Impact Analysis	Type	Actual positive	Actual negative and potential negative	Actual positive and potential negative
	Description	<ul style="list-style-type: none">The Company implements the sustainability strategy, fostering mutually beneficial progress between the Company and society	<ul style="list-style-type: none">The Company respects investors' rights and diligently fulfils management and information disclosure obligations, ensuring compliant and stable operation, and delivering higher returns to investorsImproper conducts by the Company may impact share prices and cause losses to investors	<ul style="list-style-type: none">The Company focuses on the health and safety of employees, contractors, and other partners. Through monitoring health and safety risks and fostering a healthy and safety culture, the health and safety of all personnel can be ensuredFailure to effectively manage health and safety risks could jeopardise the health and safety of workers, including employees and contractors
	Scope	Upstream value chain Corporate operation Downstream value chain	Corporate operation Downstream value chain	Upstream value chain Corporate operation
Risk and/or Opportunity Analysis	Type and description	Opportunities <ul style="list-style-type: none">Active sustainability management allows for proactive strategic planning, strengthens risk resilience, and secures medium- and long-term growth opportunities	Risk + Opportunity <ul style="list-style-type: none">Active protection of investors' rights may secure more investmentsActions that harm investors' rights may cause a drop in stock price	Risk <ul style="list-style-type: none">Health and safety incidents involving employees and contractors may lead to direct economic losses, and further outcomes such as negative public opinion on the Company and a drop in stock price
	Impact cycle	Short-term m,edium-term, and long-term	Short-term, medium-term, and long-term	Short-term, medium-term, and long-term

Yanjing Beer strives to incorporate ESG principles into all aspects of the Company's operation. Through robust strategic deployment and structured implementation, the ESG performance has gained recognition from multiple rating agencies. Based on the practical experience, we actively share our practices and success cases, and participate in formulating numerous national and group standards, contributing our efforts to promoting the sustainable development of the industry.

Wind ESG Rating: AA

CCXGF ESG Rating: AA-




SNSI ESG Rating: AA

Services and consumers	Service Excellence - Principles and Model	National standard	China National Institute of Standardisation
	Guidelines on Consumer Warranties/Guarantees	National standard	China National Institute of Standardisation
	Service Excellence - Designing Excellent Service to Achieve Outstanding Customer Experiences	National standard	China National Institute of Standardisation
Environment	Monetary Valuation of Environmental Impacts and Related Environmental Aspects	National standard	Tongbiao Zhongyan Standardisation Technology Research Institute (Beijing Industrial Cooperation Association)
	Environmental Management - Guidelines for Determining Environmental Costs and Benefits	National standard	Tongbiao Zhongyan Standardisation Technology Research Institute (Beijing Industrial Cooperation Association)
	Technical Guidelines for High COD Vinasse Wastewater Resource Utilisation	Group standard	Tongbiao Zhongyan Standardisation Technology Research Institute (Beijing Industrial Cooperation Association)
	Technical Guidelines for Vinasse Leachate Resource Utilisation	Group standard	Tongbiao Zhongyan Standardisation Technology Research Institute (Beijing Industrial Cooperation Association)
ESG	Guidance for Alcoholic Beverage Enterprise ESG Disclosure	Group standard	China Alcoholic Drinks Association
	ESG Evaluation Guidance for Alcoholic Beverage Enterprises	Group standard	China Alcoholic Drinks Association
	Guidance for ESG Management Systems of Enterprises in Beijing	Group standard	Beijing Enterprise Federation and Beijing Entrepreneurs Association
	Guidance for Building Enterprise ESG Management Systems	Group standard	Tongbiao Zhongyan Standardisation Technology Research Institute (Beijing Industrial Cooperation Association)
	Guidelines for Peak Carbon Emissions and Carbon Neutrality of Enterprises based on ESG Evaluation	Group standard	Tongbiao Zhongyan Standardisation Technology Research Institute (Beijing Industrial Cooperation Association)
	Guidance for Enterprise ESG Work	Group standard	All-China Environment Federation
Management	Integration of Informatisation and Industrialisation Management Systems - Enhanced Capability System - Part 1: Process Manufacturing	National standard	China Industrial Cooperation Association

Stakeholder Communication

Yanjing Beer attaches great importance to the communication with various stakeholders. To this end, we have built an all-round and multi-level information interaction system. Via diversified online and offline channels for communication, the Company maintains frequent information exchanges with stakeholders. In this way, we update Yanjing's dynamics to all parties in a timely and accurate manner, facilitating the interaction and information accessibility between stakeholders and the Company.

Stakeholders	Issues of Concern	Major Communication Channels
 Government and regulators	<ul style="list-style-type: none">Environmental compliance managementClimate change responseEnergy managementWater resource utilisationRaw materials & packaging managementProduct quality & safetySound operations & taxationContribution to the societyContribution to rural revitalisation	<ul style="list-style-type: none">Inspection by leaders and authoritiesCompliance inspection and checksForums, conferences and seminarsDaily policy publicity and implementation
 Shareholders and investors	<ul style="list-style-type: none">Corporate governanceSustainability managementRisk & internal controlInvestor rights protectionBusiness ethicsProduct R&D and innovation	<ul style="list-style-type: none">Shareholders' meetingInvestor communicationOnline performance briefingirm.cninfo.com.cn (Q&A on the Shenzhen Stock Exchange Platform)Investor hotlineCompany surveyTelephone consultationEmailPeriodic reporting and information disclosure on the official website
 Customers	<ul style="list-style-type: none">Product quality & safetyQuality customer serviceResponsible marketing & advocacy of rational drinkingProduct R&D and innovationData security & privacy protectionProtection for ecosystems and biodiversity	<ul style="list-style-type: none">Customer satisfaction surveyEmail and daily telephone communicationCustomer emailResponse to customer complaintsCustomer visits

Stakeholders	Issues of Concern	Major Communication Channels
<div> Business partners</div>	<ul style="list-style-type: none">• Product quality & safety• Supply chain management• Anti-bribery & anti-corruption• Business ethics & anti-unfair competition	<ul style="list-style-type: none">• On-site audit• Procurement process• Performance assessment• Regular communication with business partners (e.g. emails and meetings)
<div> Employees</div>	<ul style="list-style-type: none">• Equal employment• Employee development & training• Occupational health & safety• Employee care	<ul style="list-style-type: none">• Daily and induction training• Email and suggestion box• Regular meetings• Employee performance assessment• Employee activities
<div> Society and the public</div>	<ul style="list-style-type: none">• Pollutant emissions• Waste disposal• Protection for ecosystems and biodiversity• Contribution to the society• Contribution to rural revitalisation• Responsible marketing & advocacy of rational drinking	<ul style="list-style-type: none">• Email• Phone call• Company announcement• Online social platforms• Company website• Social media• Charitable contribution• Voluntary services• Community activities

Reinforcement on Risk Management and Control

Following the Company's strategic development goals and annual major arrangements, Yanjing Beer strengthens the building of the "four-pronged" management system of legislation, compliance, risk management and internal control. With a continuous optimisation of the workflow from the four perspectives, we go all out to advance the Company's legal and compliant operation. Targeted at value creation and risk prevention and control, we consolidate our robust operation and promote sustainable value creation.

Legal and Compliant Operation

During business progress, compliance is a bottom line and red line more than a vital cornerstone. Yanjing Beer always prioritises legislation and compliance. We actively practise the concept of lawful corporate governance and honest operation, strictly abide by policies and regulations, and continuously improve internal management systems. All these efforts aim to secure the stable development of the Company.

Improvement on the Compliance Management System

To deepen a compliance mindset and establish a compliance culture, Yanjing Beer upholds the compliance management as an important guarantee for operation in accordance with the law. The Legal Compliance Department has been set up to coordinate the work on this front. The Company has obtained the Certificate for Compliance Management System Certification issued by China Quality Mark Certification Group, which proves that the Company's management system is in line with GB/T35770-2022/ISO 37301:2021. As such, Yanjing has becomes one of the first-batch enterprises in the domestic beer industry to pass the certification.

Policy Formulation and Publicity

Yanjing Beer strives for the synergy between formulating and improving compliance policies. We improve the top-level design from all aspects, so as to develop the policies in a systematic, normative and standardised manner. The Company organises regular in-depth research, benchmarks business activities item by item with regulations and requirements of superior units, and carries out strict reviews for compliance and standardisation. By doing so, we align the Company's policies and related actions with national laws and regulations as well as management requirements by higher levels. Currently, such policies have covered all ESG issues.

To effectively and thoroughly implement these policies and to strengthen the Company's overall risk prevention and control, the Legal Compliance Department organises diversified training and publicity activities after the announcement of the policies. The training is delivered to business personnel and staff in charge of internal control from all functional departments at the headquarters and subsidiaries. These publicity and training events have addressed the doubts and questions during implementation and advanced the implementation of the policies. As a result, policy advantages have been transformed into governance effectiveness to safeguard the Company's compliant operation.

Compliance Monitoring, Training and Review

During the reporting period, Yanjing Beer furthered the integration of anti-bribery management and the "Three Checklists" for compliance regarding risk identification, job responsibility and process control. Moreover, the Company carried out 373 reviews in all areas on "critical decision-making, appointment of key personnel, arrangement of big projects and capital operation of huge sum" for joint-stock companies. We put forward compliance suggestions to relevant departments and required immediate rectification. These actions helped us avoid potential risks due to compliance issues and align our management decisions with internal control and management requirements. In addition, the Company conducted a number of compliance training and cultural promotion activities. By building a matrix in this regard, we aimed to gradually penetrate the concept and awareness of compliance management into every position and business segment.

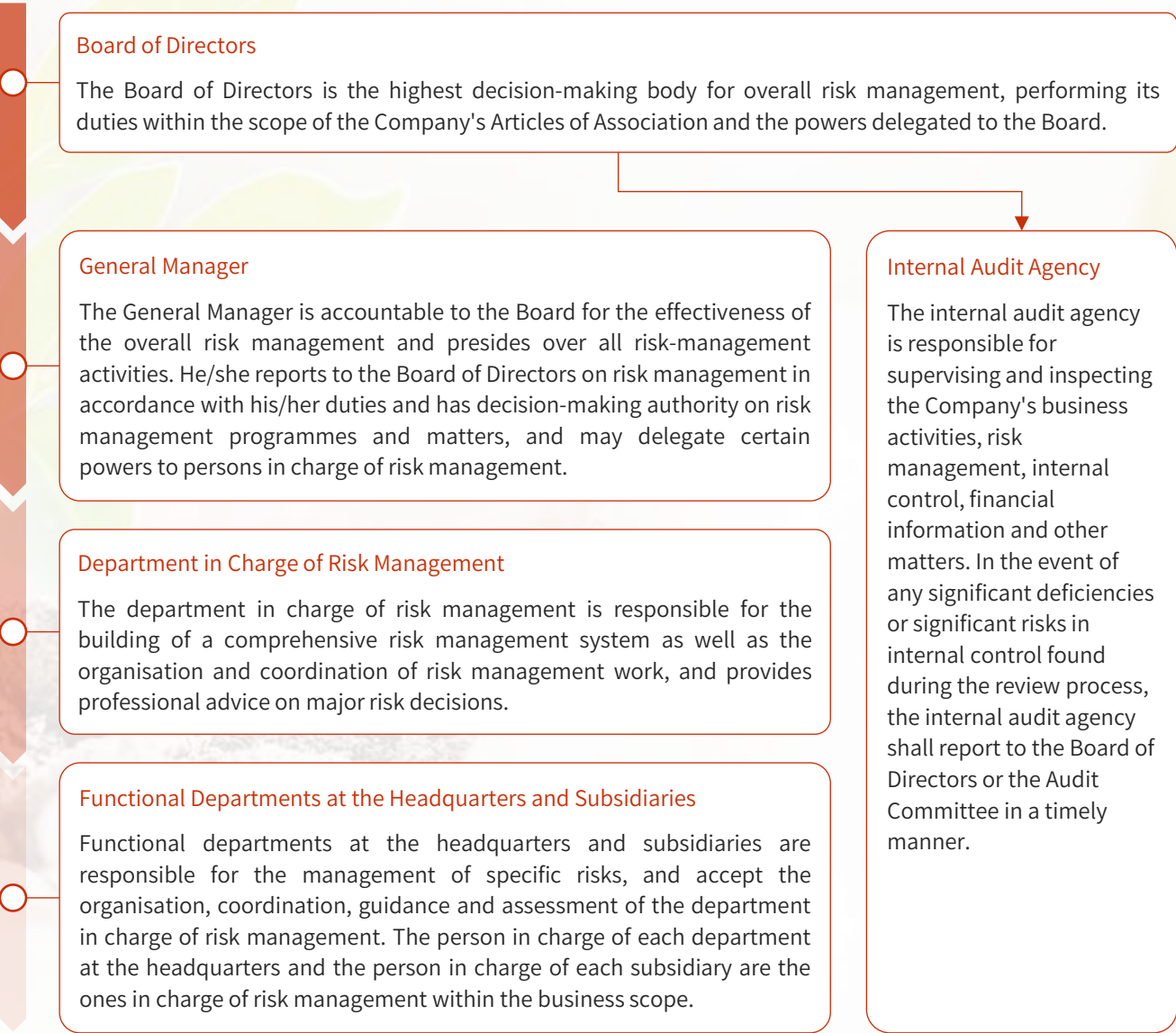


Risk Management

To ensure stable operation, the Company adheres to comprehensive risk management. Sticking to the Company's development strategies, we optimise the risk management framework and establish the risk management information system and internal control system. We take the initiative to identify and manage risks during production and operation, so as to cultivate a sound risk management culture.

Risk Management Framework

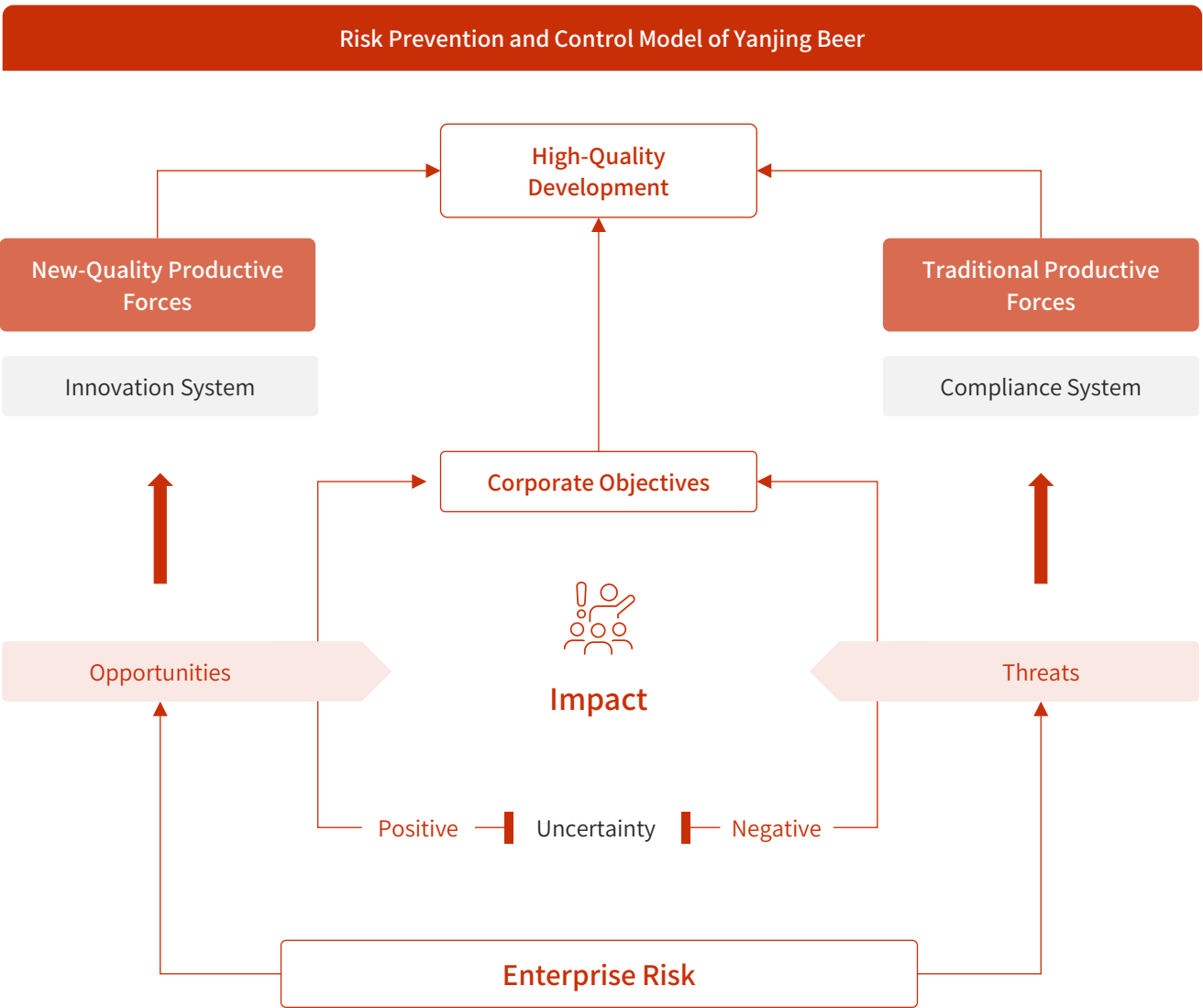
Yanjing Beer has established a risk management framework in accordance with the principle of "unified leadership, duty division and full participation".



Risk Control Model

Navigated by the core concept of risk management, the Company has newly developed a risk prevention and control model that is guaranteed by compliance management and driven by innovation management. This model helps build a comprehensive risk prevention and control mechanism consisting of all systems for all employees throughout the business process. We carry out risk identification to target risks during governance, operation and management. Past practice for risk prevention has been upgraded to a combination of risk prevention and elimination, turning value conservation into value creation.

When dealing with various threats in management, we uphold the bottom line and red line of traditional business management by means of compliance management and system building, in an effort to ensure operational compliance. With regard to future management opportunities, we pursue innovation management to foster new-quality productive forces. We advocate capturing and grasping opportunities, continue the innovation in nine aspects, and work to enhance the satisfaction of customers and other stakeholders. We have explored approaches and pathways to the sustained creation of new-quality productive forces, which continuously drives the Company's development, revenue, profitability and competitiveness.



Establishment of Quantitative Mechanism for Risk Monitoring and Early Warning

The Company has established a quantitative mechanism for significant risk monitoring and early warning through strengthened quantitative risk monitoring. By developing early warning rules for significant risk indicators and formulas for quantifiable indicators, we transform significant risks into quantifiable and monitorable figures. We also step up efforts in the monitoring and control of significant business risk early warning by means of cyclical risk monitoring, early warning, alerting, and prevention & control, thereby improving the risk management efficiency and value. During the reporting period, the Company continuously advanced the establishment and improvement of the risk early warning indicator system, fully leveraging the early warning and prevention role of risk early warning indicators to achieve real-time and accurate monitoring and alerts for the Company's major risks, ensuring that the Company's major risks were effectively managed and no major risk events occurred. Looking forward, the Company plans to optimise the risk early warning indicator library. By enhancing the accuracy and effectiveness of risk early warnings, the appropriateness of early warning thresholds, and their alignment with business realities, we aim to further increase the value of risk management.

Cultivation of Risk Management Culture

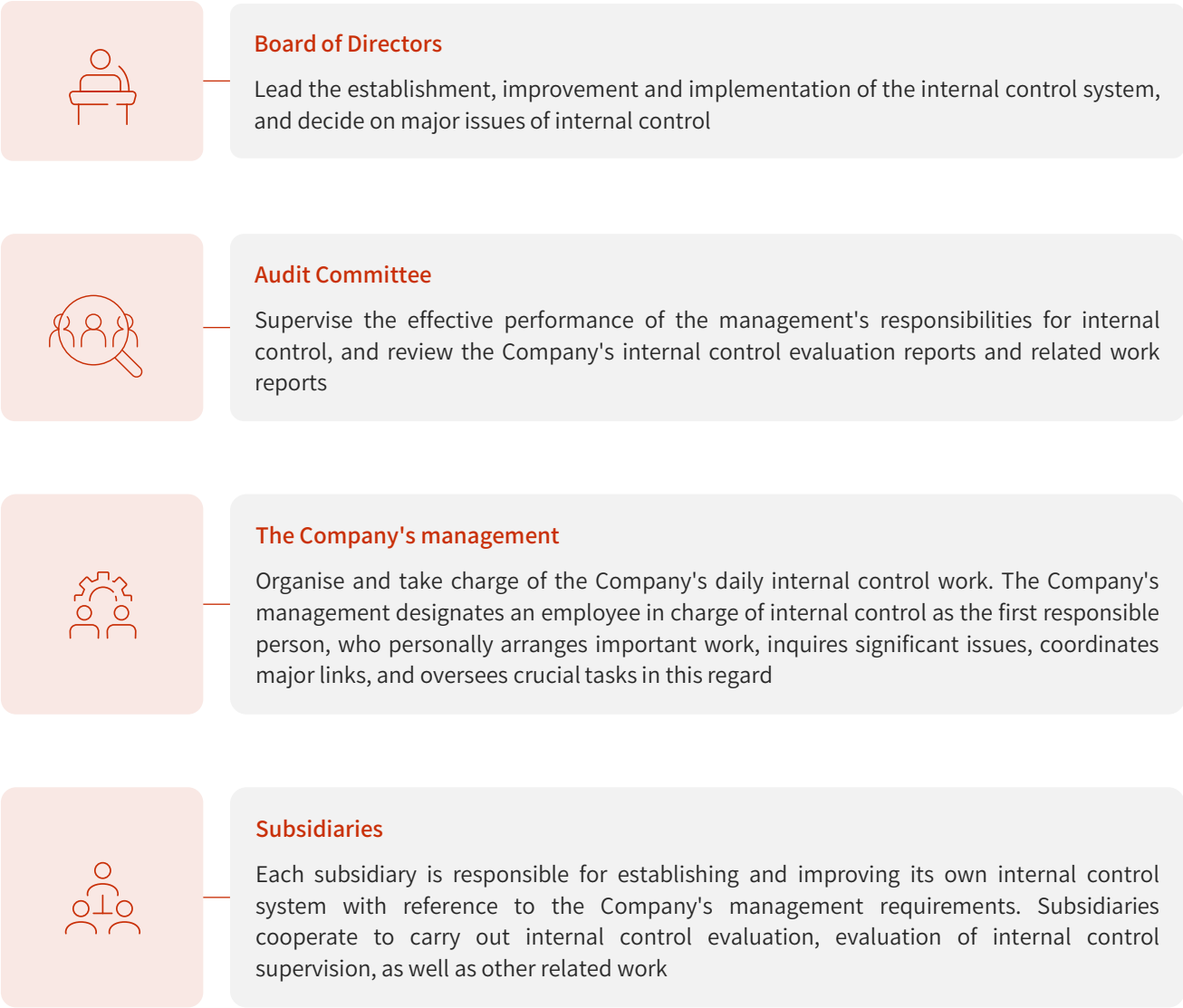
Yanjing Beer integrates a risk management culture into the whole process of building the corporate culture, so as to raise employees' awareness on this front and facilitate the establishment of a systematic, standardised and efficient risk management mechanism. The Company conducts risk identification, assessment and response on an annual basis, carries out risk self-inspection, signs the letter of responsibility for risk prevention and control, incorporates risk management into the appraisal of operation and management, and delivers risk management training. With these daily risk management efforts, we are devoted to enhancing employees' awareness and capability in this aspect and shaping a risk management culture.

During the reporting period, the Company delivered 3 sessions of risk management training to business personnel and staff in charge of risk management from all functional departments at the headquarters. The training attracted about 600 participants, with a pass rate of 100%.



Internal Control

Yanjing Beer has established a top-down organisational system for internal control, supervision and management with a comprehensive framework. The system is mainly managed by major leaders, led by the Board of Directors, driven by the Internal Control Department, with collaboration from business and functional departments and subsidiaries, to ensure effective execution of internal control work.



In 2025, the Company conducted a special research project on compliance and internal control, highlighting the risk management in key areas such as contract management and process approval. To elevate the operational efficiency of the internal control system, the Company plans to issue the *Compilation of Internal Control Policies Volume V (Trial)* and the *Internal Control Management Manual* this year. Through a combination of system improvement and process standardisation, we work to consolidate the foundation for compliance and internal control management.

Adherence to Business Ethics

The Company strictly adheres to business ethics by formulating and improving related policies and systems. We advocate anti-bribery and anti-corruption practices, optimise reporting mechanisms and whistleblower protection measures, and put a solid ban on unfair competition. We stick to the bottom line of business ethics with concrete actions, thus contributing to the harmonious sustainable development of the Company and society.

Standardisation of Policy Making

The Company has established a governance structure for anti-corruption with collaboration among the Board of Directors, the management and the leading group for building the supervision and coordination mechanism. A thorough supervision and management process has been set up for pre-emptive precaution, in-process control and post-event assessment. As the decision maker, the Board of Directors supervises the management to create an anti-fraud culture and improve the internal control system. The management is responsible for identifying, assessing, investigating and controlling potential bribery and corruption risks in a prompt manner and implementing relevant system requirements. Members of the leading group for building the supervision and coordination mechanism perform their respective duties to effectively prevent incidents of corruption.

The Company conforms to the *Company Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China* and other laws, regulations, and industry norms, as well as the *Constitution of the Communist Party of China (CPC)*, the *Code of Integrity and Self-Discipline of the CPC*, the *Regulations on CPC Disciplinary Action* and other CPC rules and regulations. Furthermore, we advocate a clean and honest Party style and promote anti-corruption work within the Company. We have formulated a series of specific anti-bribery and anti-corruption policies, including the *Compliance and Anti-Bribery Management Manual* and the *Anti-Fraud Policy*. We have also released the *Anti-Bribery and Anti-Corruption Policy* via the official website, which stipulates business ethics that our employees and partners should abide by. In this way, we are committed to upholding an ethical business environment that is fair, honest and transparent.

Business Ethics Audit

The Company's Internal Audit Department conducts business ethics audit and other audits on all subsidiaries every three years in accordance with national laws and regulations as well as the Company's policies, such as the *Internal Audit Policy*, the *Internal Audit Rules*, and the *Measures for the Administration of Fundamental Internal Audit*. The Internal Audit Department performs comprehensive, objective and independent review and assessment for the management and decision-making processes of each subsidiary. The department identifies potential problems and monitors the effectiveness of the business ethics governance system. In 2025, we have carried out the above audit on the headquarters and 12 subsidiaries, and all the problems identified have been rectified. This year, the Company was successfully certified by the ISO 37001 Anti-Bribery Management System, demonstrating our competence in compliance governance.



Supplier Integrity Management

The Company values the integrity of suppliers. With regard to policy making, the *Company's Compliance and Anti-Bribery Management Manual* applies to all suppliers and subcontractors. All suppliers must sign the *Letter of Commitment for Honesty*, the *Integrity Contract* and the *Integrity Agreement* before bidding and tendering. As for supervision and implementation, the supplier evaluation teams supervise the implementation of the above policies by suppliers. These evaluation teams are subject to annual supervision and audit by the headquarters on their performance of business ethics. In addition, the Company has published the reporting hotline, website and QR code for disciplinary breaches on the procurement management platform, so as to further ensure the effective implementation of the supplier business ethics policy. For business partners with a higher risk than the threshold of "low bribery risk", the Company requires them to take immediate measures to prevent business ethics risk. The Company will terminate the partnership with suppliers who engage in bribery. During the reporting period, the signing rate of the *Integrity Agreement* for the Company's centralised procurement reached 100%, and the coverage rate of supervision and audit on the performance of business ethics by bulk raw material suppliers was 100%.

Integrity Capacity Building

To promote an integrity culture and create a clean and honest business environment, we attach great importance to the collaboration with partners for compliance. We regularly conduct business ethics training and publicity activities for all employees and contractors, including part-time workers, to comprehensively advocate business ethics and integrity culture. In 2025, the Company has carried out a total of 6 training sessions on business ethics.

During the reporting period, the Company delivered 6 learning sessions containing more than 49 typical business ethics cases via integrity training column to all employees (including part-time) and simultaneously forwarded the schemes to the contact groups of each partner, calling on partners to study together. In addition, the Company conducted 3 sessions of knowledge sharing on business ethics to all directors, management personnel, employees via the WeChat official account and explained legislative trends of the Third Plenary Session of the 20th CPC Central Committee in the investor relations section of the official website to publicise knowledge of anti-corruption legislation, promoting business ethics knowledge to all employees (including part-time), contractors, and the public. In this way, we guided them to foster an awareness of “having no desire, opportunity or audacity to corrupt” and build a firm mindset of clean business practice.



Integrity Education and Training

Key Performance Indicators	Unit	H1 2025
Participation rate of directors in business ethics training	%	100
Participation rate of management personnel in business ethics training	%	100
Participation rate of employees in business ethics training	%	100

Whistleblower Protection

The Company clarifies the division of authority and responsibility for complaints and reports and the operational process to ensure timely and effective handling of related events. We encourage employees, suppliers and other stakeholders to supervise and report violations against regulations, rules and the law. We also make public the whistleblowing hotline, mailing address and other channels to ensure that timely feedback is given to whistleblowers. The Company has set up a whistleblower protection mechanism. As stipulated in the *Compliance and Anti-Bribery Management Manual*, the *Anti-Fraud Policy*, the *Anti-Bribery and Anti-Corruption Policy*, and the *Whistleblowing and Whistleblower Protection Policy*, we protect the interests and rights of whistleblowers from infringement, and persons handling the report should not disclose related information. Complaints will be processed by the specialist to protect the reporter's privacy to the utmost. The Company prohibits any unlawful discrimination or retaliation. Those who disclose the reporting information or retaliate against the whistleblower will be held accountable accordingly.



Whistleblowing hotline: 400-010-0566



Whistleblowing mailing address: Disciplinary Inspection Office, Yanjing Beer Technology Building, 9 Shuanghe Road, Shunyi District, Beijing, China

Anti-Unfair Competition

Yanjing Beer strictly abides by the *Anti-Monopoly Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China* and other laws and regulations. Having formulated policies related to anti-corruption, anti-bribery and anti-money laundering, we actively practise the code of business conduct and oppose money laundering, monopolisation and other unfair competition.

During business expansion and market operation, the Company resolutely eliminates monopolistic behaviours such as signing monopolistic agreements and abusing market dominance. We participate in market competition in a fair and impartial manner, respect competitors, and maintain market order. Meanwhile, we reinforce the internal anti-money laundering control system and closely monitor the flow of funds, so as to guarantee legal and compliant transactions and prevent financial risks. The code of business ethics has been applied throughout the supply chain of Yanjing Beer. The Company has issued the *Provisions on the Management and Assessment of Bugsell of Beijing Yanjing Brewery Co., Ltd. (Revised)* to regulate sales behaviours of each sales company and subordinate distributors. We crack down on bugsell and eliminate unfair competition such as chaotic sales in the supply chain.

During the reporting period, the Company was not involved in any litigation or significant administrative penalties due to unfair competition.

Green Development for Promising Future

Yanjing Beer integrates the concept of sustainable development into the corporate strategy and builds a scientific and complete environmental management system. With a target-oriented environmental assessment mechanism, the Company continuously enhances the ability to address climate change. We focus on innovating the circular economy model and conserving biodiversity, aiming to practise the green development strategy with concrete actions.

6

CLEAN WATER AND SANITATION



7

AFFORDABLE AND CLEAN ENERGY



13

CLIMATE ACTION



Comprehensive Environmental Management

The Company has developed an environmental management system across all business links, including production, operation and commercial facilities, products and services, distribution and logistics, waste management, suppliers, service providers and contractors, other key business partners, due diligence, and mergers and acquisitions (M&A). Thanks to the system, we can make every effort to advance comprehensive environmental management.

Production, Operation and Commercial Facilities

- ◆ **Factory construction and layout:** Factories are constructed and positioned in accordance with the standard of "intensive land use, harmless raw materials, clean production, waste recycling and low-carbon energy use".
- ◆ **Production equipment and processes:** When optimising production processes, we utilise efficient fermentation techniques and energy-saving equipment to reduce energy consumption and wastewater discharge.

Products and Services

- ◆ **Product design and R&D:** During product design and R&D, we take into account the environmental impact of our products, striving to cut down energy consumption and pollutant discharge throughout the product lifecycle.
- ◆ **Product quality and safety:** We align products with relevant environmental standards and quality requirements, making sure that their usage causes no harm to the environment.

Distribution and Logistics

- ◆ **Optimisation of transportation routes:** By optimising transportation routes and logistics arrangements, we reduce the transportation distance and time and lower carbon emissions during the process.
- ◆ **Selection of transportation vehicles:** We adopt low-carbon or zero-emission vehicles, such as electric trucks or hybrid cars, to reduce carbon emissions during transportation.
- ◆ **Digital management during transportation:** We have launched a logistics information system that covers sales, planning, production, storage, transportation and other business links, as well as factories, carriers, distributors and other participants. The system digitalises, streamlines and standardises our business operation, helping us reasonably arrange and allocate transportation resources to reduce energy waste.

Waste Management

- ◆ **Wastewater treatment:** We treat the wastewater from production so that it meets relevant standards before discharge. At the same time, we promote water recycling and reuse to reduce water consumption and sewage discharge.
- ◆ **Solid waste treatment:** We classify, collect, process and dispose of the solid waste from production to turn the waste into resources.

Suppliers, Service Providers and Contractors

- ◆ **Supplier management:** We cooperate with certified suppliers to ensure that raw materials are sourced in accordance with environmental standards.
- ◆ **Management of service providers and contractors:** We supervise and manage environment-related behaviours of service providers and contractors, requiring them to comply with relevant regulations and the Company's environmental management requirements.

Other Key Business Partners

- ◆ **Joint venture partners:** We work with joint venture partners on environmental management to ensure that the environmental impact of joint venture projects is effectively controlled.
- ◆ **Licensees:** We supervise and manage production and operational activities of licensees, requiring them to comply with relevant regulations and the Company's environmental management requirements.

Due Diligence and M&A

- ◆ **Environmental due diligence:** When conducting due diligence and M&A, we comprehensively investigate and assess environmental conditions of the target company and identify potential environmental risks.
- ◆ **Integration of environmental management:** Upon the completion of M&A, we incorporate the environmental management system of the target company into the Company's system for integrated environmental management.

Environmental Management System

The environmental system is one of the pillars of Yanjing Beer's excellent management systems. In accordance with national and local environmental laws, regulations and standards, the Company has established a sound environmental system, formulated the *Environmental Protection Management Policy* and the *Sustainability Manual*, and strictly monitored their implementation. This system properly integrates the environmental management system, environmental training system and management of specific environmental issues to ensure that all environmental protection measures are effectively implemented.

On the basis of the environmental system, the Company has reinforced system certification efforts. By the end of the reporting period, among the Company's 28 beer factories, 23 have obtained the ISO 14001 Environmental Management System Certification, accounting for 82.1%.



Environmental Emergency Plan

In accordance with the requirements of relevant environmental protection laws, regulations and documents such as the *Administrative Measures for the Filing of Environmental Emergency Plans by Enterprises and Public Institutions (Trial)* (HF [2015] No. 4) and the *Classification Method for Environmental Accident Risk of Enterprises* (HJ941-2018), Yanjing Beer has improved the *Environmental Emergency Management Policy*. The Company has organised its technical personnel to formulate the environmental emergency plan based on the principle of "prevention first, prevention-control integration, unified command, clear responsibilities, people oriented, and scientific response".

The environmental emergency plan specifies the Company's emergency organisation system, structure, and related responsibilities. Emergency response procedures are developed accordingly corresponding to the level of the environmental incident, and guidance on emergency response measures and procedures is provided for frequent environmental incidents.

During the reporting period, the Company had 0 significant environmental incident, and 0 case where the Company was subject to significant administrative penalties by the Ministry of Ecology and Environment and other relevant authorities or held criminally liable due to environmental incidents.

During the reporting period

the Company had 0 significant environmental incident

0

case where the Company was subject to significant administrative penalties by the Ministry of Ecology and Environment and other relevant authorities or held criminally liable due to environmental incidents

Green Manufacturing System

With reference to the green manufacturing system plan in the "14th Five-Year Plan", Yanjing Beer continues to improve its level of specialisation in green manufacturing. The Company commits to building an efficient, clean, low-carbon, and circular green manufacturing system, and strives to achieve intensive land use, clean production, waste resource utilisation, and low-carbon energy use for green factories.



Green Factories

In the process of green factory construction, Yanjing Beer has established a clear departmental responsibility division system. The concept of "innovative technology, green brewing" is implemented from the production frontline. All departments cooperate to provide a solid guarantee for green factory construction. Through multi-party collaboration and efforts, Yanjing Beer has achieved remarkable results in this regard. 13 factories were awarded as the National Green Demonstration Factory and 4 factories were selected as the Provincial Green Demonstration Factory, showing Yanjing Beer's excellence in the field of green manufacturing.

13

factories were awarded as the National Green Demonstration Factory

4

factories were selected as the Provincial Green Demonstration Factory

Green Supply Chain

Yanjing Beer devotes efforts to building a green supply chain, covering the entire product lifecycle from R&D and design, procurement, production, logistics and transportation, recycling and reuse. The Company has strengthened the promotion and implementation of green manufacturing policies for 28 beer factories and conducted on-site training and guidance on analysing key performance indicators. As a result, 6 factories obtained the title of Provincial Green Supply Chain Demonstration Factory.

6

factories obtained the title of Provincial Green Supply Chain Demonstration Factory

The Company has enhanced the utilisation and management of sustainable raw materials in the procurement stage by exploring sustainable agriculture programmes. As the most important raw material for beer brewing, malt is the focus of our procurement strategy. We actively seek suppliers with corresponding qualifications and capabilities. Currently, our main malt supplier, GDH Supertime Baoying Malting Company Limited, has been certified by an international third-party institution and becomes the first carbon-neutral factory in the malt industry. We adhere to purchasing raw materials from regenerative agriculture and sustainable resources to enhance the resilience of agricultural ecosystems and reduce the carbon footprint of our products. Our sustainable agriculture programme has covered our core products.

List of Green Factories

National Green Demonstration Factory: 13

Beijing Yanjing Brewery Co., Ltd.	Yanjing Beer (Guilin Liquan) Co., Ltd.	Yanjing Beer Inner Mongolia Jinchuan Co., Ltd.
No. 1 Branch of Beijing Yanjing Brewery Co., Ltd.	Yanjing Beer (Baotou Xuelu) Co., Ltd.	Sichuan Yanjing Beer Co., Ltd.
Yanjing Beer (Hohhot) Co., Ltd.	Yanjing Beer (Guizhou) Co., Ltd.	Shenyang Yanjing Beer Co., Ltd.
Fujian Yanjing Huiquan Brewery Co., Ltd.	Yanjing Beer (Yulin) Co., Ltd.	Jiangxi Yanjing Beer Co., Ltd.
Hebei Yanjing Beer Co., Ltd.		

Provincial Green Demonstration Factory: 4

Yanjing Beer (Chifeng) Co., Ltd.	Yanjing Beer (Zhongjing) Co., Ltd.
Yanjing Beer (Hengyang) Co., Ltd.	Yanjing Beer (Kunming) Co., Ltd.

Provincial Green Supply Chain Demonstration Factory: 6

Sichuan Yanjing Beer Co., Ltd.	Yanjing Beer (Guilin Liquan) Co., Ltd.	Yanjing Beer Inner Mongolia Jinchuan Co., Ltd.
Shanxi Yanjing Beer Co., Ltd.	Yanjing Beer (Hohhot) Co., Ltd.	Yanjing Beer (Baotou Xuelu) Co., Ltd.

Response to Climate Change

Deeply aware of the severe challenges posed by climate change and its potential impacts on business operations, the Company actively takes actions to address this global issue. To this end, the Company has built a climate management system from four key dimensions: governance, strategy, risk management, and metrics and targets. Through systematic risk identification and analysis, the Company accurately identifies climate-related risk points and proactively formulates targeted countermeasures. These measures aim to effectively mitigate the potential impacts of climate change on the Company's business, enhance the Company's climate adaptability and resilience, ensure steady progress in addressing climate change, and lay a solid foundation for the Company's sustainable development.

Governance

To implement climate change response targets, Yanjing Beer has established a clear organisational structure and regulatory system. The Company has formulated a special management system, clarifying that the Board of Directors is responsible for the management and approval of climate-related impacts, risks and opportunities. Under the Board, the ESG Development Committee is responsible for supervising and promoting relevant initiatives, and the ESG team is responsible for coordinating and advancing the implementation of relevant policies and action plans. Meanwhile, the Company has clarified the rights and responsibilities at all levels by formulating specific rules, providing clear norms and constraints for the efficient conduct of ESG-related governance work, including climate change response.

To ensure that the Board of Directors, the ESG Development Committee and various teams possess the professional skills and capabilities to implement and supervise initiatives on climate change-related issues, the Company strictly screens personnel when establishing a governance team. The Company selects directors or senior management with profound industry background, rich management experience and professional knowledge such as finance to form a sound governance structure.

In the first half of 2025, Yanjing Beer conducted a total of 4 ESG-related training sessions for directors, supervisors and senior management.

(For details on the specific structure, responsibilities and rules of procedure of the governance section, please refer to pages 44-46 of the *Yanjing Beer Sustainability Report 2024*)

Yanjing Beer conducted a total of 4 ESG-related training sessions for directors

Strategy

"Response to climate change" is one of our material ESG issues. Yanjing Beer deeply integrates the climate change strategy into its ESG governance framework. At the strategic level, with the beer business at the core, the Company has set short-term (2024-2025), medium-term (2026-2030) and long-term (2031-2050) climate action plans.

The short-term action plan responds to the *Action Plan for Carbon Dioxide Peaking Before 2030*. The long-term action plan refers to the IPCC scientific pathways and the goals of the Paris Agreement. The Company considers the IEA Net Zero Emissions (NZE) by 2050 Scenario and domestic policies to formulate a technology roadmap for energy structure transformation.

Risk Management

We conduct climate change risk identification work. Considering industry characteristics and our business operations, and following the process of "risk identification – risk assessment – risk prioritisation – financial impact analysis – risk response", we have formulated management strategies and solutions for all identified climate risks and opportunities.

Through scenario analysis, the Company has systematically sorted out and identified physical risks and transition risks in the industry and the Company's operations. As a result, a list of climate change risks and opportunities was developed, including 2 physical risks, 4 transition risks and 5 opportunities. The Company has assessed the impacts of these risks and opportunities on the Company's strategy and business model in the short, medium and long terms. For different risks, we have proposed corresponding transition plans and response measures, and allocated relevant resources, including financial, human and technical support, to ensure the progress and supervision of the plans. We also track the progress annually to keep enhancing our climate resilience.

In the meantime, to foster effective climate risk mitigation and response strategies, Yanjing Beer has comprehensively carried out financial impact assessments relating to climate change. In accordance with the requirements of the *Guidance on Climate Disclosures* by the Stock Exchange of Hong Kong and the *IFRS Sustainability Disclosure Standard No. 2 - Climate-related Disclosures* by the International Sustainability Standards Board, the Company has conducted financial analysis of climate risks, including physical risks (such as extreme precipitation, extreme heat, extreme cold, drought and water resource reduction) and transition risks (such as reputation risks arising from low-carbon transformation of energy structure, carbon pricing mechanisms and high emissions and greenwashing). For major businesses, Yanjing Beer has conducted historical financial data analysis, interviews with key departments, and literature research. Through these efforts, the Company has comprehensively assessed the current response costs and expected financial impacts of climate risks on the Company's production, operations and business strategy.

(For details on climate change risk management and financial impact assessment, please refer to pages 47-60 of the *Yanjing Beer Sustainability Report 2024*)

Metrics and Targets

Proper setting of metrics and targets can provide clear guidance for the Company's actions to address climate change and facilitate the implementation of the overall strategic goal. With a focus on its main business, Yanjing Beer has set specific metrics and targets in the beer production line to guide the short-term, medium-term and long-term development plans.

By setting metrics and targets, the Company further clarifies resource input in energy conservation and emission reduction, renewable energy utilisation, research and development of green and low-carbon technologies to achieve reasonable resource allocation. Based on these metrics and targets, Yanjing Beer provides clear standards for performance appraisal of internal production lines, measures the Company's performance in addressing climate change, and motivates every employee to participate in climate change response actions. All these efforts form a strong synergy.

● Metrics and Quantified Targets Relating to Climate Change Response

Metrics for climate action: Total CO ₂ emissions (absolute value)		
Quantified Targets for Beer Enterprises (Absolute Value)		
Baseline year	2023	Scope 1 emissions: 318,391 tCO ₂ e Scope 2 emissions: 337,297 tCO ₂ e
Target year	2025	Scope 1 emissions: 208,776 tCO ₂ e Scope 2 emissions: 269,511 tCO ₂ e

● Product Carbon Footprint

Yanjing Beer has carried out carbon footprint calculation work for its core product U8 series. Piloting with two products, bottled and canned U8 series, the Company aggregated data for 2023, and conducted the carbon footprint assessment of these two products in three stages: raw material acquisition (upstream), production, and distribution. According to the assessment, the average carbon footprint of a 500 ml bottle/can of U8 beer throughout its lifecycle is 100.04 grams of CO₂e. The Company has compiled relevant work results into the *White Paper on the Carbon Footprint of a Bottle of Beer*, quantifying and evaluating energy and resource consumption and carbon reduction potential in each production process. Moreover, the Company has formulated corresponding carbon reduction action plans and targets. The Company is actively conducting research to develop a scientific and reasonable statistical analysis plan for accurately calculating Scope 3 greenhouse gas emissions. Once the methodology and data are mature, relevant information will be disclosed in due course. We aim to gradually complete carbon footprint calculations for more products in the future to better demonstrate and interpret every effort of Yanjing Beer on the way towards sustainable development.

● Carbon Reduction Measures and Progress

To achieve the established CO₂ emission reduction targets, Yanjing Beer has dedicated great efforts to realise efficient utilisation of resources and energy and green production and supply by identifying energy consumption hotspots and implementing energy conservation and consumption reduction pathways. This helps promote sustainable environmental development.

Based on investigations, Yanjing Beer's energy consumption hotspots include power, brewing, and packaging processes. Over 50% of the Company's electricity is mainly used for refrigeration, pressure control, and CO₂ recovery, while major heat energy consumption comes from brewing and packaging processes. In response to these hotspots, the Company has reduced energy consumption through the following measures:

Energy-saving and emission-reduction equipment transformation	Frequency conversion for electricity reduction of variable working condition equipment	<ul style="list-style-type: none">Frequency converters are installed on variable working condition equipment such as refrigerators, air compressors, and evaporative cooling reducers, enabling adjustment within the 30–50Hz range. When the load rate is low, equipment power consumption is reduced by lowering motor frequency.
	Factory boiler pressure control	<ul style="list-style-type: none">A pressure control method is adopted for factory boilers, i.e., setting different pressure parameters according to production conditions. Boiler start and stop are controlled via pressure to reduce idle standby time and further lower boiler energy consumption.
	Economiser installation	<ul style="list-style-type: none">Economisers are installed to absorb low-temperature flue gas heat, reduce exhaust gas temperature, minimise exhaust gas loss, and lower natural gas consumption and CO₂ emissions from natural gas combustion.
	Natural gas boiler transformation	<ul style="list-style-type: none">Biogas boilers, biomass-fired boilers, and coal-fired boilers are transformed into natural gas boilers.
	Wastewater treatment technology transformation projects	<ul style="list-style-type: none">Magnetic levitation blowers and related intelligent technologies are introduced to upgrade and transform the aeration systems of wastewater treatment plants, reducing energy consumption and improving treatment efficiency in the wastewater treatment process.
Energy-saving technology upgrading	Adoption of new energy-efficient boiling technologies	<ul style="list-style-type: none">New energy-efficient boiling technologies such as low-pressure dynamic boiling are used in the brewing process. Compared with traditional high-power heating methods, the low-pressure boiling technology can achieve heating at lower power, thereby significantly reducing energy waste.Heat energy recovery is strengthened, including recovery of waste heat from secondary steam of boilers, condensed water, reclaimed water, bottle washers, and sterilisers.The internal pipeline routing of secondary steam heaters for hot water is transformed, saving approximately 40 kg of steam per kettle batch.
Renewable energy use	Exploration of clean energy utilisation	<ul style="list-style-type: none">Since 2021, multiple Yanjing Beer factories have leveraged geographical and climatic advantages to install distributed photovoltaic power generation facilities in areas with abundant sunlight and long sunshine duration.Additionally, various entities have actively promoted the construction of solar water heaters and photovoltaic streetlights to reduce heat and electricity consumption.The proportion of green electricity will be gradually increased.

Inventory management optimisation	Avoidance of waste from excessive storage	<ul style="list-style-type: none">Digital technologies are applied to achieve precise inventory monitoring and reasonably control inventory levels, so as to avoid resource waste caused by excessive storage. Mature warehousing systems are utilised to fully implement inventory age management, and the first-in-first-out principle is strictly followed to ensure fresh inventories and accurate data.
Greenhouse gas recovery	CO ₂ recovery in fermentation	<ul style="list-style-type: none">All beer factories under Yanjing Beer have installed CO₂ recovery devices, which collect and purify CO₂ generated during beer fermentation for reuse in beer packaging production, thereby reducing CO₂ emissions.
Carbon reduction in raw materials and packaging materials	Raw materials sourcing	<ul style="list-style-type: none">When selecting suppliers for malt, a core raw material, Yanjing Beer actively seeks suppliers with corresponding qualifications and capabilities. Currently, our main malt supplier, GDH Supertime Baoying Malting Company Limited, has been certified by an international third-party institution and becomes the first carbon-neutral factory in the malt industry.
	Carbon reduction in packaging materials	<ul style="list-style-type: none">Yanjing Beer has established a comprehensive glass-bottle recovery management system, vigorously collecting used bottles, disinfecting and washing them for reuse in production—thereby eliminating the majority of greenhouse-gas emissions associated with virgin bottles.In regions with low return rates, Yanjing Beer actively promotes the adoption of lightweight bottles, successfully reducing the weight of its glass packaging.
Supply chain collaboration for carbon reduction	Supplier energy conservation and carbon reduction	<ul style="list-style-type: none">Green and low-carbon requirements are considered in all the supplier selection process.All the suppliers are guided to use more energy-efficient equipment and technologies, while implementing carbon-reduction measures such as solar PV and energy-storage projects, sourcing green electricity and green steam, converting forklifts from diesel to electric, and replacing low-efficiency motors with energy-saving alternatives.
	Energy conservation and carbon reduction in distribution centres and store operations	<ul style="list-style-type: none">In terms of sales, core stores and distribution centres are guided to use or replace with more energy-efficient cooling equipment and adopt HFC-free refrigerants.

In the future, Yanjing Beer will track and monitor the progress of relevant metrics and targets, and implement refined management for all processes. By doing so, we aim to gradually reduce product carbon footprints, and ensure that all business activities meet the requirements for addressing climate change.

Efficient Management of Resources and Energy

Yanjing Beer upholds the concept of efficient resource utilisation. The Company systematically promotes intensive management of key resources such as energy, water, and raw materials by establishing the *Energy Conservation Management Policy*. In light of the characteristics of beer production, the Company has formulated a three-year sustainable development goal system covering water consumption, energy consumption, and carbon emissions to continuously improve resource utilisation efficiency.

Energy Management

Yanjing Beer adheres to the concept of "green development, energy conservation and emission reduction". Yanjing Beer strictly implements the *Law of the People's Republic of China on Energy Conservation*, the *Energy Management Systems - Requirements* (GB/T23331—2012), the *Energy Management Systems - Implementation Guidance* (GB/T29456—2012) and other relevant laws and regulations. Therefore, Yanjing Beer has established a series of resource and energy management systems and standardised carbon accounting systems. Through annual energy consumption data analysis, the Company effectively identifies directions for improving the energy structure, gradually enhancing energy use efficiency.

Energy Conservation and Carbon Reduction in Production and Operation

Yanjing Beer has established a detailed energy consumption statistics system in all factories under the Group, aimed at accurate monitoring and optimisation of energy usage during production. Currently, energy consumption is mainly concentrated in power, brewing, and packaging processes. To effectively reduce energy consumption in production and operation, all 28 beer factories under the Company have adopted various effective energy conservation and emission reduction measures:

Equipment frequency conversion	<ul style="list-style-type: none">The Company has retrofitted equipment such as refrigerators, air compressors, and evaporative cooling reducers with frequency converters, enabling adjustment within the 30-50Hz range. When the load is low, equipment power consumption is reduced by lowering motor frequency.
Pressure regulation	<ul style="list-style-type: none">A pressure control method is adopted for factory boilers, i.e., setting different pressure parameters according to production conditions. Boiler start and stop are controlled via pressure to reduce idle standby time and further lower boiler energy consumption.
Process improvement	<ul style="list-style-type: none">The Brewing Department has upgraded traditional filtration-based deoxygenation water production to cold deoxygenation water production technology, reducing heating demand in the water production process and effectively lowering power consumption.

Economiser installation	<ul style="list-style-type: none">Economisers are installed to absorb low-temperature flue gas heat, reduce exhaust gas temperature, minimise exhaust gas loss, and lower natural gas consumption and CO₂ emissions from natural gas combustion.
Equipment upgrading	<ul style="list-style-type: none">Boiler systems have undergone green transformation. Specifically, biogas boilers, biomass-fired boilers, and coal-fired boilers are completely upgraded into natural gas boilers, significantly improving energy utilisation efficiency, optimising the energy structure, and reducing energy consumption. By using natural gas, a cleaner and more efficient energy source, the Company has further reduced operating costs and enhanced the environmental friendliness of the production process.
Low-pressure boiling	<ul style="list-style-type: none">The Brewing Department uses low-pressure dynamic boiling technology, which, compared with traditional high-power heating method, significantly reduces energy waste.
Heat recovery	<ul style="list-style-type: none">A heat recovery system is introduced to recover the secondary steam generated during wort boiling for heating water in energy storage tanks, thereby reducing steam consumption.
Greenhouse gas recovery	<ul style="list-style-type: none">All factories are required to carry out CO₂ recovery projects, i.e., collecting and purifying carbon dioxide generated during beer fermentation for reuse in beer packaging production, thereby reducing greenhouse gas (CO₂) emissions. During the reporting period, beer production enterprises recovered a total of 34 thousand tonnes of CO₂ for beer production.

In the first half of 2025, through the implementation of these measures, the Company achieved significant resource savings in its beer production system: water consumption was reduced by 671,313.1 tonnes, electricity consumption decreased by 5,944,745.7 kWh, and gasoline, diesel and natural gas consumption dropped by 10,864.1 litres, 30,904.1 litres and 4,914,279.2 cubic metres respectively on a year-on-year basis.

- In H1 2025, electricity consumption per unit of product decreased by 4.76% year-on-year
- In H1 2025, steam consumption per unit of product decreased by 11.06% year-on-year

water consumption was reduced by	electricity consumption decreased by	gasoline, diesel and natural gas consumption dropped by
671,313.1 tonnes	5,944,745.7 kWh	10,864.1 litres
30,904.1 litres and 4,914,279.2 cubic metres respectively on a year-on-year basis.		
In H1 2025, electricity consumption per unit of product decreased by		In H1 2025, steam consumption per unit of product decreased by
4.76% year-on-year		11.06% year-on-year

● Renewable Energy Substitute

Yanjing Beer is actively expanding the usage of renewable energy to reduce reliance on fossil fuels. The Company is systematically deploying solar photovoltaic systems across all core plants, steadily advancing the installation of solar water heaters and photovoltaic street lights, and replacing diesel forklifts with electric ones. With multiple measures implemented, these initiatives reduce fossil fuel consumption at the source of energy usage, effectively decreasing fossil energy consumption for thermal and electrical power, thereby driving green transformation in production.

Meanwhile, the Company proactively secures new energy quotas. During the reporting period, eight of the Group's factories — Yanjing Hengyang, Jiangxi Yanjing, Fujian Huiquan, Yanjing Kunming, Yanjing Guizhou, Yanjing Beer Guilin Liquan, Guangdong Yanjing, and Yanjing Yulin — installed distributed photovoltaic systems, generating 4.8 million kWh of green electricity. Another eight factories, including the Beijing factory, Yanjing Hengyang, Yanjing Beer Baotou Xuelu, No.1 Branch of Beijing Yanjing Brewery, Yanjing Jinchuan, Yanjing Hohhot, Yanjing Beer Guilin Liquan, and Yanjing Yulin, adopted direct green power procurement, totalling 29.06 million kWh. Green electricity accounted for 23.98% of the Company's total electricity consumption, effectively reducing carbon emissions by 2,657 tonnes and providing strong support for our green and low-carbon transformation.

● Building a Culture of Energy Conservation and Carbon Reduction

Yanjing Beer organises Environmental Day initiatives focused on environmental sustainability, and carries out themed activities to enhance management and staff understanding of "carbon peaking and carbon neutrality" goals. These efforts encourage employees to identify carbon reduction opportunities through production process optimisation and resource recycling, advancing the Group's sustainability agenda. During the reporting period, the Company implemented group-wide engagement through banners, posters, training sessions, and knowledge contests — conducting 72 visual campaigns and 36 specialised training sessions, to effectively raise employees' environmental awareness and participation. Extending the eco-culture to local communities, the Company launched 236 external environmental activities spanning community service, afforestation, and campus outreach programmes.

Case

Eagle Programme - 5th Training for Production System Safety & Environmental Supervisors

In April 2025, the Company conducted a specialised training for production system safety and environmental supervisors, covering key topics such as environmental compliance, wastewater management, energy conservation and carbon reduction, and comprehensive energy consumption management. A total of 48 supervisors completed 16 courses, with all satisfaction ratings exceeding 90 points (out of 100).



Energy Conservation and Carbon Reduction in Logistics & Transportation

We extend carbon reduction efforts to supply chain partners. In logistics & transportation, carbon emissions are reduced by optimising transportation routes, using clean energy vehicles, improving loading/unloading efficiency, and implementing refined pallet management.

Optimising transportation routes

We enhance management of logistics hubs via an intelligent logistic system, through which we can arrange optimal transportation routes, increase mainline shipments while reducing branch operations to reduce transportation mileage, thereby reducing energy consumption and carbon emissions.

Using clean energy vehicles

We prioritise to purchase and use new energy vehicles in material transport for carbon reduction, systematically replacing fuel-powered trucks and advancing on-site fuel-to-electric transition.

Improving loading/unloading efficiency

To cut transportation emissions, the Group sets a standard product palletisation across plants to increase per-vehicle loading rates and reduce shipment frequencies. Core plants have initiated equipment upgrades to apply the product palletisation standard and improve loading efficiency.

Implementing refined pallet management

We implement lifecycle refined management through uniform pallet specifications, group-wide allocation, and rental solutions to address seasonal shortages/idle resources. In addition, we innovatively launch the integrated transport of bottle caps with plastic pallets, reducing disposable wooden pallet usage through supplier collaboration.

Advancing digital logistics management system

We are actively deploying an integrated logistics management system, enabling full-process coordination of production, warehousing, transportation, and customer operations via digital means. This system can significantly enhance logistics operation and management efficiency while reducing resource consumption. Currently, the system has been applied in Hebei and Sichuan plants, with Shenyang implementation nearing completion. It is planned to be rolled out to Jinchuan, Baotou, and Guangdong production bases in the second half of the year.

Energy Conservation and Carbon Reduction in Supply Chain

Yanjing Beer recognises that decarbonisation requires multi-party collaboration. By working closely with suppliers, the Company advances collective carbon reduction goals, with 6 green supply chain enterprises currently established under its framework. In supplier selection, Yanjing Beer prioritises partners meeting green and low-carbon standards, and actively encourages them to apply carbon reduction measures and initiatives, such as developing photovoltaic projects and energy storage projects, purchasing green electricity and green steam, converting forklifts from oil to electricity to reduce emissions, and replacing low-efficiency motors with energy-saving motors, driving a green transformation across the entire supply chain.

Sourcing sustainability-certified raw materials

The Company enhances screening of upstream raw material suppliers by selecting those with advanced technology, low comprehensive energy consumption per unit of product, and carbon-efficient operations. Priority is given to purchasing environmentally certified materials, such as malt, barley, and hops, with strict vetting ensuring compliance with sustainable production standards to secure the supply chain's green attributes at source.

Promoting low-carbon farming	Through support for water-saving irrigation, conservation tillage, precision fertilisation and other low-carbon farming practices, Yanjing Beer is committed to reducing carbon emissions in raw material cultivation while enhancing soil carbon sequestration.
Implementing green procurement policies	The Company adopts green procurement policies, favouring local raw material suppliers to shorten transport distances and lower associated carbon emissions.
Advancing digital transformation	Yanjing Beer accelerates digitalisation, empowering key points including demand forecasting, material matching, production scheduling, operational monitoring, and logistics management, thereby achieving a comprehensive upgrade of the entire production supply chain. It significantly enhances coordination efficiency in supply chain. For example, the routes optimisation and intelligent scheduling reduces inventory waste, improves equipment and labour productivity, cuts transport costs and energy consumption, and strengthens operational efficiency and management precision. All these efforts solidify the foundation for our sustainable development.

Energy Conservation and Carbon Reduction in Distribution Centres and store operations

"Yanjing Community Ale House" represents the Company's directly operated distribution centres and store operations. Yanjing Beer rigorously implements its green development strategy through innovative measures and stringent standards. Not only does it employ energy-efficient materials and technologies during construction phases of Yanjing Community Ale House, but also enforces intelligent monitoring systems and code of conduct in daily management. This initiative achieves reductions in energy consumption and carbon emissions, laying solid groundwork for sustainable operational goals.

Energy-Saving Measures in Store Construction

- ◆ **Building materials selection:** All stores are equipped with foam concrete insulation walls, reducing energy consumption by 30% versus conventional materials. Eco-certified materials are mandated to prevent environmental pollution and resource waste.
- ◆ **Lighting systems:** LED lighting is exclusively deployed across all stores, enhancing illumination quality while significantly cutting power usage.

Refrigeration Equipment Procurement and Management

- ◆ **Refrigeration equipment management:** Energy-efficient refrigeration equipment (freezers, chillers) with auto-temperature adjustment systems is required. Temperature zones are strictly maintained at $4\pm1^{\circ}\text{C}$ for refrigeration and $-18\pm2^{\circ}\text{C}$ for freezing to ensure cooling efficacy while minimising energy waste.
- ◆ **Refrigerant & chemical management :** At all stores, non-compliant refrigerants per national environmental standards are prohibited. Phosphate-free, biodegradable detergents are used exclusively for equipment and utensil cleaning to mitigate environmental impact.

Energy-Saving Measures in Store Operation

- ◆ **Intelligent monitoring:** All stores use commercial electricity meters to track real-time energy consumption and trigger automatic alerts or power shutdowns for abnormal usage to maintain operational control.
- ◆ **Code of conduct:** Non-essential operational equipment must be powered down 30 minutes prior to closing to prevent unnecessary energy consumption.

Sustainable Water Management

Yanjing Beer strictly enforces the *Water Law of the People's Republic of China* and relevant laws & regulations on water resources promulgated by various regions, and actively champions national water-conservation initiatives to ensure compliant water resource utilisation.

Adhering to the principles of source control, process reduction, end-of-pipe treatment and water recycling, the Company implements refined water management across every brewing stage. This drives continuous reduction in water consumption per unit of product. Underpinned by corporate-wide water conservation targets, the Company sets individualised three-year water-efficiency targets for each of its 28 breweries, aligned with its three-year strategic plan and annual operating plans, thereby systematically steering the entire enterprise toward these shared goals.

Water Management Framework

Yanjing Beer integrates water management into its corporate sustainability governance framework. The Company's Environmental, Social, and Governance (ESG) Development Committee, chaired by the Chief Executive Officer (CEO), oversees the formulation and execution of water management strategies, as well as the establishment and achievement of water conservation goals. The Deputy CEO, as a core committee member, directs and supervises the refined implementation of water management strategies and day-to-day performance management. Subsidiaries conduct routine monitoring and documentation of water usage. Subsidiary management compiles statistics and regularly reports to the ESG Development Committee, providing data-driven foundations for the development of water-related strategies and goals.

Water Risk Assessment and Response

At the strategic planning level, Yanjing Beer keeps improving its life-cycle water management system. The Company systematically evaluates geography, baseline water conditions and dynamic trends of water resources, integrating water resource factors as core criteria for site selection. Additionally, mid-term (3-5 years) forward-looking assessments are made to ensure long-term water supply stability. The Company has established a triple-source water supply system integrating municipal water, surface water, and groundwater extraction. This effectively mitigates supply risks from water resource scarcity, with no material supply-risk events have been identified due to extreme climate events or precipitation deficits.

In terms of water quality safety control, the Company implements a *Minimum Sampling Protocol* and rigorously enforces the Standards for *Drinking Water Quality (GB5749)*. Also, a third-party inspection mechanism is established to monitor 43 routine and 54 extended indicators for source water. For production water, including brewing water, reverse osmosis water, dilution water and softened water, the Company executes dual-monitoring frameworks combining 27, 8, 28 and 2 physicochemical + sensory indicators respectively. In addition, these are supported by 16 standardised water testing methodologies. All subsidiaries have completed third-party source water inspections. In 2025, 21 critical source water indicators are being transitioned to self-monitoring. All results consistently comply with national standards, ensuring ongoing production water safety.

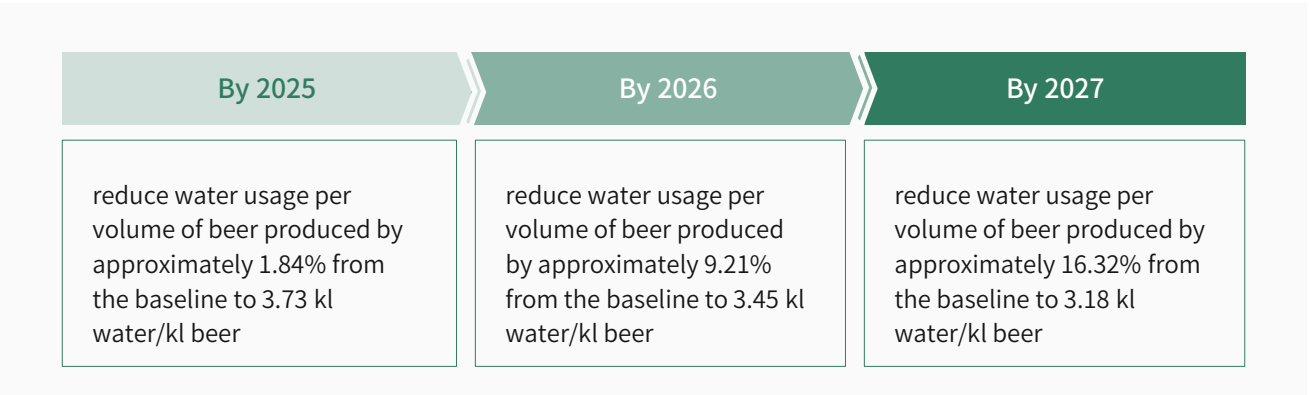
Water Consumption Reduction

To reduce water consumption, Yanjing Beer identifies multiple areas for improvement by analysing its brewing processes. The Company launches dedicated water-efficient projects targeting these areas, implementing and standardising water-efficient improvements across 28 beer plants after successful trials. This resulted in 30 best practices that significantly enhanced water use efficiency.

To further advance water conservation, the Company has invested in advanced water-efficient equipment, actively explored water-efficient production technologies, and conducted extensive employee training to comprehensively elevate water-efficient awareness.

Yanjing Beer is making efforts to promote water recycling. On one hand, it has applied the rainwater diversion system and sponge-city initiatives in its facilities, building regulating tanks to harvest rainwater and boost water recycling. On the other hand, the Company has established wastewater treatment and reuse systems where wastewater undergoes multi-stage treatment to produce reclaimed water (also called recycled water). The recycled water is then reused for landscaping, road cleaning, and certain production processes. These measures have effectively reduced both fresh water withdrawal and discharge volumes.

To systematically advance efficient water use, the Group establishes a three-phase water consumption control strategy based on the 2024 baseline of 3.8 kl water consumed per kl beer produced:



We have disclosed the key performance indicators related to water for 2024 in the *Yanjing Beer Sustainability Report 2024*:

Key Performance Indicators	Unit	2024
Total water withdrawal	Cubic metres	17,764,156.40
Total water discharge	Cubic metres	12,351,775.46
Total water consumption	Cubic metres	5,412,380.94
Water consumption intensity	Cubic metres / RMB 0'0000 of revenue	3.69
Water usage per unit of beer produced	kL water/kL beer	3.80
Recycled water volume	Megalitre	4,476.59

During the reporting period, the Group's water resources management was steadily advanced as planned. The water consumption per unit product dropped to 3.4 thousand litres of water per thousand litres of beer. In the second half of the year, we will continue to optimise the water resources management strategy and strive to achieve the annual targets.

Raw Materials and Packaging Management

Guided by the circular economy principle of "Reduce, Reuse, Recycle, Recover and Degradable" (4R+1D), Yanjing Beer formulates its sustainable packaging strategy of "Green Bottles, Brewing Tomorrow" to mitigate the environmental impact of product packaging. To implement this strategy, Yanjing Beer has established a recycling and processing system. By setting packaging material circularity targets, expanding bottle return channels, and implementing bottle source classified management and other measures, the Company aims to improve the efficiency of packaging resource utilisation. For bottle types with low return rates, Yanjing Beer places the strategic focus on packaging lightweighting and actively explores lightweighting and source reduction designs in packaging to minimise environmental footprint at the source. In addition, across all plants, Yanjing Beer extensively adopts recycled or renewable packaging, ensuring the maximum recovery of recyclable materials and waste. Additionally, the Company engages in in-depth collaboration with suppliers for packaging waste collection, processing or remanufacturing, jointly pioneering eco-friendly packaging solutions.

To improve the packaging recycling rate, the Company has established clear "Green Packaging Targets":

Targets related to product recovery

Glass bottles constitute one of the primary packaging formats for our products. In 2023, the Company successfully achieved a bottle recycle rate of 76% (the proportion of recycled beer bottles relative to the total bottles introduced to the market during the same period). This rate was further increased to 78% in 2024. Looking ahead to 2025, the Company has set an ambitious target to raise the bottle recycle rate to 80%. Meanwhile, bottled beer produced across all plants has been incorporated into the recycling plan, with continuous optimisation of packaging recovery and reuse processes to advance sustainability goals.

Targets related to increase recycled or renewable material content of packaging

The Company has established a long-term goal to ensure increasing content of renewable materials in all product packaging. Renewable packaging materials include glass bottles, aluminium cans, cartons, labels, pull-tab lids, crown caps, shrink film, and wrapping film.

Green Packaging Innovation

In packaging design, Yanjing Beer drives continuous innovation through initiatives like lightweight packaging and material substitution, achieving effective resource conservation.

Promoting the usage of lightweight bottles:

The Company advances the usage of lightweight bottles in markets with low bottle recycle rates, successfully reducing glass packaging weight and raw material consumption. Lightweight bottles have now been adopted at 10 core plants. During the reporting period, the Company actively implemented the lightweight packaging strategy, significantly increasing the usage of lightweight bottles to 35.95 million units. Compared to conventional bottles, this initiative conserved 2,256 tonnes of glass materials while reducing CO₂ emissions by approximately 1.36 million cubic meters through lowering energy consumption in glass production.

Enhancing packaging recyclability:

During the reporting period, Yanjing Beer progressively replaced traditional packaging materials through optimised design and material selection. For instance, certain plastic packaging materials were substituted with paper-based recyclable alternatives. This not only improved packaging recovery rates but also lowered pollutant emissions during production, further advancing sustainability goals.

Optimising label design:

While maintaining bottle-label visual coherence, the Company rationally reduces label dimensions and surface area, effectively decreasing the usage of label materials.

By the end of the reporting period, Yanjing Beer's lightweight bottle initiative had been successfully implemented across ten plants, covering 21 distinct bottle types including 276ml white glass bottles, 276ml brown glass bottles, 500ml white glass bottles, and 500ml brown glass bottles. Moving forward, the Company plans to adopt a differentiated replacement strategy based on the characteristics of bottle return rates across regions and sales channels.

In scenarios with low return rates, such as nightclub mini-bottles or niche products with lower sales, lightweight bottles will be introduced to replace returnable glass bottles. This will reduce packaging costs while enhancing product image. In markets where bottle return is difficult, such as distribution markets far from our production facilities or mountainous regions, lightweight bottles offer cost advantages in packaging. For new product development and promotion, lightweight bottles are be used for pilot launches. If the market response is favourable, the Company will consider transitioning to returnable bottles for long-term production, striking a balance between environmental protection and market performance.

Case

Yanjing Beer's Carton Plant Launching Intelligent Die-Cutting Equipment Upgrade to Reduce Solid Waste

Acting on green manufacturing principles, Yanjing Beer's carton plant launched an intelligent die-cutting production line upgrade in 2024. By introducing high-precision die-cutting equipment and technological optimisations, the plant reduced raw paper width from 1,010 mm to 995 mm - improving material utilisation by 2% while enhancing cutting precision to minimise waste generation at source.

Case

Yanjing Beer Promoting the Usage of Lightweight Bottles

Addressing bottle recycle challenges in remote regions, Yanjing's Jinchuan plant introduced 500ml U8 lightweight bottles (weight reduced from 400g to 275g) for shipments to Xinjiang and Shaanxi-Gansu-Ningxia areas. During the reporting period, 1.7 million units of such bottles were used in this distribution channel, cutting CO₂ emissions by 108,000 cubic metres.

Additionally, the Yulin plant adopted 500ml "Ice White" lightweight bottles (weight reduced from 425 g to 335 g) for exported beer. During the reporting period, 1.07 million units of such bottles were used, cutting CO₂ emissions by 49,000 cubic metres.

Packaging Recycling

Yanjing Beer is committed to achieving mutually beneficial resource conservation and environmental protection by optimising its packaging recycling system. The Company has established a comprehensive packaging recycling strategy covering reusable glass bottles, stainless steel beer kegs, plastic pallets, plastic cases and other materials. By collaborating closely with distributors and professional bottle suppliers, Yanjing Beer has implemented stringent bottle-grade standards and an efficient recycling management mechanism. This approach is designed to enhance packaging circularity, reduce procurement costs for new materials, and simultaneously decrease resource consumption and environmental pollution during production.

Promoting Bottle-Grade Standard

The Company's Quality Department at the production centre has established a detailed bottle-grade standard, categorising beer bottles into four grades: Grade 1 (new/pre-cleaned bottles), Grade 2 (bottles

recycled with original packaging), Grade 3 (bottles recycled without original packaging), and Grade 4 (rejected scrap bottles). To ensure effective implementation of these standards, the Company has distributed promotional posters outlining the bottle-grade standard and mandated their display at all sorting areas of distributors & bottle suppliers, and corporate bottle yard and inspection areas. In 2025, the Company conducted on-site spot checks and dedicated inspection at its branch bottle yards, distributor and bottle supplier locations to verify compliance of the bottle-grade standard. By inspecting poster displays, inquiring and explaining bottle-grade standard, the Company has moved the bottle sorting step forward in the recycling process. This ensures that bottles meet standards at source and prevents non-compliant bottles from entering the production plant.

● Optimising Cleaning Process

The Company takes differentiated cleaning processes based on the bottle-grade standard: optimised cleaning for Grade 1-2 bottles by reducing the usage of water, steam and detergent while ensuring cleaning effectiveness, intensified cleaning for Grade 3 bottles, and rejecting Grade 4 bottles. This strategy enhances resource efficiency, cuts cleaning costs, and reduces water/energy/chemical detergent consumption, thereby minimising wastewater discharge for environmental benefits.

● Promoting Pre-Cleaning of Recycled Bottles

All Grade 3 bottles will undergo pre-cleaning to reduce the energy consumption and pressure of bottle cleaning in the production line, and decrease consumer complaints about contaminated beer. This initiative further refines the cleaning process, boosting both efficiency and product quality.

● Recycling Management and Performance Appraisal

The Company adopts a distributor-led recycling model supplemented by professional bottle suppliers to increase bottle recovery rates and reuse cycles. In 2025, the Company refined KPIs by requiring heads of subsidiaries to sign targets of bottle recycle rates, which are tied to their annual performance reviews. By analysing monthly bottle recycle data across branches, the Company pinpoints underperforming markets for prioritised oversight. Moreover, the Company collaborates with marketing teams and plant recycling personnel of branches to work on the front lines, jointly addressing bottle recycle challenges. Tailored solutions were developed and rolled out based on each branch's specific conditions, significantly improving bottle recycle rates and effectively reducing new bottle procurement costs.

During the reporting period, the Group recycled a total of 2,036.3393 million glass bottles, with the bottle recycle rate rising 4.35% year-on-year. This represents an additional 129.6185 million recycled bottles, effectively reducing new bottle procurement and resource waste.

The Group recycled a total of 2,036.3393 million glass bottles, with the bottle recycle rate rising 4.35% year-on-year

Representing an additional 129.6185 million recycled bottles

Strict Pollutant and Waste Management

Attaching great importance to pollutant and waste management, Yanjing Beer strictly adheres to the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, the *Standard for Pollution Control on Hazardous Waste Storage* and other laws and regulations. By practising the principle of environmental protection, Yanjing Beer strives to minimise the impact of its production and operation on the ecological environment, and endeavours to build a sustainable development model with highly efficient recycling of resources.

Pollutant Discharge Management

Yanjing Beer has formulated detailed pollutant discharge monitoring plan based on the *Measures for the Administration of Pollutant Discharge Permits*, the *Regulations on the Administration of Discharge Permits* and other related laws and regulations. Different sites, frequencies and approaches of monitoring have been determined for different types of pollutants (such as sulphur dioxide, nitrogen oxide and particulates in waste gas, and chemical oxygen demand and ammonia nitrogen in wastewater) to ensure zero overdischarge.

Pollutant Risk Management

Yanjing Beer conducts internal assessment on pollutant discharges on a regular basis and performs data analysis to identify potential environmental risks, and takes management measures accordingly in time. Adhering to a strategy giving priority to prevention, the Company has established a comprehensive early warning mechanism, under which the pollutant discharges are monitored in real time to ensure that all discharges can meet the environmental protection requirements. On this basis, 100% of the Company's discharges have met the related standards. For example, for companies with waste gas emissions, third parties are engaged to manually collect samples for testing on a regular basis, and the exhaust outlets of facilities such as chimneys are installed with the Continuous Emission Monitoring System (CEMS) to monitor the pollutant concentration of waste gas in real time, and the data are transmitted to the environmental protection department, so as to ensure that the discharges can meet the related standards.



Continuous Emission Monitoring System

Pollutant Management Mechanism for Emergency Response

To deal with possible pollutant discharge accidents, Yanjing Beer has formulated detailed emergency plans. The emergency plans cover the emergency response process, the responsible persons and the emergency resource allocation for all kinds of accidents (e.g. non-compliant sewage discharge and natural gas leakage). The system enables the Company to quickly and effectively respond to environmental emergencies and minimise the impact of accidents on the environment.

The Company organises emergency drills on a regular basis to help employees get familiar with the operational procedures of emergency plans and improve their emergency response capabilities. The training courses focus on how to identify abnormal pollutant discharges and how to implement initial emergency measures, making sure that employees can take quick actions against emergencies.



An Emergency Response Drill for Environmental Emergencies

For possible pollutant discharge accidents, the Company has also formulated plans for post-accident recovery and improvement in advance, which include timely measures for recovery, pollutant clearance and damaged environmental facility repair; in-depth analysis on accident causes for experience summary; and improvement to management system and pollution control measures to avoid the recurrence of similar accidents.

Waste Gas Treatment

Yanjing Beer strictly controls waste gas emissions, and has established treatment standards with reference to the *Discharge Standard of Pollutants for Beer Industry*. All the Company's discharge requirements surpass the national standards across all indicators.

100% Compliance with Waste Gas Emission Standards

On the one hand, the Company is installed with efficient waste gas treatment equipment such as desulphurisation and denitrification devices, and activated carbon adsorption box equipment, which can effectively reduce the hazardous substances in the waste gas. On the other hand, the Company has optimised the combustion technology for boilers and other combustion equipment and introduced advanced low-nitrogen combustion technology to precisely control parameters such as combustion temperature and air ratio. This enables the Company to cut down nitrogen oxide from the very beginning and reduce air pollution.

The Company has also fully enclosed processes such as raw material crushing and transportation that are prone to generate dust during the production process, and equipped them with efficient bag filters and cyclone dust collectors to prevent dust from spreading into the atmosphere.

Wastewater Treatment

The Company seriously controls the discharge of wastewater generated during the production process, and has formulated the *Wastewater Discharge Control Standards* to set practical sewage treatment indicators. Meanwhile, sewage treatment is continuously monitored by the Company.

The Company takes specialised collection and treatment measures for different types of wastewater to ensure that all wastewater discharges comply with environmental protection standards. In addition, Yanjing Beer strengthens the safety inspection of water resource utilisation facilities, and regularly cooperates with relevant departments to test special wastewater. This ensures the compliance of wastewater treatment processes, and guarantees the sustainable use of water resources.

100% Compliance with Wastewater Discharge Standards

Waste Treatment

In terms of waste treatment, Yanjing Beer has established a sound governance structure and formulated complete waste management policies and standards, including the *SOP for Management of Hazardous Wastes* and *Hazardous Substances and the SOP for Management of By-Products and General Wastes*. Such policies clarify the division of responsibilities, processing procedures and supervision mechanism for waste management, ensuring that waste treatment complies with national laws and regulations and the Group's requirements.


Waste Treatment Strategy:

Strictly adhering to the principle of "reduction, recycling and decontamination", Yanjing Beer gives priority to waste recycling.


Waste Treatment and Governance Structure of Yanjing Beer	
Headquarters	A dedicated environment management team is built to formulate waste management strategies and policies for the entire company. The team also supervises the factories in the implementation of such strategies and policies, and provides technical support and resource coordination.
Factories	An environmental protection department is set up in each factory to implement specific waste management measures involving the classification, recycling and treatment of wastes.
Workshops	At each workshop, environmental protection specialists are designated for classification, collection, documentation and preliminary treatment of daily wastes, ensuring that the waste management measures are implemented on the production line.

The Company strictly complies with national and local legal requirements on resource utilisation and waste reduction to reduce waste generation. For inevitable wastes, the Company has set up complete systems for classification, recycling and treatment. The Headquarters conducts regular inspection and evaluation of waste treatment at each factory to ensure that measures are put in place. At the same time, internal training and external cooperation are carried out to continuously improve employees' awareness and professional competence for environmental protection.


Treatment of Different Wastes

Organic wastes


Organic wastes such as vinasse and yeast are used for further extraction and processing to realise the recycling of resources.

General wastes

For general wastes such as paper boxes, waste plastics and tins, the Company entrusts qualified third parties to recycle them.

Hazardous wastes

The Company well maintains the *Documentation of Hazardous Waste Transfers* to ensure that the hazardous wastes are collected, stored and transferred by each department according to regulations, and regularly entrusts qualified third parties to dispose of them as required.

Organic wastes - recycling of beer by-products

Yanjing Beer transforms the vinasse generated from brewage into high-quality feed for farms, which further improves resource efficiency and reduces wastes in production. Waste yeasts are converted into yeast extracts through extraction technology. The yeast extracts are used to produce high value-added products such as extractum. This initiative not only reduces the environmental impact of production waste, but also creates additional economic value for the Company.

Protection of Ecosystem and Biodiversity

Yanjing Beer is dedicated to the protection of ecosystem and biodiversity. Factories are required to proactively avoid ecologically sensitive areas and implement plans with low ecological impact during project construction, renovation and expansion. By doing so, the Company aims to reduce the negative impact of production on the surrounding environment, realise the coordinated development of operation and ecological protection, and undertake the responsibility of green development.

To date, all the factories of Yanjing Beer are located outside the ecological conservation redlines. No significant risks to ecosystem and biodiversity have been identified, nor have any government penalties incurred.

Protection of Soil Ecosystem

Attaching importance to soil protection, Yanjing Beer implements strict controls to prevent soil contamination by waste oil, glass sludge and other pollutants and wastes, and regularly inspects the underground sewage pipeline network to prevent leaking sewage from polluting the soil. For possible pollutant leakage incidents, the Company has formulated comprehensive emergency management plans, ensuring immediate response to incidents to reduce damage to the soil ecosystem and protect the biodiversity around the factories.

Ecological Protection Activities

Yanjing Beer actively organises various ecological environment protection activities. On occasions of the World Environment Day and holidays, the Company organises employees to participate in environmental protection activities and gain knowledge on environmental protection. These activities cultivate holistic environmental consciousness across our workforce and advances society's journey towards harmony between humans and nature.

In 2025, the Company organised Environmental Day initiatives focused on sustainable development. By actively organising employees to participate in community services, tree planting, and campus awareness campaigns, we helped employees integrate into the community and effectively enhanced the environmental protection awareness of both employees and surrounding residents. In addition, Yanjing Beer actively sought opportunities to cooperate with the government, joining in river and lake protection efforts to contribute to maintaining the ecological balance of waters.



Case

2025 World Environment Day: Acting Together with Employees, Contractors, and Communities

In 2025, Yanjing Beer encouraged its subsidiaries to carry out World Environment Day activities to support the building of a Beautiful China in all respects. The activities saw strong engagement in the subsidiaries. During the reporting period, the Company organised 263 activities, with 27,173 participants from the Company and 2,502 participants from contractors taking part in the Environment Day activities.

Environmental Publicity in Factories

Environmental education was provided at 26 factories in different ways, such as posting exquisite posters and banners, and displaying posters and videos through electronic screens. Well-crafted environmental protection publicity brochures were distributed at 5 factories to raise people's awareness of environmental issues and advocate for sustainable actions.

Organising Environmental Protection Training and Contests

A series of training courses for employees were provided at 14 factories. Covering the importance of environmental protection and the principle and practices of sustainable development, the training courses aimed to raise employees' awareness and understanding of environmental issues. Environmental protection knowledge contests were organised at 16 factories, enhancing employees' awareness of environmental issues in an engaging manner.

Practices of Biodiversity Protection

8 factories carried out biodiversity protection activities such as plant identification labelling, wetland park cleanup and poster display to improve the ecological environment and enhance employees' awareness of ecological protection. 9 factories carried out tree planting activities, putting ecological environment optimisation into practices.

Garbage Cleaning and Classification

10 factories organised employees and volunteers to conduct garbage cleanups in the surrounding area and nearby communities. This initiative not only improved the local environment but also subtly conveyed the importance of waste reduction and garbage classification practices.

Community Outreach Initiatives

2 factories opened their doors to employees' families, community residents, and students, allowing them to gain a close-up understanding of the beer production process and environmental protection measures. This initiative fostered a deeper appreciation for the factories' environmental protection efforts. 7 factories actively engaged in environmental awareness campaigns and educational activities in communities and schools. Employees shared environmental protection knowledge with local residents and students, and encouraged them to actively participate in environmental protection initiatives.

Innovation for Value

Yanjing Beer takes R&D innovation as its core and quality and safety as its bottom line. The Company accurately identifies market demands, and delivers high-quality products and services to provide customers with an exceptional consumption experience. Giving priority to customer interests, we abide by the principle of responsible marketing. By building sustainable supply chains and protecting data security, we join hands with partners to lead the industry towards a sustainable future.



R&D of Innovative Products

As a leading enterprise in China's beer industry, Yanjing Beer actively implements the national industrial upgrade policy, harnessing the power of change. The Company continuously increases R&D investment and technological innovation efforts, focusing on key initiatives including R&D management, commercialisation of research achievements, and intellectual property protection. Through systematic development of product R&D and standardised innovation practices, Yanjing Beer is building up its robust technological capabilities.

R&D Innovation Management

Yanjing Beer takes "high-quality development" as its goal, innovation as its development basis and core strategy. By improving the R&D management system, building a technology R&D centre, and cultivating an R&D talent team, the Company safeguards in an all-around way for carrying out R&D work and implementing innovation strategies.

Yanjing Beer has formulated a series of management policies such as the *R&D Project Management Policy* and the *Reward Management Measures for Technological Innovation Achievements* to continuously standardise product R&D and innovation management, and provides tangible incentives to motivate technological innovation personnel. The Company has established a comprehensive R&D project management system that covers planning, approval, execution, acceptance, post-evaluation and other key phases of the project lifecycle, creating a closed-loop R&D management framework.

Yanjing Beer gives full play to the attributes of a high-tech enterprise. On the one hand, the Company develops new products and refines existing products based on consumer demands to empower the market. On the other hand, the Company engages in basic research and R&D of applications to help factories realise technological upgrading. To this end, Yanjing Beer has established a technology R&D centre, which is certificated as a national enterprise technology centre and one of the first batch of key laboratories in China's light industry.



In terms of R&D personnel training, Yanjing Beer takes into consideration both the demand for R&D project personnel and the optimisation of team structure. We select R&D talents with integrity and professional competence, and enhance the overall efficiency of the team through the talent development model that pairs the experienced staff with new hires in hands-on projects, thus forming an innovative team with a reasonable structure and outstanding capabilities.

In the future, Yanjing Beer will focus on product innovation and quality enhancement under the strategic vision of innovation-driven development. The Company will actively promote standardised management, accelerate the application of R&D achievements, and steadily achieve the goal of high-quality development.

Application of R&D Innovation

Yanjing Beer attaches importance to commercialisation and application of R&D innovation achievements. For product innovation, in response to consumers' demand for high-quality beer products, Yanjing Beer continuously upgrades the function, flavour, and quality of products, leveraging technological innovation to empower product evolution. For technological innovation, the Company explores innovative technologies across all production stages, deepens technological innovation, and fosters new-quality productive forces for enterprise growth.

 Case

Showcasing Product R&D Achievements at the China Beijing International High-Tech Expo

In May 2025, the 27th China Beijing International High-Tech Expo grandly opened at the China National Convention Centre. Yanjing Beer showcased its three major beer series, i.e., Yanjing U8, Yanjing V10, and Fresh Beer 2022 (national flagship products), Yanjing No. 9 Original Beer Series and LIONK WEISSBIER Series, as well as products like the Best Soda and Natto Biscuits. Covering multiple categories including beverage, soda and food, such products fully demonstrated the Company's latest achievements in technological innovation, product R&D, and diversified expansion.

Intellectual Property Protection

Yanjing Beer attaches importance to the standardised management and protection of intellectual property rights. The Company has formulated the *Intellectual Property Protection Management System*, integrating systematic management with legal tools to build a robust intellectual property protection framework. This approach not only safeguards innovation achievements, encourages invention, and promotes technological innovation, but also mitigates the risk of infringement and prevents legal risks. During the reporting period, the Company was granted 2 invention patents and 26 utility model patents. At present, the Company has 551 valid patents, including 107 invention patents and 288 utility model patents.

Guarantee of Product Quality

Yanjing Beer always prioritises product quality and safety, rigorously overseeing quality and safety control throughout the entire product lifecycle. At the same time, the Company continuously pursues excellence in product quality, ensuring that consumers can enjoy safe, healthy and delicious products.

Target in H1 2025

100% pass rate of market samples

0 major food safety incident

Current Progress

Completed

Product Quality Management

Focusing on the assurance and improvement of product quality, Yanjing Beer seriously abides by national laws and regulations and industry standards such as the *Product Quality Law of the People's Republic of China*, the *Good Manufacturing Practice for Beer Enterprises*, and the *Rules for Review of Beer Production Licenses*. Besides, the Company has formulated the *Product Inspection Management Policy*, the *Policy for Management of Out-of-Specification and Non-Conforming Products* and other internal management policies to strengthen product quality control.

The Company continues to advance the quality management system certification efforts across all its factories, securing external recognition to enhance market competitiveness. By the end of the reporting period, 24 factories of Yanjing Beer obtained quality management system certificates(within the validity period).

By the end of the reporting period, 24 factories of Yanjing Beer obtained quality management system certificates(within the validity period).

Key Performance Indicators	Unit	H1 2025
Factory pass rate	%	100
Sampling pass rate	%	100
Batch inspection coverage rate	%	100

Quality Management System Certificate of Beijing Yanjing Brewery Co., Ltd.

Quality Management System Certificate of Yanjing Beer (Zhongjing) Co., Ltd.

Quality Management System Certificate of Jiangxi Yanjing Beer Co., Ltd.

Quality Management System Certificate of Yanjing Beer (Henan Yueshan) Co., Ltd.

● Product Quality Management Measures

Yanjing Beer has implemented multiple measures to enhance product quality. The Company focuses on critical control points in its production processes, and enforces systematic management of suppliers to comprehensively safeguard the supply of qualified products.

● Quality Control over Basic Products

In order to further improve the quality management in the production process, the Company has released the *Quality Control Incentive Policy for Frontline Employees*, focusing on refining the quality control of frontline employees during raw material acceptance and production. This effectively prevents the flow of non-conforming products into the downstream processes and even the market, thereby improving the outgoing quality.

● Product Quality Inspection

Yanjing Beer has developed comprehensive quality inspection procedures to strictly monitor the quality of raw materials and outgoing products. Each factory is equipped with testing facilities, equipment and personnel that are suitable for the production capacity. The inspection laboratory has a sound testing mechanism and implements a product sample retention system to timely retain samples. Testing instruments are detected or calibrated on a regular basis to ensure the accuracy of experimental data.

● Product Quality Audit

In 2025, the Company continued to carry out and improve the audit of product quality, and achieved the goal of improving quality management through the following three initiatives.

Refine the quality system audit standards

Reviewed and improved the quality system audit standards version 4.0, with 123 new standards added; and optimised 158 items of 1+5 content (essential knowledge and skills, courseware, question banks, cases, templates, etc.);

Improve quality review capabilities

Established question banks of essential knowledge and skills for quality review, organised quality reviewers to participate in qualification training, and directed factories at different locations to conduct quality review;

Implement quality review

Developed 18 quality reviews and standardised the quality review process. During the reporting period, 2,156 quality review plans were successfully completed.

● Supplier Quality Management

Concentrating efforts at the source, Yanjing Beer has moved the control of product quality forward through measures such as introducing certification management for new suppliers, annual audits, quality training, incoming quality

control and front-line quality control, resolutely returning all substandard materials with zero tolerance, monthly quality meetings, and the application and communication of annual assessments, thereby improving the supply quality of suppliers and providing stronger guarantees for product quality. The Company conducts on-site inspection on suppliers during the supplier admission stage, strictly tests the quality of the samples, and sets up trial periods for new suppliers to ensure stable and reliable supplier quality. The Company formulates corresponding acceptance quality standards for different types of purchased materials, which serve as the evaluation basis for acceptance inspection of incoming materials. Materials that do not meet the quality standards will be returned in a timely manner, and the quality assessment results of the acceptance inspection are incorporated in the monthly and annual evaluation of suppliers. The Company maintains sufficient communication with suppliers and will help suppliers improve their supply quality through capability improvement projects or other cooperation methods. In 2025, the Company integrated the Laboratory Information Management System (LIMS) and the digital procurement management platform - SRM (Supplier Relationship Management) to improve the supplier quality inspection efficiency and strengthen supplier quality control.

The Company maintains sufficient communication with suppliers and helps suppliers improve their supply quality through capability improvement projects or cooperative initiatives. Annual centralised training sessions are conducted to educate suppliers on audit compliance standards and raw material quality control protocols. Supplemental ad-hoc training sessions are carried out to address emerging needs from new suppliers, new production processes, or unforeseen quality incidents. Training sessions are delivered both online and offline, with a 100% training completion rate for the first half of 2025.

Product Safety Management


Yanjing Beer strictly abides by national laws and standards such as the *Food Safety Law of the People's Republic of China*, *GB/T20942 Good Manufacturing Practice for Beer Enterprises*, *GB14881 National Food Safety Standard*, the *General Hygienic Regulation for Food Production*, as well as the requirements of the State Administration for Market Regulation (SAMR). Relying on the *Basic Norms on Internal Control of Enterprises* and an outstanding management system, Yanjing Beer has formulated policies such as the *Food Safety Management Policy* and the *Food Safety Risk Checklist* to standardise food safety management and strictly prevent the occurrence of food safety incidents.

To ensure the effective implementation of food safety management, Yanjing Beer has established a Food Safety Management Committee and a Food Safety Office, and assigned dedicated supervisors at all levels. Roles and responsibilities are clearly defined hierarchically from the Food Safety Director to food safety officers to ensure that responsibilities are assigned to individuals.

In 2025, to continuously enhance the capacity and level of food safety supervision, Yanjing Beer further refined the *Food Safety Risk Checklist 3.0*, formulated the *Good Manufacturing Practice (GMP) Management Manual* and the *Prerequisite Programme (PRP) Management Manual*, clarifying the requirements for food safety management and critical control point (CCP) management, and crafted the *Food Safety Risk Inspection and Review Procedure*, enforcing daily control, weekly inspection and monthly scheduling of the production process. Factories are required to regularly report inspection results, and effectively supervise the execution of each production process on site, product storage, factory release and other processes and links, ensuring that the products delivered to consumers are safe and reliable.

Food safety policy

Quality first, customer-oriented, full engagement, standardised, and continuous improvement.



● Product Safety Management Measures

In 2025, Yanjing Beer steadily advanced product safety management through review and improvement, publicity among employees, safety control at the supply chain end, and improvement of product recall procedures, to avoid product safety risks, upgrade comprehensive protection for products, and fully ensure product safety.

Product safety audit	Yanjing Beer regularly conducts special audits to monitor product safety, and improves the food safety management system by systematically checking and evaluating potential management improvement areas.
Product safety publicity among employees	The Company provides food safety training to all employees every year, and requires the Food Safety Director and food safety officers to attend training for no less than 40 hours each year. Each factory formulates an annual training plan, and conducts at least one training on Good Manufacturing Practices (GMP) for all employees of the factory every year.
Product safety control at the supply chain end	The Company has implemented strict admission standards for product suppliers, and established exclusive processing technology standards and production PI reports in accordance with the requirements of Yanjing's quality and safety standards, ensuring that suppliers meet the audit standards. Moreover, through multiple methods such as process control, annual on-site audits and third-party inspections, the Company conducts full-process quality control over suppliers and their products to comprehensively ensure the safety and quality of raw materials used in production.
Product safety emergency response management	Yanjing Beer has established a sound product safety emergency response mechanism, and set up special procedures and a food safety team. When an accident occurs, the food safety team will formulate a contingency plan and a product recall plan in a timely manner, striving to respond promptly to product safety incidents. The factories regularly carry out product recall drills to improve their ability to respond to relevant incidents.

Key Performance Indicators	Unit	H1 2025
Percentage of products recalled for safety and health reasons	%	0

Premium Customer Service


Yanjing Beer always adheres to the original aspiration and mission of "Brew Good for Life", and is committed to providing consumers with high-quality service experience. The Company accurately dissects customer demands and continuously optimises the management and service systems to ensure customers high-quality services. Meanwhile, adhering to the principle of responsible marketing, Yanjing Beer conveys the concept of rational drinking, and is committed to guiding consumers to enjoy the pleasure and beauty brought by Yanjing Beer in a healthy way.

Standardised Customer Service Management

Yanjing Beer attaches great importance to customer service management. By establishing a standardised management system, formulating rules and regulations for each service stage, and regularly conducting training and assessment for the service team, the Company safeguards the rights and interests of customers and continuously improves the quality and level of customer service.

Basic principles of customer service

Customer first, instant response, information sharing, and continuous improvement



● Customer Service Management System and Capability Building

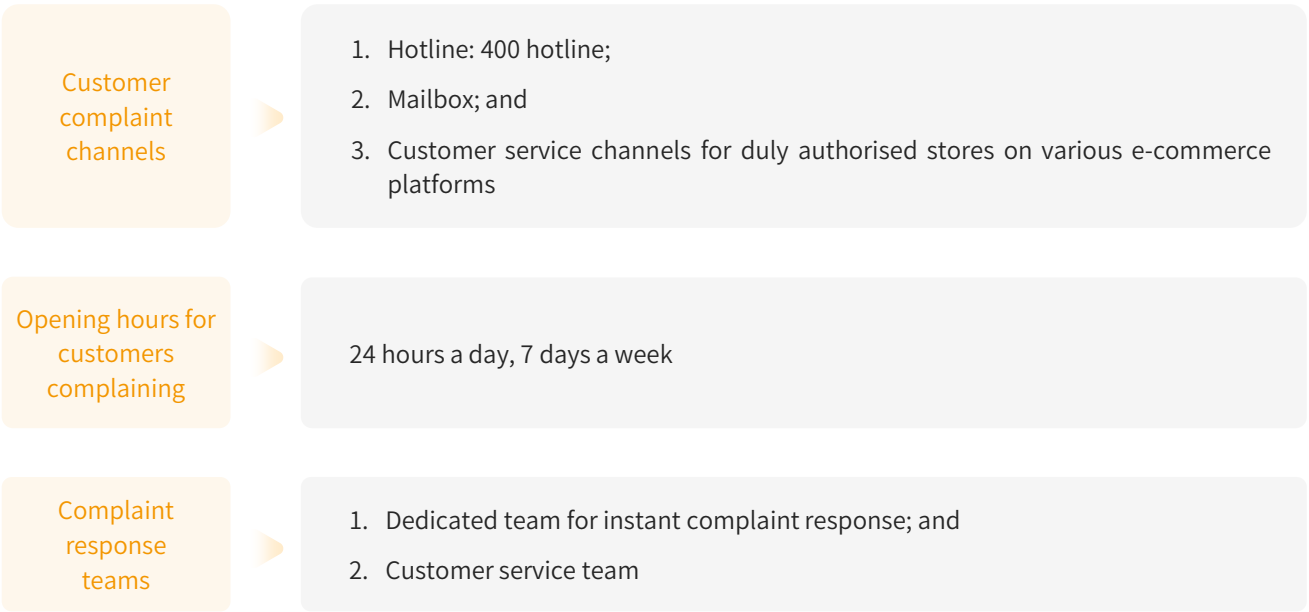
Yanjing Beer has formulated *the Customer Service Management Policy for Distributors* and established a customer service quality monitoring system, thereby clearly defining the job responsibilities and service standards of the customer service team at each of the pre-sale, in-sale and after-sale stages, and achieving standardised management of the customer service team. Regular training and service assessment are also conducted for the customer service team to steadily enhance their service capabilities.

Standardised After-Sales Service

After-sales service is the last link in the customer's consumption experience, and the level of after-sales service plays a key role in the integrity of high-quality service. Yanjing Beer standardises after-sales service by formulating and implementing the *After-Sales Service Management Policy*, the *After-Sales Service Centre Management Policy*, the *Factory Customer and Consumer Complaint Indexes* and the *Complained Defect Classification and Responsible Department Determination Standards*. With a standardised after-sales service process in place, the Company delivers professional after-sales service to customers, listens carefully and responds promptly to consumers' feedback and demands, and actively safeguards consumers' legitimate rights and interests.

● Complaint Handling Mechanism

Yanjing Beer strives to lower the barriers to complaining by diversifying complaint channels in light of the real needs of customers. The Company has set up a dedicated team working 24/7 for instant response to complaints, and standardised internal processes such as complaint classification, information reporting, and key points handling to ensure that complaints can be handled promptly and properly, providing consumers with high-quality appropriate services.



Responsible Marketing

Bearing in mind social responsibility, Yanjing Beer deeply understands the guiding role of marketing activities on consumer behaviour. The Company strictly abides by marketing norms, and protects the legitimate rights and interests of consumers. We attach importance to the health and well-being of consumers, actively advocate the concept of rational drinking, and firmly oppose excessive drinking and underage drinking, striving to promote a civilised and healthy beer culture.

● Marketing Management

Yanjing Beer attaches great importance to the social impact of marketing activities and ensures that marketing activities are in line with the concept of responsible marketing. In accordance with the *Advertising Law of the People's Republic of China* and other relevant laws and regulations, the Company has formulated management policies such as the *Brand Management Policy*, the *Marketing Management Policy* and the *Distributor Management Policy*, and published the *Responsible Marketing Policy* on the official website. In addition, the Company has developed a standardised marketing manual based on daily work requirements, covering the entire marketing process from packaging design to product promotion methods, in a bid to standardise and guide all kinds of marketing work.

We explicitly require that product packaging and promotional materials must be marked with reminders of rational drinking, and prohibit any exaggerated promotion or expressions that induce bad drinking behaviour.

The Company strictly implements the approval process for product packaging and promotional materials. All relevant materials must be reviewed by departments such as the Legal & Compliance Department and the Technology Research and Development Centre before being put into use, to ensure the accuracy and transparency of the promotional information. The Company closely monitors the changes in advertising and marketing regulations and promptly adjusts the review standards for product packaging and promotional materials to reduce the compliance and legal risks associated with promotional messages and trademarks.

Yanjing Beer also attaches importance to the marketing management of sales channels, and has formulated the *Distributor Management Policy* to clarify the Company's requirements on distributor sales conduct. The contract between the Company and distributors contains provisions on market behaviour such as the *Yanjing Beer General Rules for Distribution*, which communicates the Company's standards for responsible marketing to the distributors, to strictly prevent them from engaging in non-compliance. The Company continuously optimises the marketing behaviours on e-commerce platforms, and a warning message for rational drinking is also added in the e-commerce page. In 2025, the Company checked and improved the e-commerce store pages, and achieved the full coverage of rational drinking messages on e-commerce pages.

● Responsible Marketing Audit

To standardise the implementation of marketing strategy and market operations, the Company integrates responsible marketing audit into the Company's regular audit, and conducts dedicated marketing audit as appropriate. During the audit, the Company will conduct a comprehensive, objective and independent review and assessment of the implementation of responsible marketing policies, the principle of fair competition, and compliant advertising and promotion by relevant departments and subsidiaries. After the audit is completed, the Company requires all departments and subsidiaries to address the identified issues within the prescribed time and report the rectification progress and results. During the reporting period, the Company completed two audits concerning responsible marketing, covering 2 subsidiaries, and rectified all identified issues.

● Responsible Marketing Training

Yanjing Beer has established a responsible marketing training system covering all employees and all sales channels. Regular training is conducted for employees and sales channel teams on topics closely related to marketing, such as the interpretation of marketing regulations, rational drinking methods, and customer service communication skills, to enhance the awareness and understanding of responsible marketing among both internal and external personnel of the Company and comprehensively bring the Company's marketing practice to a higher level. During the reporting period, the Company conducted the following training on responsible marketing:

Issued the *Circular on Regulating Alcoholic Beverage Advertising Behaviours* to all employees and distributors, which introduced the case of a store being ordered to rectify the advertising behaviours that induced unhealthy drinking, thereby consolidating the marketing compliance awareness of employees and distributors;

Conducted 2 training sessions on responsible marketing for the marketing team, covering the key points of advertising law compliance, brand communication norms, responsible marketing concept and implementation. The training coverage reaches 100%;

Continued to optimise the training content for the distributor customer service team, enhancing their communication skills to remind customers of rational drinking.

● Advocate Rational Drinking

Yanjing Beer always advocates the healthy concept of moderate and rational drinking. We implement the *Responsible Marketing Policy* in brand promotion, product development and employee communication, and enhance consumers' awareness of rational drinking methods through our own marketing and promotional activities.

Non-alcoholic & low-alcohol products promotion

To encourage moderate drinking, Yanjing Beer promotes non-alcoholic beer and low-alcohol products, such as Yanjing U8 low-alcohol beer and the special hops-carrying series. These products offer consumers beverage options that can reduce or avoid alcohol intake.

Advocacy in marketing during traditional holidays

During traditional holidays such as the Spring Festival, Yanjing Beer takes the initiative to convey the concept of healthy and responsible drinking to the public through holiday marketing.

Multi-channel repeated reminders

Yanjing Beer insists on marking and reminding on product packaging, company websites, online stores and promotional materials that behaviours such as excessive drinking, drunk driving, drinking by pregnant women and minors are prohibited, and ensures that the reminder messages are visually prominent.



Underage Drinking Warning in Publicity KV



Underage Drinking Warning in Exhibition Publicity

Product packaging label

- Excessive drinking is harmful to health

Company website portal

- Set age gating

Product details page at the Company's online store

- Minors are not allowed to purchase alcoholic products
- Pregnant women should not drink alcohol
- Do not drive after drinking alcohol

Promotional materials such as TVC, KV, and printed materials

- Minors are not allowed to drink alcohol

Key Performance Indicators	Unit	H1 2025
Coverage rate of responsible marketing training for employees	%	100

Sustainable Supply Chain

A sustainable supply chain is one of the cornerstones for a company's stable operation. Yanjing Beer attaches great importance to supply chain ESG risk management. We require all supply chain partners to abide by the Company's relevant policies in various fields such as responsible procurement, environmental protection, and safety management, and continuously enhance their supply chain ESG management capabilities. We also integrate upstream and downstream resources through digital means, closely collaborating with partner suppliers to build an efficient, collaborative, sustainable, and co-prosperous value chain ecosystem.

Supply Chain Risk Management

Yanjing Beer has formulated the *Procurement Management Policy* and the *Supplier Management Policy*, and has specially developed the *Yanjing Beer Measures for the Management of Production Materials Suppliers*. For the supply chain, we implement lifecycle risk management to ensure that purchased materials meet quality standards, establish stable, controllable and safe supply channels, and effectively promote the healthy and sustainable development of the supply chain.

For key suppliers, Yanjing Beer clearly requires that during the review and selection process, the relevance of business to environment, society and governance factors, as well as the risks of specific countries, specific departments and specific products be taken into account, to reduce the probability of problems occurring in key operational links and ensure the stable and long-term operation of the Company's supply chain.

Supply Chain Risk Identification and Assessment

Yanjing Beer regularly identifies and assesses risks in the supply chain every year, regularly studies the market trend reports of raw materials every month, and tracks various factors affecting market supply, thereby enhancing the Company's continuous response to market demand. During the reporting period, the results of the Company's assessment on 3 raw materials and product packaging are as follows:

Raw materials	Risk assessment results
Quickcans	Low risk
Cartons	Low risk
Malt	Medium risk: The supply of imported malt from Chinese mainland suppliers is affected by international trade policies

Yanjing Beer adopts appropriate responses to the risks identified. On the procurement end, the supply of raw materials and the overall stability of the supply chain are ensured by rolling tracking of the supplier contract volume and the stock volume. On the R&D end, the Company further improves the collaborative mechanism for raw material supply risk response, and the technical procedures for the alternative variety certification and formulation development.

Raw material risk response - Keeping up with policy changes to ensure the supply of raw materials

Keep abreast of the international situation surrounding the imported malt transport routes and changes in relevant international trade policies, and take early warning actions when risks arise

Adjust the stock of raw material malt based on the risk assessment to ensure the continuity of production

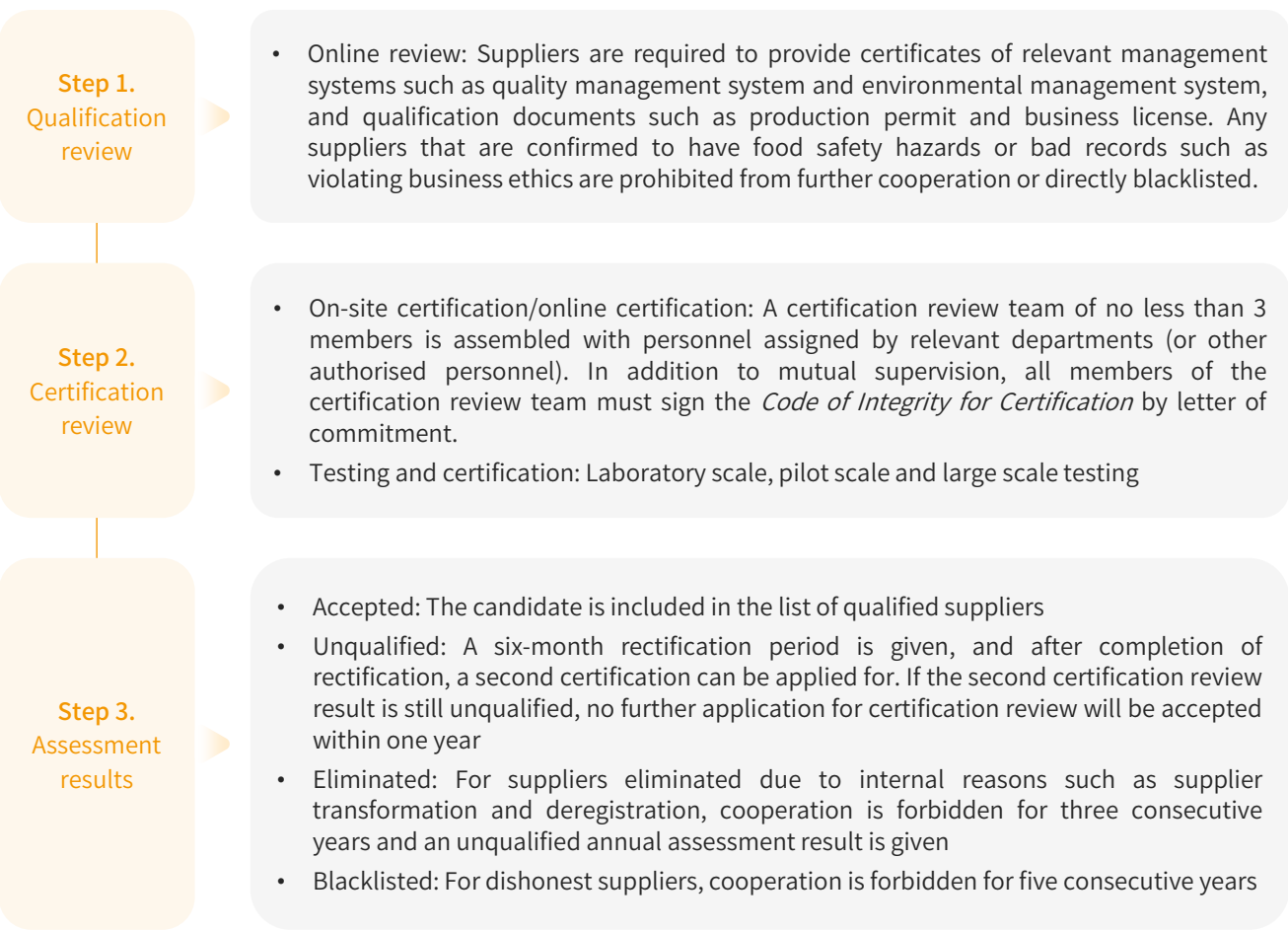
Evaluate the brewing performance of other malt varieties and develop raw material substitution plans to address the possible shortage of imported malt supply when an actual shortage occurs

Guarantees for A Stable Supply Chain

Yanjing Beer pays attention to the compliance and operation status of suppliers, implements strict admission and classification management mechanism for suppliers, and works with suppliers to ensure the high quality of supply, thereby supporting the stable and high-quality development of the Company's supply chain.

Supplier Admission and Supervision

Yanjing Beer continues to implement a standardised supplier management policy. At the new supplier admission stage, we strictly screen all suppliers through two forms: qualification review and certification review, to ensure the stable operation of the Company's supply chain.



Key Performance Indicators		Unit	H1 2025
Total Number of suppliers		Companies	1,219
Number of suppliers by geographical region	Suppliers from Chinese mainland	Companies	1,219
	Suppliers from China's Hong Kong, Macao, Taiwan regions and overseas suppliers	Companies	0

Supply Chain ESG Management

Building a sustainable supply chain is closely related to improving the supply chain ESG management capabilities. Yanjing Beer elevates ESG requirements for suppliers in multiple dimensions and directions, and strengthens their ESG capability building. Additionally, the Company is committed to the digital construction of the supply chain, accelerating the establishment of a smart procurement ecosystem, and striving to achieve the full application of the digital procurement management platform - SRM (Supplier Relationship Management) throughout the Company. The purpose is to improve the quality and efficiency of supply chain management, and work hand in hand with suppliers to build a stable, efficient and high-quality industrial supply chain.

Supply Chain ESG Construction

To strengthen the supply chain ESG construction, Yanjing Beer has taken a number of robust measures. In cooperation with suppliers, apart from paying continuous attention to suppliers' ESG risk status, the Company adheres to strict self-discipline. An open bidding platform is applied to ensure compliance and transparency from the source of supply chain management, laying a solid and stable foundation for the sustainable development of the supply chain.

Supply Chain ESG Construction Measures

01

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Continue to use the open bidding platform and disclose suppliers' bidding information to guarantee the transparency and compliance of bidding activities

Continue to incorporate ESG indicators into supplier admission requirements

««

02

03

»»

Encourage suppliers to reduce carbon emissions in multiple areas, including production, product packaging, material recycling and vehicle management

Extensively employ local suppliers to drive regional development

««

04

Supplier performance is a key indicator of supply chain ESG performance. In 2025, a comprehensive supplier evaluation system covering multiple dimensions of ESG work was introduced to the Company's digital procurement management platform (SRM). The system regularly evaluates and provides feedback on supplier performance, and sets up targets and incentive mechanisms to encourage suppliers to pursue continuous improvement. In this way, this system drives the sustainable development of the supply chain, fostering a greener, fairer and more transparent business environment.

Key Performance Indicators	Unit	H1 2025
ISO 9001 Quality Management System Certification	Companies	495
ISO 14001 Environmental Management System Certification	Companies	312
ISO 45001/OHSAS 18001 Occupational Health and Safety Management System Certification	Companies	248

Supplier Classification Management

Yanjing Beer has established the supplier classification criteria based on the *Management Measures of Yanjing Beer for Production Material Suppliers*. Suppliers are classified into strategic suppliers, excellent suppliers and general suppliers according to the criteria, with certain priorities given to strategic suppliers and excellent suppliers when awarding contracts. In addition, the Company conducts monthly and annual supplier evaluation based on standard evaluation indicators to continuously monitor supplier performance and ensure the resilience of the supply chain.

When rating suppliers, Yanjing Beer applies a multi-dimensional scoring system: suppliers scoring 90 or above advance to strategic-supplier review; those between 85 and 89.9 qualify for excellent-supplier review; those between 60 and 84.9 are rated as standard suppliers; and any supplier below 60 is either delisted or required to undergo re-certification.



Supplier Classification and Rating System					
Evaluation Criteria		Supplier Classification			
Requisite Criteria	Annual score	≥ 90 points	≥ 85 points	≥ 60 points	< 60 points
	Ranking of qualified suppliers in the same category by scale	Top 20%	Top 50%	/	/
	Years of continued partnership	Over 5 years	Over 3 years	/	/
	No violations of laws or regulations, refusing purchase orders, or perfunctorily supplying products on the pretext of market changes during the partnership	Compliant	Compliant	Compliant	/
	No activities interfering with the bidding process, such as selectively responding to a request for proposal, and no suspicion of illegal activities, such as collusion, bid rigging or attempting for monopoly	Compliant	Compliant	Compliant	/
	Manufacturer/Primary source	Compliant	/	/	/
Basic Criteria	Accounting for 5% or more (3% for excellent suppliers) of the total annual procurement of materials of certain category				
	Products supplied to Yanjing Beer accounting for 30% or more (20% for excellent suppliers) of the supplier's annual sales				
	Actively cooperate with the Company in cost control, supply chain management and supply source security	Compliant	Compliant		
	Regularly conduct technical consultations, information exchanges and business exchanges, and provide industry information and new product sample, etc.	with 3 criteria or more	with 2 criteria or more	/	/
	Supplier's score of annual on-site evaluation ≥ 80 points (≥ 70 points for excellent suppliers)				
Evaluation Results	The supplier has established sophisticated PI report management, and provides the PI data related to production process for batches supplied to the factories of Yanjing Beer				
		Strategic supplier	Excellent Supplier	General supplier	Subject to judgement for elimination

● Supply Chain Digitisation

By leveraging SRM, Yanjing Beer continuously enhances the digital management of suppliers' ESG risks, increasing operational efficiency while systematically carrying ESG management philosophy into action. In 2025, with the going-live and widespread adoption of SRM, the Company upgraded full procurement processes across the entire lifecycle, covering supplier management, seeking supplier and contracting as well as coordination with procurement execution, and finance. Consequently, the efficiency of daily supply chain management was sharply increased, marking the Company's critical leap forward to supply chain digitisation and high-quality development.



Interface of Digital Procurement Management Platform (SRM)

Protection of Data Security

To strictly safeguard data security, Yanjing Beer has established and implemented policies for data and privacy security. Moreover, the Company takes various data security protection measures, and supervises the implementation and continuous improvement of information security management. By doing so, the Company fulfils the commitment to keeping customer information safe.

Management of Date and Privacy Security

Data and privacy security is the cornerstone of the Company's efforts to mitigate financial risks, ensure compliant operations, and maintain a sound reputation. In strict accordance with the requirements of the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China* and other laws and regulations, Yanjing Beer has integrated customer information protection into its excellent management system. In addition, the Company has developed and implemented the *Information System Operation and Maintenance Management Scheme*, the *Network and Information Security Management Policy*, and the *Network and Information Security Incident Emergency Response Plan*. The Company is striving to establish a collection of rigorous information security protection mechanisms and build a robust data and privacy security management framework, with focus on three key areas, namely information system operation and maintenance, network and information security and talent development and training.

"Firewall" of Date and Privacy Security Management

Information System Operation and Maintenance

- Information system operation and maintenance framework: Standardised and process-based operation, and well-regulated management Ensure the operation security of information system
- Information resource management mechanism: Standardise information content management and strictly enforce the information release process
- Information system testing and evaluation mechanism: Standardise the management of the installation and use of networked devices

Network and Information Security Protection

- Establish a robust network and information security framework: Integrate network and information security into the Company's work safety system to ensure that network and information security is controllable, manageable, and under control
- Security level-based protection mechanism: Strengthen the building of information security infrastructures
- Emergency response framework and mechanisms for emergency reporting and rapid response: Effectively enhance emergency handling capabilities

Talent Development and Training

- Information talent team framework: Take effective measures, establish incentive mechanisms and enhance the information technology team
- Mechanisms for information technology training and exchange: Strengthen technical exchanges and cooperation with external parties, as well as information technology and business application training

Data and Privacy Security Protection Measures

To further implement data and privacy security management policies and normalise and standardise information security management, Yanjing Beer focuses on software copyright issues, regulating software in a top-down manner. Moreover, the Company enhances employees' awareness of copyright protection and legitimate software, and strengthens daily supervision to prevent the leakage of various types of privacy information, to ensure the data and privacy security of the Company and customers.

Yanjing Beer's Efforts in the Regulation of Legitimate Software Use in 2025

Establish a leading group

- Establish a leading group for legitimate software use
- Leader: Party Secretary, and Chairman

Keep the record of legitimate software

- Establish and update the record of legitimate software use
- Strictly follow procurement processes to ensure transparency of authentic sources

Enhance employees' awareness of authenticity

- Publicity channels: WeChat groups, regular work meetings, elevator advertising, bulletin boards, etc.
- Conduct training on software copyright compliance

Establish a supervisory group

- Establish and improve relevant regulations and policies for software copyright compliance
- Establish a supervisory group for regular inspection on software use across departments
- Use copyright compliance detection tools to conduct regular inspections every month



Care for Growth

Yanjing Beer always adheres to a people-oriented development philosophy, valuing the growth and development of employees as a core of the business. The Company has established a human resources framework covering three levels of foundation, maintenance, and improvement through the systematic building of seven modules. Through this framework, the Company can solidify the talent foundation for high-quality development by optimising talent policies, innovating management mechanisms and processes, continuously improving organisational efficiency, and energising talents.

5

GENDER
EQUALITY

8

DECENT WORK AND
ECONOMIC GROWTH

Guarantee of Employees' Rights and Interests

Relying on the robust employee rights protection mechanism, Yanjing Beer is building an inclusive and open organisational culture and creating a fair and competitive development platform for the common growth of employees and the Company.

Equal Employment and Diversity

Yanjing Beer strictly complies with *the Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China* and other relevant laws and regulations, as well as local labour management policies in the regions where the Company operate. In daily operations, the Company strictly implements the labour laws and regulations, from elemental policies for working hours, salary and benefits and labour safety, to welfare policies related to social security. Yanjing Beer has established internal employment regulations. The Company prohibits the employment of child labour and forced labour, and the Company does not impose any restrictions on employees based on gender, age, ethnicity, disability and other factors in the recruitment, compensation, or promotion processes. Meanwhile, the Company adheres to the principle of distribution according to work and equal pay, respects employees' personalities and treats them fairly.

The Company actively provides diverse employment opportunities for people with disabilities. By the end of the reporting period, there were 127 employees with disabilities at Yanjing Beer’ s entities in Beijing, accounting for 2.74% of the total headcount.

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The Company vigorously push forward talent diversity strategies by collaborating with major universities and vocational colleges, as well as actively participating in various talent recruitment fairs, so as to attract a wide range of talents from different regions and with different backgrounds. In this way, the Company continuously diversifies the workforce and injects innovative vitality into the Company. By the end of the reporting period, the Company had a total of 20,500 employees, with a 100% labour contract signing rate.

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Sound Remuneration Management System

Yanjing Beer continuously improves its remuneration management system, and strictly adheres to the requirements of laws, regulations and normative documents. In addition, the Company has formulated and implemented the *Remuneration Management Measures (Trial)* and other internal policies. In terms of remuneration packages, the Company follows a basic principle of equal pay among employees in the same department or at the same position, with regional adjustments made based on the differences in production and efficiency across different regions, so as to effectively make employees more active, motivated, and creative.

Democratic Communication

Adhering to a people-oriented philosophy, Yanjing Beer actively listens to employees' voices and supports their engagement in democratic management. The Company attaches great importance to the smoothness of communication channels. To this end, the Company conducts employee satisfaction surveys, convenes employee representative conferences, holds employee forums, and sets up dedicated departments to handle employee complaints in a bid to ensure that employees' demands are effectively communicated across the Company, and to guarantee employees' legal rights in every aspect.

● Convening Employee Representative Conferences

In 2025, the Company held the 2024 year-end conference for work summary and rewards. At the conference, the Company's production and operations as well as significant decisions, significant appointment and removal of senior management, significant investment projects and the use of large-amount funds were reported to the employees. Meanwhile, the employee representative conference was convened to deliberate the relevant work report. The Company always regards the transparency of the democratic management of operational affairs as a fundamental requirement and primary task of implementing a people-oriented management philosophy, as it guarantees the Company's sound development trend.

● Conducting Employee Satisfaction Survey

The Company conducted employee satisfaction survey through electronic questionnaires, randomly selecting one third of employees from the headquarters to fill out the questionnaires. The survey showed commonly high satisfaction from employees. The employees recognised the Company's well-defined rewards and penalty policies and were satisfied with the Company's overall situation. Meanwhile, the employees also provided constructive suggestions regarding supplemental medical care and diverse training.

The Company understood employees' actual demands from the survey, and provided additional benefits to employees such as anniversary care gifts and corporate annuities.

● Yanjing Beer's Labour Dispute Handling Process

- The human resources department of the entity to which an employee belongs communicates with the employee, listens to his/her voice, and satisfies his/her demands to the greatest extent.
- The Company headquarters listens to the voices of the involved parties and conducts an objective investigation.
- The Company headquarters promotes reconciliation between both parties.
- Summarise and evaluate the case, improve labour dispute management to prevent disputes, and enhance the efficiency and fairness of dispute handling.

Support for Talent Development

With emphasis placed on employee career development, Yanjing Beer has established comprehensive career development paths and a well-organised training system, providing all-around growth support for employees. By leveraging a combination of online and offline training modes, the Company has established a fair and transparent promotion mechanism, which focuses on cultivating young management talents, to achieve the common growth of individual employee value and corporate value.

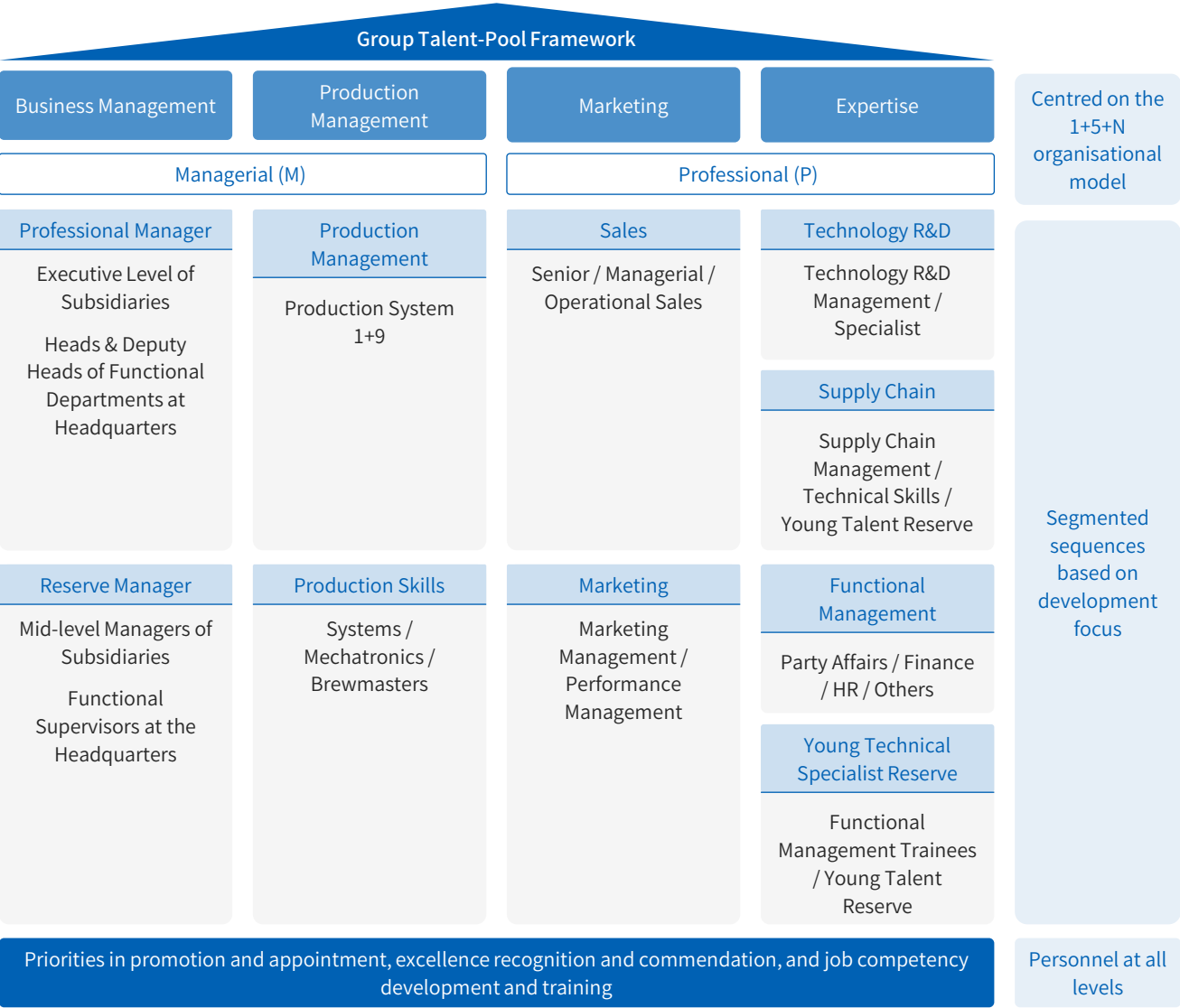
Key Performance Indicators	Unit	H1 2025
Employee training expenditures	RMB 0'000	345
Total participants in training	Persons	155,072
Total hours of training	Hours	98,829



Talent Development System

Yanjing Beer continuously promotes talent development under the "1+5+N “ organisational mode in line with the Company's strategy, adhering to the philosophy of "supervision of managers by the Party, and appointment of talents based on merits". In addition, the Company follows the principle of "selecting the most suitable talents based on integrity and ability" to carry out talent development work. For unique key talents, the Company carries out special projects such as provisional position practice, young talent cultivation, and encourages employees to take professional title examinations and to improve their educational qualifications, with reimbursement for relevant expense offered as a reward.

In terms of employee development and training indicators, the company sets course ratios scientifically to align training with strategy and job needs; middle managers must complete 90 hours of online study per year to integrate the training system with the “Ten-Hundred-Thousand Project,” and the talent plan is delivered through standardized execution and results conversion.



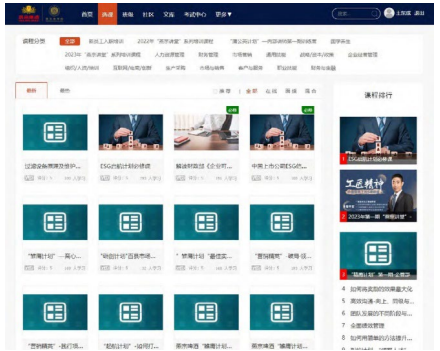
Diverse Training System

Yanjing Beer is committed to building a comprehensive and diverse employee training system to facilitate the growth of both employees and the Company.

Talent Training System	Training Planning	<ul style="list-style-type: none">It fills the gap in the field of the standard for pull-tab lids in China while promoting the coordinated progress of aluminium pull-tab lids and the beer and beverage industry.
	Training Content and Methods	<ul style="list-style-type: none">The online training adopts the Yanjing Learning Platform, allowing employees to learn at their convenience. The training contents cover management and technical fields, aligning with employees' career development goals.
	Talent Pool Management	<ul style="list-style-type: none">Establish four main talent pools, namely business management, marketing, production management and professional technology, providing customised training to meet the needs of different levels and positions.
	Horizontal and Vertical Trainings	<ul style="list-style-type: none">Horizontal training aims to broaden employees' horizon and enhances overall quality, while vertical training focuses on professional needs. Senior management training emphasises strengthening leadership, decision-making, and strategic execution capabilities.
	ESG Training	<ul style="list-style-type: none">Senior management training includes an ESG module. The training is promoted by a dedicated committee, incorporated into the Company's sustainability indicators, and implemented comprehensively.

In terms of training methods, Yanjing Beer adopts an innovative mode that combines both online and offline approaches. Online training relies on "Yanjing Learning Platform" while offline activities involve multi-level training events that cover a wide range of topics such as supply chain, production management, marketing, and leadership development. The trainees range from management trainees to mid-level and senior managers within the Group, providing a wealth of specialised learning resources.

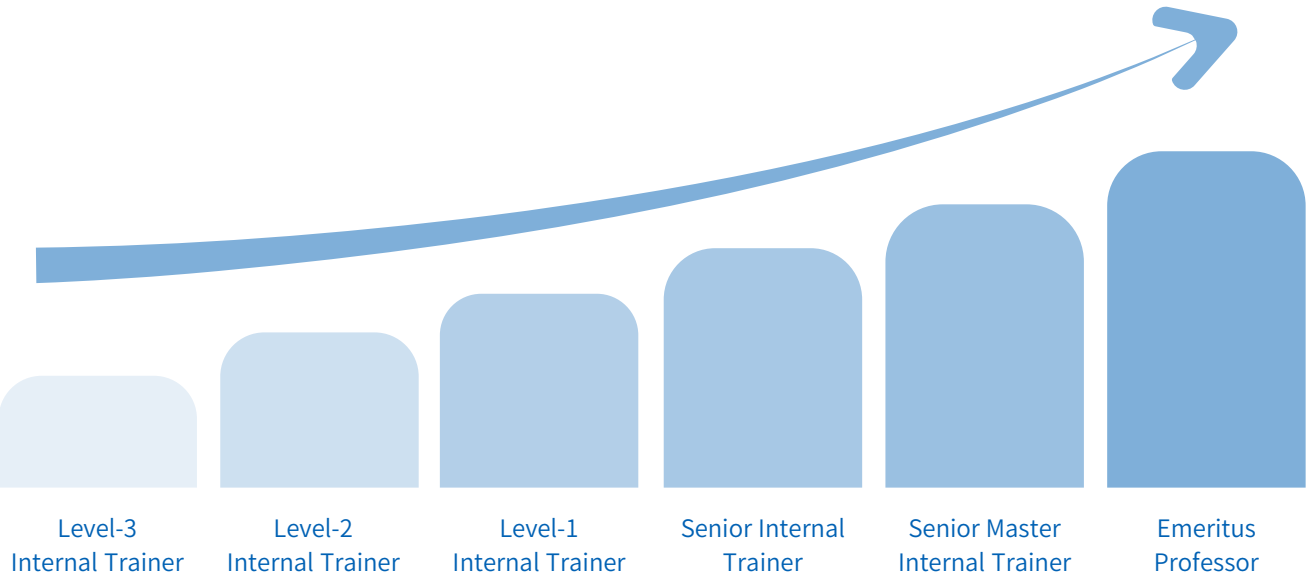
In 2025, the online training programme of "Yanjing Lecture Hall" launched 111 sessions to establish a talent pool structure covering four major areas and offer targeted training courses for personnel in various fields to develop a high-calibre talent team for the Company.



Webpage of Yanjing Lecture Hall

Training for Internal Trainer

The Company places great emphasis on the discovery and development of internal staff. Therefore, the Company regularly promotes and evaluates internal trainers to build a platform for employee growth and support them in becoming professional lecturers. The Company has formulated *the Internal Trainer Management Measures* to push forward the standardised, process-based and systematic management of internal trainers.

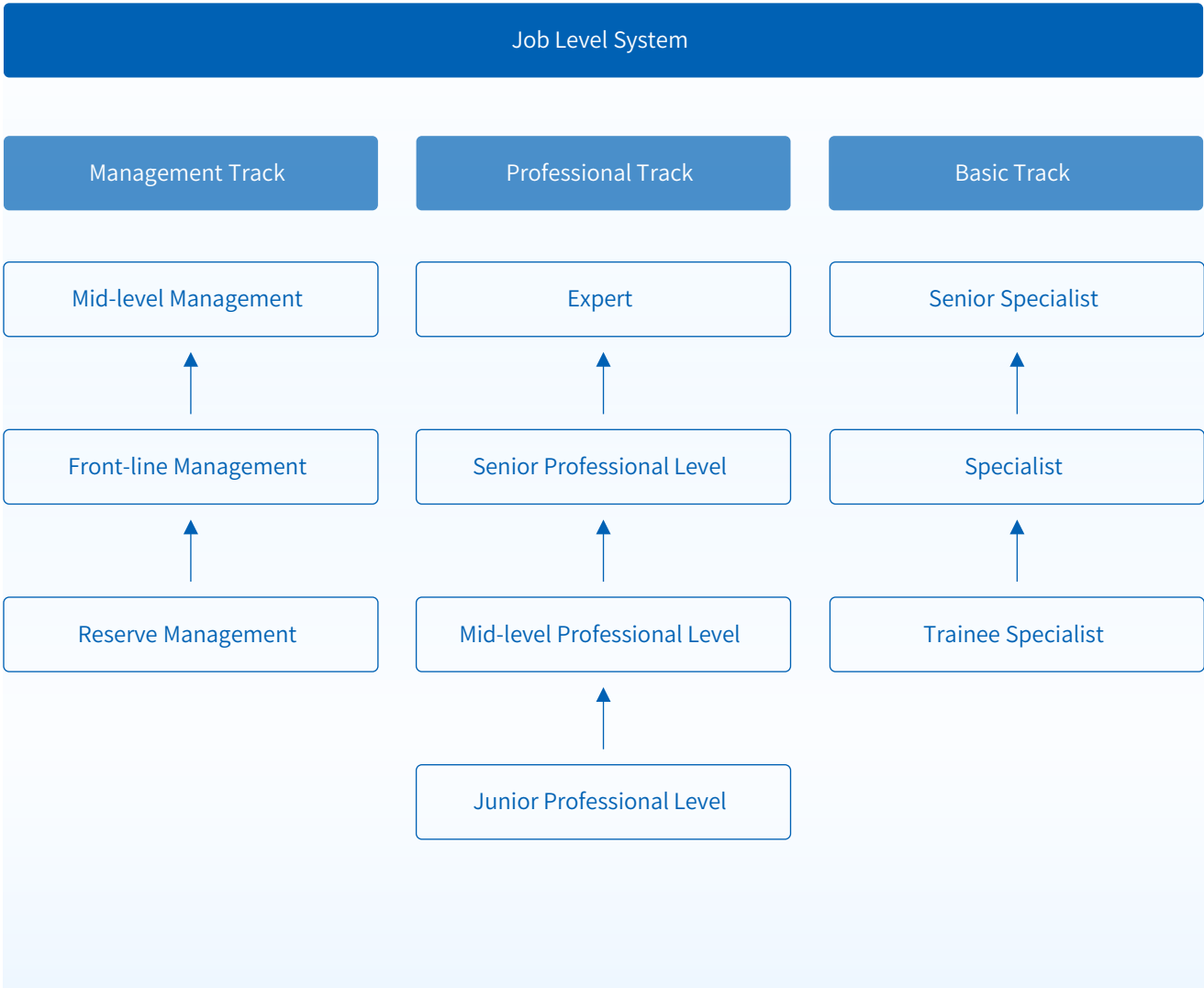


Career Planning and Promotion Paths

Yanjing Beer places great emphasis on employees' career development, carefully planning clear and diverse career and providing promotion paths to fully support employees in realising their personal value and career aspirations.

In building the promotion paths, Yanjing Beer has set up three major paths, including foundational path, professional path and managerial path, encompassing over 30 levels in total, with detailed and reasonable level classifications. Among these, M1 to M6 represent the foundational positions, while M7 and M8 represent middle positions, and each level is further subdivided into several sub-levels, providing employees with broad space for development.

The Company adheres to principles of fairness and justice in promotion evaluation. Candidates are evaluated in multiple dimensions, such as annual performance, departmental ratings, leadership assessments, and other criteria. The review committee nominates candidates based on comprehensive scores and job requirements. After the nomination is approved, candidates will go through democratic recommendations, interview assessments and other procedures prior to the final promotion, to ensure a rigorous and standardised process.



Protection of Employee Health

Highly valuing employee health, Yanjing Beer has established a comprehensive health management framework. The Company is committed to creating a safe and healthy work environment for employees, and providing them with comprehensive health care to ensure that employees can devote themselves to their work in good physical and mental condition.

Occupational Health and Safety Management

The Company continuously optimises its employee occupational health and safety management system and strictly complies with the requirements of laws and regulations, such as the *Work Safety Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, and the *Regulations on the Supervision and Administration of Occupational Health in the Workplace*. The Company has also formulated the *Safe Production Regulations on Work Safety*, the *Policy for Occupational Health Supervision and Management* and other policies related to occupational health and safety management. This management system and these policies are applicable to all of the Company's operating units and contractors, covering the full process from work safety assurance, definition of responsibilities for occupational disease prevention, risk warnings and information disclosure, dynamic monitoring, to effectiveness evaluation.

Yanjing Beer has established an Occupational Health and Safety Leadership Group led by the general manager of each factory, and has appointed dedicated occupational health and safety managers to oversee daily operations and conduct inspections, thereby establishing a tiered management mechanism. The Leadership Group is responsible for formulating occupational health and safety policies, approving major corrective measures, and supervising their implementation. Dedicated managers are responsible for carrying out daily tasks such as safety inspections and accident investigations. Additionally, the Company has incorporated management performance into the supervision of the Board of Directors to ensure that the occupational health and safety management system remains highly aligned with the Company's governance objectives.

In setting work safety targets, Yanjing Beer establishes clear overall and detailed work safety management objectives annually, aiming to achieve the goal of "zero major safety accident". Furthermore, we have established strict upper limits for the incident rates of work injury and serious injury accidents, and further disaggregated these targets which cover all employees and contractors. We have also put a regular assessment mechanism in place. Through a combination of institutional regulations and implementation, we ensure the steady achievement of safety management objectives.

Targets in H1 2025	Coverage	Current Progress
<ul style="list-style-type: none">Coverage rate of employee health check-ups: 100%Incidence rate of occupational diseases: 0Number of food and acute poisoning accidents: 0Number of visitor and vehicle safety accidents: 0Incidence rate of major fire accidents: 0Incidence rate of fatal accidents: 0Incidence rate of work injury accidents: ≤0.5%Incidence rate of serious injury accidents: ≤0.06%	All employees and contractors included	Completed

The Company has made substantial progress on system certification. By the end of the reporting period, 14 factories of Yanjing Beer have obtained ISO 45001 Occupational Health and Safety Management System Certification, with another two expected to pass the certification by the end of 2025. In the future, the Company will make constant efforts to get all production bases certified by the occupational health and safety management system to fully enhance safety management.

Preventative and Protective Measures

Pre-employment health check-ups	The Company implements a strict policy for health check-ups on new hires upon their induction. All new hires are required to pass an overall health check-up and obtain a health certificate before they are officially assigned to work. This can, at source, eliminate health risks caused by employees' physical conditions unsuitable for their positions.
Workplace risk identification and assessment	We regularly engage third-party professional testing agencies in thorough identification and analysis of occupational hazards in factories to accurately identify possible dangers in the workplace, such as dust, noise, and chemicals, and formulate targeted countermeasures accordingly.
Provision of protective equipment	Based on the working environment and risk factors of different positions, we equip employees with protective equipment that meets national standards, such as high-performance dust masks and suits for those exposed to dust. To address the noise hazard, we provide employees with soundproof earplugs and earmuffs.
Improvement on workplace environment	The Company continuously increases investment in improving the workplace environment. Through technological upgrades and equipment updates, we optimise production processes to reduce the concentration and intensity of workplace hazards. For instance, we install advanced enclosed production equipment to reduce the leakage of dust and harmful gases, and adopt soundproof covers, shock absorbers and other devices to reduce the noise from equipment operation.
Work safety inspection	The Company implements a multi-level supervision model, including inspection by local and industry authorities, supervision and inspection by the Group Headquarters, factory-wide self-inspection, and daily identification of hidden dangers by all employees. With this long-term supervision mechanism, we are able to dynamically identify safety risks.
Hazardous work safety management	The Company has formulated special emergency plans for hazardous operations involving fire, confined spaces, and high places, and provide professional emergency equipment such as respirators, gas masks, communication devices, and safety ropes. In addition, we require on-site managers, supervisors, workers and emergency rescuers to master every detail of the plan, and enhance their emergency capacity through regular drills to ensure controllable work safety.

Risk Factors	Preventive Measures
Dust	Employ enclosed vehicles during transportation; use dust collection equipment during handling; replace dry powder with wet powder during crushing; equip workers with dust masks and suits; take measures such as enclosed equipment and ventilation for dust removal; rationally place production equipment and regularly clean dust
Noise	Adopt advanced equipment and soundproof covers; enhance personal protection; and install automatic production equipment to reduce the number of on-site workers
Mechanical injuries	Provide protective equipment and adopt machines for production to replace manual production
Chemicals	Reduce human contact by installing machines; and strengthen storage management and emergency responses
Explosion	Strictly control workplace ignition sources; select explosion-proof electrical equipment; prohibit smoking; and establish fire management policies
Harmful gases	Monitor and reuse biogas, which can be combusted after removing hydrogen sulphide

Case

Occupational Hazard Identification and Prevention

In May 2025, the Company engaged a third-party professional agency in a special occupational hazard identification at production workshops. Considering the operating characteristics of individual section-forming machines, which are prone to generating considerable noise during operation, the Company has established a targeted protection mechanism by equipping the employees on the post with earplugs on a monthly basis. According to monitoring data, wearing earplugs properly can lower the noise to which employees are exposed below the national standard range, effectively ensuring the occupational health and safety of those on the post.



Occupational Hazard Identification - Noise Testing

Health Safety Training

To enhance the safety awareness and response capabilities of employees, prevent, control and eliminate occupational hazards, and protect the health of workers, Yanjing Beer attaches great importance to employee health and safety training. From their induction to in-service period, we deliver diverse training courses to enhance their safety awareness and operational skills, ensuring their health and safety at work. For this reason, the Company has formulated the *Policy for Publicity, Education and Training on Occupational Disease Prevention and Control*. We have also established a Labour Protection Supervision and Inspection Committee under the Labour Union, and set up a labour protection supervision and inspection team in front-line production departments to extend the Labour Union's labour protection at Yanjing Beer.

<p>Induction training for new hires</p> <p>New hires receive safety education upon their induction to ensure that they are fully aware of the operating procedures. This three-level safety education covers food and work safety knowledge.</p>	<p>Regular training</p> <p>We regularly engage experts in daily and pre-job training for front-line employees to help them acquire safety knowledge and operational skills. Such training also covers persons in charge of the Company and occupational health managers.</p>
<p>Special position training</p> <p>Employees on special posts must work with certificate to ensure work safety.</p>	<p>Mental health training</p> <p>We irregularly hold mental health lectures to help employees relieve their work and life stress, and implement the Employee Assistance Program (EAP) to engage professionals in mental health services, such as diagnosis, counselling, consultation and training.</p>

Case

Knowledge Training on Heatstroke Prevention and Emergency Rescue Safety

In June 2025, in light of the characteristics of high-temperature operations in summers, the Company organised a special knowledge training on heatstroke prevention and emergency rescue safety, covering over 800 participants. By systematically illustrating highlights on protection for high-temperature operations, emergency response procedures for heatstroke and rescue skills, we enhance employees' capabilities in response to occupational health risks in summers. This lays a solid line of defence for work safety in high temperatures.



Contractor Safety Management

At Yanjing Beer, we put a premium on the occupational health and safety management of contractors, and thoroughly strengthen their health and safety management measures from multiple key dimensions. We require contractors to comply with all applicable local health and safety regulations and encourage them and distributors to follow the Company's work safety policies, safeguarding occupational health at all levels.

The Company focuses on risk control in daily work, identifying and preventing potential safety hazards through risk assessment. All employees of contractors must receive comprehensive health and safety training and pass relevant examinations before starting work on site. This ensures that they fully understand and strictly follow the Company's work safety procedures, reducing the incidence of safety accidents at source. The Company regularly involves contractors in safety management training and exchanges, sharing best practices to enhance their overall safety management. We have formulated strict standards for safe and sound on-site work, in terms of contractors' operators, managers, production tools, and the wearing of personal protective equipment. Such standards not only cover the basic health requirements for relevant personnel, but also include the proper wearing and use of necessary personal protective equipment to ensure that all personnel entering production sites are in a safe working environment.



Care for Employees

Upholding the concept of caring for, relying on and uniting employees, the Company is committed to creating a people-oriented working environment. We not only prioritise employee health and benefits and help those in difficulty, but also maintain a life-work balance and continuously improve the welfare system. With these efforts, we ensure that employees work in happiness and live at ease.

Employee Benefits and Rewards

Yanjing Beer offers employees diversified benefits, such as festival subsidies, working meals, and health check-ups. We have also established a reward mechanism at different levels to motivate employees to be proactive, enhance cohesion, and promote common progress of the Company and employees.

Employee Benefits

Monetary benefits

Festival and seasonal subsidies

Non-monetary benefits

Working meals, induction care, honorary retirement, health check-ups and welfare leaves

Other benefits

Greetings, birthday care, working environment, social security, "summer care" activities, festival benefits, communication subsidies, etc

Employee Rewards

National level

Group bonus: RMB 10,000/person for first prize, RMB 8,000/person for second prize, and RMB 6,000/person for third prize

Individual bonus: RMB 50,000 for first prize, RMB 30,000 for second prize, and RMB 10,000 for third prize

Provincial and municipal level (national industry associations)

Group bonus: RMB 5,000/person for first prize, RMB 3,000/person for second prize, and RMB 1,500/person for third prize

Individual bonus: RMB 20,000 for first prize, RMB 10,000 for second prize, and RMB 5,000 for third prize

District level (Beijing Enterprises Holdings, provincial and municipal industry associations)

Group bonus: RMB 2,000/person for first prize, RMB 1,000/person for second prize, and RMB 600/person for third prize

Individual bonus: RMB 5,000 for first prize, RMB 3,000 for second prize, and RMB 2,000 for third prize

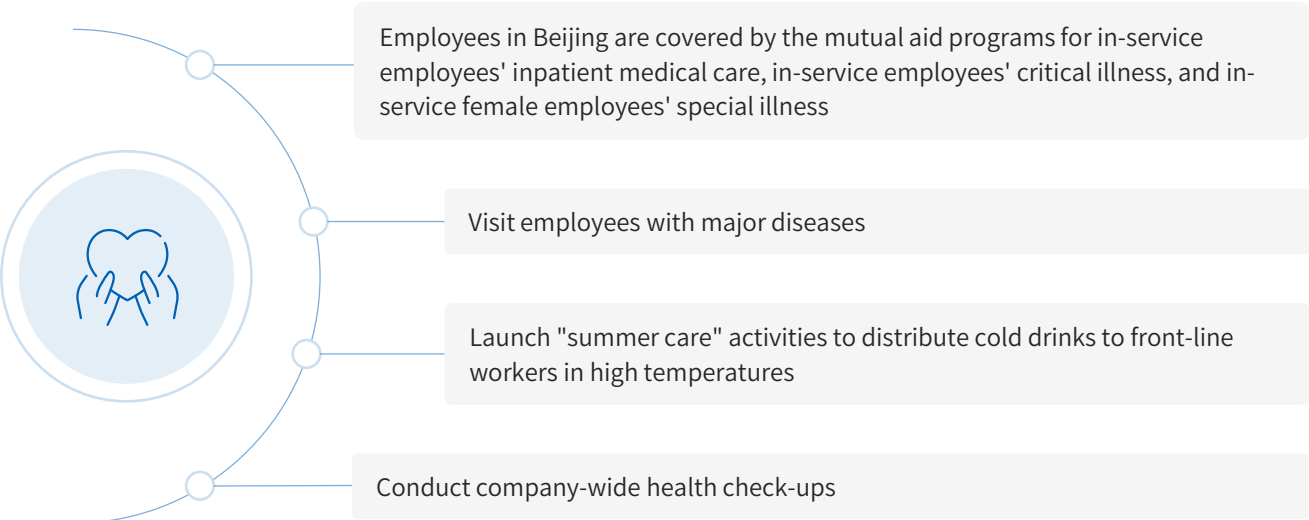
Other honorary rewards

RMB 1,000 to RMB 5,000 for those who win an honour for the Company (such as acts of bravery, and prizes for recreational and sports activities)

Daily Care for Employees

At Yanjing Beer, we implement an all-round employee care program. Through thoughtful initiatives such as festival greetings, birthday wishes, retirement appreciation, and high-temperature protection, we largely enhance employees' sense of belonging to create a warm and harmonious workplace. In 2025, the Company upgraded the health check-up services by launching online self-appointment, adding two new top-tier hospitals, and customising check-up packages based on the age of employees to enhance health protection.

Key Performance Indicators	Unit	H1 2025
Total investment in employee assistance	RMB 0'000	14.57
Number of employees receiving assistance	Persons	116



Diverse Employee Activities

At Yanjing Beer, we advocate the concept of healthy work and happy life. For this purpose, we spare no efforts in creating a relaxing and vibrant workplace, enhancing employees' sense of happiness at work, and striving for a work-life balance. Based on our characteristics, we have held many unique cultural and sports activities to promote a work-life balance for employees.

Case

"Passion with You, Jogging with Me": 5 km Mini Marathon for Employees

In May 2025, Yanjing Beer launched a five-kilometre mini marathon for employees. This event not only enhanced their sense of belonging and cohesion, but also united all employees towards a brighter future. Meanwhile, the marathon also inspired more Yanjingers to enjoy sports, contributing to Yanjing's new undertakings and glories with stronger physiques and tenacious sportsmanship.

Case

Theme Event on the Occasion of International Women's Day

On 7 March 2025, Yanjing Beer held a cake-baking event themed "Passion with You, Blossom with Women" for female employees. Party Committee Deputy Secretary Qin Xiaohui and other senior leaders joined nearly a hundred women staff members for the activity. During the event, company leaders extended festive greetings and blessings to the female employees. Professional bakers provided on-site guidance on cake decoration skills. Female employees demonstrated their creativity by making their own cakes and jointly making a big cake themed on the corporate culture of "Passion with You, Yanjing with Me". In the future, the Company will continue to focus on the needs of female employees by organizing a variety of enriching activities, ensuring they achieve work-life balance, and collectively contributing to the harmonious development of the company.

Concerted Efforts for Common Progress

Enterprises take root in and must give back to the society. Yanjing Beer takes "win-win development" as its responsibility, deeply integrating corporate resources into local development needs. Through actions such as industrial empowerment, support for people's livelihoods, and voluntary services, the Company drives community prosperity with development.



Contribution to Rural Revitalisation

The Company remains committed to the role as a state-owned enterprise by expanding the reach of our philanthropic efforts and establishing a diversified charity system that integrates one-on-one assistance and donations. These initiatives are deeply embedded in the Company's poverty alleviation and rural revitalisation practices. During the reporting period, Yanjing Beer coordinated efforts across the headquarters and subsidiaries, working through platforms such as charitable associations and the Red Cross Society to carry out targeted and precise support. The Company also encouraged employee involvement in the "Giving Day" donation campaigns to spread a spirit of compassion. In the area of rural revitalisation, we supported strategy implementation by mobilising resources and deepened our participation in the "Ten Thousand Enterprises Revitalising Ten Thousand Villages" programme. Besides, we helped underdeveloped areas enhance economic quality and efficiency, demonstrating a strong sense of social responsibility while injecting vitality into rural development.



Engagement in Volunteer Activities

As one of the leaders in the beer industry, Yanjing Beer fully fulfils social responsibilities through proactive voluntary services. So far, the Company has three major volunteer teams: the “ Party Member Volunteer Service Team” , the “ Sunshine Volunteer Service Team” and the “ Qingyan Volunteer Service Team” . With professional and mature voluntary service management, we manage these teams in a systematic way, and provide professional training for volunteers.

By the end of the reporting period, the three teams have contributed to nearly 7,000 hours of service. In the future, Yanjing Beer will continue to focus on voluntary services and build a voluntary service brand with social influence.

Key Performance Indicators	Unit	H1 2025
Number of volunteers	Persons	1,597
Total hours of voluntary services	Hours	6,854
Total number of participants in public welfare programs	Persons	2,448



Outlook

Amid the global wave of sustainable development and the profound industry transformation, Yanjing Beer adheres to the original strategic aspiration of "Revitalising Business, Reviving Yanjing", and continuously improves the ESG governance system navigated by the national "carbon peaking and carbon neutrality" targets. We firmly believe that only by integrating the green concept into corporate development and making the Company's pulse resonate with the rhythm of the era can we inspire an ever-lasting vitality in the process of change. Past practices have laid a solid foundation for the new journey, and now we will march towards the future with more resolute steps.

In 2025, sticking to the mission of "Brewing Good for Life", Yanjing Beer will excel in compliance management, environmental performance, product responsibility, employee care, and community co-construction, interpreting the Company's responsibilities and commitments through concrete actions. Looking to the future, we will continue to refine quality through innovation, promote product research and development, optimise product structure, and provide better products to serve more customers. On one hand, we will pay constant attention to environmental performance, explore efficient resource utilisation, and promote the transition towards green factories. On the other hand, we will improve the construction of the digital supply chain, enhance external cooperation, and lead the industry towards a sustainable future. On the journey of brewing good for life, Yanjing Beer will keep our sincerity to consumers, respect for nature, and commitments to the era, shouldering our responsibilities as a Chinese brand through our products.

Honours

Category	Units/Products Rewarded	Award	Granted by/at
Product	Candied Haws Berliner Weisse	Curator’s Choice	Beijing International Craft Brewing Exhibition 2025
	Yanjing U8	Annual Engine Product	HuaTang Cloud Operators
	LIONK WEISSBIER	Annual Growth Champion	HuaTang Cloud Operators
Company	Beijing Yanjing Brewery Co., Ltd.	List of Potential Cases for the 2025 Enterprise ESG Case Collection	Ministry of Ecology and Environment
	Beijing Yanjing Brewery Co., Ltd.	The Title of “Famous Consumer Brand”	Ministry of Industry and Information Technology
	R&D Centre of Beijing Yanjing Brewery Co., Ltd.	The Title of “Beijing Model Enterprise”	Beijing Municipal Committee of the Communist Party of China & People’s Government of Beijing Municipality
	Beijing Yanjing Brewery Co., Ltd.	Nominator for the 4th Quality Management Award of the People’s Government of Beijing Municipality	People’s Government of Beijing Municipality
	Beijing Yanjing Brewery Co., Ltd.	National Enterprise of Integrity in Product and Service Quality	China Association for Quality Inspection
	Beijing Yanjing Brewery Co., Ltd.	Certificate of Appreciation for Contributing to the Group Standard “Technical Guidelines for the Resource Utilization of Leachate from Distillers Grains”	Standardization Committee, China Association for International Economic and Technical Cooperation
	Beijing Yanjing Brewery Co., Ltd.	Second place in the 10th Confined Space Operation Competition of Shunyi District in 2025	Beijing Shunyi District Work Safety Committee

Category	Units/Products Rewarded	Award	Granted by/at
Company	No. 1 Branch of Beijing Yanjing Brewery Co., Ltd.	First place in the 10th Confined Space Operation Competition of Shunyi District in 2025	Beijing Shunyi District Work Safety Committee
	Beijing Yanjing Beer Co., LTD. Beijing Factory	First place in the 10th Confined Space Operation Competition of Shunyi District in 2025	Beijing Shunyi District Work Safety Committee
	Beijing Yanjing Brewery Co., Ltd.	2025 Listed Companies Cash Dividend List of China Association for Public Companies	China Association for Public Companies
	Beijing Yanjing Brewery Co., Ltd.	Top 100 A-Share Listed Companies for Best Progress on ESG Rating in 2025	Sino-Securities Index Information Service (Shanghai) Co., Ltd.
	Beijing Yanjing Brewery Co., Ltd.	Top 20 A-Share Listed Companies for ESG Performance in Major Consumer Industries in 2025	Sino-Securities Index Information Service (Shanghai) Co., Ltd.
	Beijing Yanjing Brewery Co., Ltd.	Marching Forward with Steady Progress: China’s ESG Leaders Report 2025	SynTao Green Finance
	Beijing Yanjing Brewery Co., Ltd.	China's Top 500 Most Valuable Brands	The 22nd World Brand Congress
	Beijing Yanjing Brewery Co., Ltd.	2025 China's Top 500 Independent Brands	2025 (9th) China Brand Boao Summit
	Beijing Yanjing Brewery Co., Ltd.	Hainuo Award - 2025 ESG Practice Role Model	The 6th Brand Innovation and Development Conference
	Beijing Yanjing Brewery Co., Ltd.	Representative Enterprise of Innovative Marketing	The 19th Annual Conference of China Advertisers Association

Honours

Category	Units/Products Rewarded	Award	Granted by/at
Company	Beijing Yanjing Brewery Co., Ltd.	IAI International Wine Awards/Bronze Award for Media Convergence Marketing	IAI Festival
	Beijing Yanjing Brewery Co., Ltd.	<i>Practical Cases for Building a Beautiful China (First Batch)</i> - Practical Cases for Building Beautiful Factories	All-China Environment Federation
	Beijing Yanjing Brewery Co., Ltd.	First Prize of the 38th Beijing Enterprise Management Modernisation Innovation Achievements	Beijing Enterprise Confederation
	Beijing Yanjing Brewery Co., Ltd.	2024 Innovative Cases for Smart Enterprise Construction in Beijing	Beijing Enterprise Confederation
	Beijing Yanjing Brewery Co., Ltd.	2024 Outstanding Cases for Corporate Social Responsibility in Beijing	Beijing Enterprise Confederation
	Beijing Yanjing Brewery Co., Ltd.	2024 Special Award for Outstanding Achievements in Corporate Culture in Beijing City	Beijing Enterprise Confederation
	Beijing Yanjing Brewery Co., Ltd.	Innovation Management Maturity Level 4 (Complete Level)	China Quality Mark Certification Group Co., Ltd.
	Beijing Yanjing Brewery Co., Ltd.	Innovation Management Maturity Evaluation Certificate	China Quality Mark Certification Group Co., Ltd.
	Beijing Yanjing Brewery Co., Ltd.	Anti-Bribery Management System Certification Certificate	China Quality Mark Certification Group Co., Ltd.
	Beijing Yanjing Brewery Co., Ltd.	2025 Enterprise New Productivity Benchmark Case	<i>China Enterprise News</i> Group

Category	Units/Products Rewarded	Award	Granted by/at
Company	Beijing Yanjing Brewery Co., Ltd.	Most Powerful National Trend Brand Company	<i>New Fortune</i> Magazine
	Beijing Yanjing Brewery Co., Ltd.	Excellent Case for "Redesign Plastic" Initiative	2025 "520 Social Responsibility Day" Working Group
	Beijing Yanjing Brewery Co., Ltd.	2024 “Outstanding Brand” for Alcoholic Beverages in JD	JD.com
	Beijing Yanjing Brewery Co., Ltd.	2024 “Star Store” for Alcoholic Beverages in JD	JD.com
	Beijing Yanjing Brewery Co., Ltd.	Top 500 Most Valuable Brands in China 2025	World Brand Lab
	Yanjing No. 9	Digital Pioneer Award	Meituan
	LIONK	Digital Innovation Award	Meituan
	Beijing Yanjing Brewery Co., Ltd.	National "Ankang Cup" Competition Outstanding Unit	All-China Federation of Trade Unions
	“Yanjing Red Swallow” Party Building Brand	Excellent Party Building Innovation Project	Beijing Enterprises Group
	Legal and Compliance Department of Beijing Yanjing Beer Co., Ltd.	March 8th Red Banner Collective	Beijing Enterprises Group

Readers' Feedback

Dear readers,

Thank you for Reading the *Yanjing Beer Green Action Report 2025*. To improve the preparation of the report and enhance the responsibility fulfilment capacity and level of Yanjing Beer, we sincerely invite you to offer your valuable opinions and suggestions on this report to help us make continuous improvements. You may provide your suggestions to us by mail or scan the QR code to fill in a feedback form.

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Please scan the QR code and tell us your valuable suggestions

1. As a stakeholder of Yanjing Beer, you are:

☐ Government ☐ Customers ☐ Employees ☐ Partners ☐ Environmental protection-related organisations ☐ Community and the public ☐ Others - ()

2. Your overall impression of this report is:

☐ Very good ☐ Good ☐ Relatively good ☐ Average ☐ Relatively poor ☐ Poor ☐ Very poor

3. What do you think of the structure of this report?

☐ Very reasonable ☐ Reasonable ☐ Average ☐ Poor ☐ Very poor

4. What do you think of the layout design of this report?

☐ Very reasonable ☐ Reasonable ☐ Average ☐ Poor ☐ Very poor

5. What do you think of the readability of this report?

☐ Very good ☐ Good ☐ Average ☐ Poor ☐ Very poor

6. Do you think whether this report can reflect the Company's influences on the economy, society, and environment?

☐ Yes ☐ Average ☐ No idea

7. What do you think of the clarity, accuracy and completeness of the information, data and metrics disclosed in this report?

☐ High ☐ Relatively high ☐ Average ☐ Relatively low ☐ Low

8. What do you think of the Company's performance in serving customers and protecting stakeholders?

☐ Good ☐ Average ☐ Poor ☐ No idea

9. What other valuable opinions or suggestions do you have for report preparation or responsibility fulfilment practice?



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