

SUSTAINABILITY REPORT 2024



福壽園國際集團有限公司

FU SHOU YUAN INTERNATIONAL GROUP LIMITED
Incorporated in the Cayman Islands with limited liability

Stock code: 01448

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Summary of the Report

The Report is the ninth annual sustainability report of Fu Shou Yuan International Group Limited and its subsidiaries (hereinafter referred to as “we”, the “Group” or “Fu Shou Yuan”). It covers our work during the period from January 1 to December 31, 2024 (the “Reporting Period”), and provides a focused discussion of stakeholders’ concerns, a comprehensive description and explanation of Fu Shou Yuan’s performance and management policy in environmental, social and governance areas in 2024, illustrating how Fu Shou Yuan lives up to its commitments to sustainable development.

In preparing the Report, we strive to ensure the information covered in the Report meets the four reporting principles as required by the Stock Exchange of Hong Kong Limited (the “Stock Exchange”), namely, materiality, quantitative data, balance, and consistency.

Scope of the Report

The Report is substantially the same as 2024 Annual Report, which covers Fu Shou Yuan International Group Limited and its subsidiaries.

Basis of Preparation

The Report has been prepared in accordance with the requirements under Environmental, Social and Governance Reporting Guide issued by the Stock Exchange (hereinafter referred to as “ESG Reporting Guide”) and with reference to the concerns of Fu Shou Yuan’s stakeholders.

Information Sources and Reliability

The information and cases used in the Report are mainly extracted from the Group’s statistical report and related documents. The Group undertakes that the Report does not contain any false information or misleading statements, and we are responsible for the truthfulness, accuracy and completeness of the contents of the Report.

Confirmation and Approval

The Report has been approved by the board of directors of the Group on March 21, 2025 upon the confirmation by the Group’s management.

Report Access and Feedback

The Report is provided in both Traditional Chinese and English for readers’ reference. The electronic version of the Report can be accessed in the category headed “Financial Statements/ESG Information” under company announcement on the website of the Stock Exchange of Hong Kong Limited or on the official website of Fu Shou Yuan.

We highly value the opinions of our stakeholders and encourage readers to contact us through the following means. Your feedback will assist us in further improving this Report and enhancing the Group’s overall sustainability performance.

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Address: Unit 709, K. Wah Centre, 191 Java Road, North Point, Hong Kong
or:

No. 500, Lane 7270, Waiqingsong Road, Qingpu District, Shanghai

With a heart of reverence, we safeguard the dignity of life, and with the power of innovation, we extend the warmth of emotions. As an explorer and participant in the development and reform of the funeral industry, Fu Shou Yuan has always adhered to the values of “respecting life and reflecting humanity”, wholeheartedly guarding every life’s journey.

In 2024, coping with ongoing challenges such as global climate change and population aging, Fu Shou Yuan is well aware of the social responsibility and mission it carries as a leading provider of funeral and life technology services. Upholding the corporate spirit of being “Innovative, Genuine, Mindful, and Sincere”, we have deeply embedded the concept of sustainable development into our growth strategy. We steadfastly maintain the governance principles of integrity and honesty, committing ourselves to promoting the sustainable development of the funeral industry in the new era.

In the past year, Fu Shou Yuan has continued to delve deeply into the realm of spiritual and humanistic care for terminal stage patients and their families, constantly exploring Fu Shou Yuan’s solutions. Under the strategic framework of “integrated hospice and funeral services”, we have actively consolidated our advantageous resources by establishing profound connections with universities, hospitals, communities, nursing homes and other stakeholders, and have provided comprehensive support for the development of hospice care undertaking from theoretical guidance to practical implementation. Simultaneously, we remained true to our original intention of “caring for life and escorting for life”, and have made continuous efforts in the dissemination of life culture and life education, which allows the warmth of public welfare and the value of life to permeate throughout society.

Additionally, around the “3J” concept of “Jihao” (literally mark) beautification, “Jizai”(literally record) thickening, and “Jinian” (literally memorial) lengthening, Fu Shou Yuan has been steadfastly deepening its strategic position as a provider of life technology services. We have rolled out innovative products and services such as “virtual digital humans” and “immersive digital auditorium” across multiple parks, further facilitating the profound transition from bidding farewell to physical life to the continuation of spiritual life.

Fu Shou Yuan is well aware of the importance of talents and consistently seeks to attract skilled individuals, offering employees a diverse, equal and nurturing stage for development. We have established clear promotion pathways and refined our training systems to assist our staff in realizing their potential, thereby becoming “life guardians” who feel a sense of belonging and mission.

Moreover, we have actively responded to the national “Dual Carbon” goals by diligently conducting carbon inventory assessments, achieving one “Carbon Neutral” certification after another. We are propelling the reduction of stone usage and the development of ecological land-saving burials, promoting smoke-free cemeteries and green memorial practices, committing to constructing century-old ecological cemeteries using resource-efficient and eco-friendly materials and techniques.

Looking ahead, we are dedicated to continuously optimizing our sustainable development framework and enhancing the level of our life technology services. We aim to add a warm hue to the final chapter of life, helping the living cross the chasm of time, and gathering the glimmers of light from life’s journey to illuminate the path forward.

Bai Xiaojiang

Fu Shou Yuan International Group Limited

Chairman of the Board of Directors and Executive Director

Wang Jisheng

Fu Shou Yuan International Group Limited

Executive Director and President



Economic Issues

Environmental Issues

Employee Issues

Social Issues

Revenue: RMB 2,077 million	Water Consumption: >> 4.47 ton/ RMB 0,000 revenue	Employee Distribution: >> Female employees accounting for 41.9 %	Survey Results on Customer Service Satisfaction : >> Funeral Service Segment: 82.2 % Cemetery Service Segment: 83.6 %
Number of Services: 77,712	Electricity Consumption: 6.10 MWh/million RMB revenue	Training Hours per Employee: 65.59 hours/employee	Total Public Welfare Expenditure: RMB 1,872,000
Regional Coverage: More than 40 cities in 19 provinces, autonomous regions and municipalities	Energy Consumption: 13.56 MWh/million RMB revenue Non-hazardous Waste: 2.76 ton/million RMB revenue Greenhouse Gas Emission: 4.90 ton CO ₂ e/million RMB revenue		Cemetery Service Segment: 471 suppliers, from 6 regions of the country

We have always positioned corporate governance as a matter of strategic significance, continuously advancing the refinement of our corporate governance system. By optimizing governance structure, strengthening internal controls and enhancing transparency, we ensure the scientific nature and efficiency of our decision-making.

1.1 About Us

Established in 1994, Fu Shou Yuan has been a participant, explorer, and promoter in the evolution and transformation of China's death care service industry, and has become a leading funeral and life technology service provider in China. Over the past three decades, the Group has consistently been at the forefront of industry innovation and has continuously explored the transition from the physical realm of "Fu Shou Yuan" to the spiritual realm of "Fushou Yuan", striving to "beautify 'Jihao'", thickening 'Jizai', and lengthening 'Jinian'.

Currently, the business segments of Fu Shou Yuan cover various fields, such as cemetery operations, funeral services, equipment manufacturing, memorial supplies, planning and design, preneed funeral contracts, Internet +funeral services, and life education. Our presence has expanded to over 40 cities in 19 provinces, autonomous regions and municipalities including Shanghai, Henan, Chongqing, Anhui, Shandong, Liaoning, Heilongjiang, Fujian, Zhejiang, Jiangxi, Jiangsu, Guangxi, Beijing, Guizhou, Inner Mongolia, Hubei, Gansu, Hubei and Shaanxi.

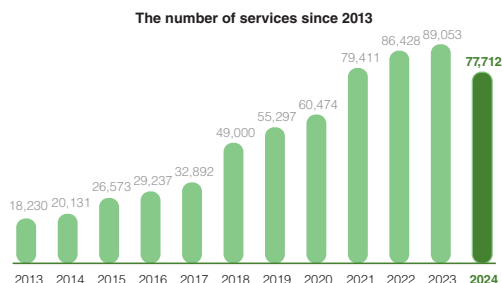
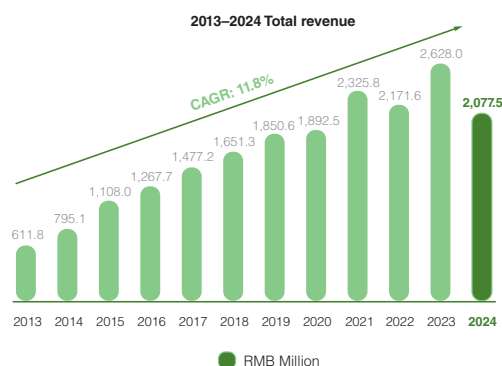
On December 19, 2013, Fu Shou Yuan was listed on the Hong Kong Stock Exchange, becoming a leading model in terms of compliance management and innovative development of death care service providers in China. During the Reporting Period, our sustainability performance was awarded an AA rating by Morgan Stanley Capital International (MSCI), and we continued to be included in the Hang Seng Corporate Sustainability Benchmark Index. The global leadership position fully demonstrates Fu Shou Yuan's commitment and outstanding performance in sustainable development.

1.2 Operating Performance

As one of the first batch of private enterprises to enter the funeral service industry in China, Fu Shou Yuan has been practicing the business philosophy of "turning cemeteries into parks and making farewells beautiful", and has been leading the development of China's funeral industry through continuous innovation. On the one hand, Fu Shou Yuan has been taking customer experience as the core, improving service quality through technological empowerment,

meeting personalized needs and enhancing customer loyalty. On the other hand, we take diversified and differentiated products as our core competitiveness, and have been continuously optimizing cemetery facilities and accelerating the development and use of innovative products. In addition, we extend the commemorative cycle through the digital record function to build ongoing needs and promote the funeral to the 4.0 era.

In 2024, Fu Shou Yuan extended the margins of pre-life services, integrated hospice care, grief counseling and other transfer support services, and built a community hospice care volunteer system. In April 2024, we signed a strategic cooperation agreement with Xiamen Aixin Nursing Home. At the same time, we have continued to increase our regional presence, and we now have 34 cemeteries and 31 funeral service facilities. Since its listing, Fu Shou Yuan has had a sound capital structure and strong cash generating capacity, and its benign capital expenditure program can bring good reports to shareholders and provide strong protection for future development.



* Welfare cemeteries and village relocations are excluded

1.3 Corporate Governance

Fu Shou Yuan strictly adheres to the regulatory requirements of the place of its listing and complies with *Corporate Governance Code* issued by the Stock Exchange. We continuously optimize our corporate governance structure and enhance the effectiveness and diversity of our governance practices. Upholding the principles of fairness and transparency, we safeguard rights of investors, address stakeholder concerns, and ensure the steady, long-term growth and sustainable development of our Group.



— Board Structure of Fu Shou Yuan —

Audit Committee

Assists the Board in providing independent view on the effectiveness of the Group's financial reporting process, internal control and risk management system.

Oversees the audit process and performs other duties and responsibilities as assigned by the Board.

A total of 2 meetings of Audit Committee were held in 2024 to review and discuss the interim and annual financial statements, interim and annual results announcements and reports, and make recommendations to the Board on the re-appointment of auditors.

Remuneration Committee

Assesses the remuneration of executive directors and senior management and makes recommendations to the Board in this regard.

Reviews the performance of senior management and determines their remuneration composition.

A total of 1 meeting of the Remuneration Committee was held in 2024.

Nomination Committee

Plans the nomination policy for consideration by the Board, implements the nomination policy formulated by the Board, and advises the Board on appointment of candidates to fill vacancies on the Board.

A total of 1 meeting of the Nomination Committee was held in 2024.

Compliance Committee

Reviews and supervises the legal and compliance matters of the Group to ensure that the Group's operation complies with all applicable laws and regulations.

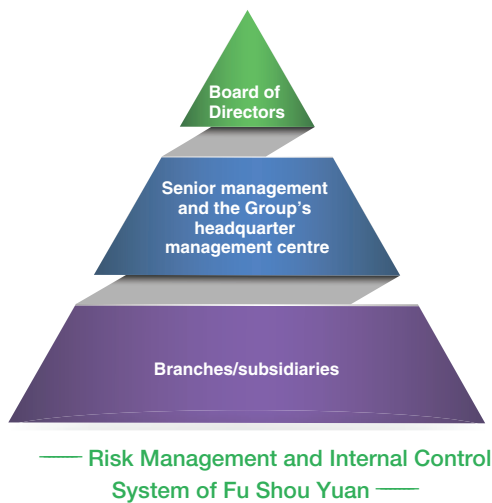
A total of 2 meetings of the Compliance Committee were held in 2024 to approve the disclosure of environment goals of Fu Shou Yuan and the climate change risks it exposes to, improve the attention for the sustainability risks of the environment and reviewed the results of sustainability efforts over the past few years.

— Committee Functions and Summary of Key Work —

Risk Management

Fu Shou Yuan recognizes fully the importance of corporate risk management. We continuously improve our risk management and internal control mechanisms, foster a risk management culture and build a learning-oriented organization, adhere to compliance bottom lines and effectively address various risks to provide a solid foundation for the steady business development.

In line with the Enterprise Risk Management (ERM) framework established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), Fu Shou Yuan has established a three-tier risk management and internal control architecture system, which includes the Board of Directors, senior management, as well as the Group's headquarter management centre and various branch/subsidiaries.



Under this framework, we continuously refine the closed-loop management mechanism for risk identification, risk assessment, risk response, and risk review. Starting from four types of risks — systemic risks, corporate risks, segment risks, and individualized risks — we have developed risk inventories in three areas: policy risks, operational risks, and integrity risks. The identified risks are assessed in high, medium, and low quadrants based on their likelihood and impact, enabling targeted risk response measures to be taken to ensure that risks remain under control.

On this basis, we updated the risk repository through a combination of annual assessments and quarterly monitoring, taking into account external policy changes, internal management status, and business needs. We also carried out risk management training, and developed annual internal audit plans to perform annual audit.

During the Reporting Period, in light of the approaching strategic milestones of China's "dual carbon" goals, we elevated the importance of environmental protection risks (including climate change risks) through multi-dimensional comprehensive research and risk analysis via questionnaires, interviews, and other methods, and listed such risks as specially monitored items, further deepening our tracking of environmental and climate change-related policies and regulations, as well as the management of our own environmental impact.

Additionally, based on the 2024 adjustments to funeral industry policies across various regions, we specifically reviewed common compliance risk points in our operations. This information was disseminated to employees of the Group and its subsidiaries in the form of training, ensuring that Fu Shou Yuan maintains its leading advantage in compliant and standardized operations within the industry.

Furthermore, we further deepen the standardization of internal control documentation. Starting from six key areas — marketing management, project management, financial management, procurement management, human resource management, and comprehensive management — we have established standard steps, requirements, processes, and documentation. Through standardized training, we enhance the skills and competencies of risk control specialists. During the Reporting Period, we completed the review and standardization of 9 critical business processes and improved the optimization and implementation of 5 OA management processes.

Business Ethics

Fu Shou Yuan consistently upholds the principle of integrity and maintains a “zero-tolerance” stance towards any form of corruption, unfair competition, and monopolistic practices. During the Reporting Period, no incidents involving violations of business ethics or corruption-related lawsuits occurred within the Group or among its employees.

In strict compliance with applicable laws and regulations such as the *Company Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, and the *Anti-Unfair Competition Law of the People's Republic of China*, we have established the *Fu Shou Yuan International Group Anti-fraud Work System*. This system clearly outlines control measures, reporting mechanisms, and handling procedures for fraudulent activities. During the Reporting Period, we updated the Employee Handbook and conducted training sessions in accordance with the *Standard Guideline for Comprehensive Management of the Anti-corruption Systems Construction*. Additionally, we monitored and continuously improved the development and revision of anti-corruption policies across the Group and its

subsidiaries, focusing on the implementation of anti-corruption measures through centralized spot checks, routine inspections, and specialized governance initiatives.

We have established a comprehensive integrity and self-discipline supervision and reporting mechanism, allowing both internal and external individuals to report issues through channels such as hotlines and email. Upon receiving a report, the relevant departments of the Group will immediately initiate an investigation in accordance with regulations. Additionally, Fu Shou Yuan has clearly defined whistleblower protection and strict confidentiality measures within its policies, providing necessary legal support when needed to effectively safeguard the legitimate rights and interests of whistleblowers.

The Group attaches great importance to cultivating integrity awareness among employees and management. Through systematic education and training, as well as strict professional ethics standards, we continuously enhance the integrity level of all employees, thereby effectively managing and reducing our business ethics risks.

Anti-corruption Training

In 2024, we delivered a series of courses to our employees, including “Value Creation through Corporate Internal Control, Internal Audit, and Risk Management” and “Achieving the Greater Good While Attending to the Smaller Details (得其大者可以兼其小)”. These courses were conducted through various formats, such as the online Fu Shou Yuan M Cloud Service Platform and offline collaborations with training and educational institutions under the “Enterprise Training Membership Program”.

During the Reporting Period, Fu Shou Yuan provided employees with 125 hours of anti-corruption-related training, representing a year-on-year increase of 30.21%. The number of employees participating in anti-corruption training reached 530, representing a year-on-year rise of 34.52%.

In addition to the three founders responsible for Fu Shou Yuan’s overall strategic planning and business development, the Board includes three non-executive directors with extensive experience in manufacturing, investment, finance, and financial fields, as well as four independent non-executive directors who hold authoritative positions in their respective fields. These include seasoned financial experts, legal experts, and a former board secretary with years of experience in listed company management.

Fu Shou Yuan keeps optimizing the composition of its Board to ensure the professionalism, independence, and diversity of its members, laying a solid foundation for its overall development and continuous innovation and supporting its stable operations and sustainable development. Looking ahead, Fu Shou Yuan remains committed to building a life technology service platform that embodies humanistic warmth and forward-looking vision.

1.4 Diversity of the Board

Fu Shou Yuan promotes diversity among its board members in accordance with the Board Diversity Policy. By comprehensively considering factors such as gender, region, cultural background, professional expertise, and experience, we carefully select, nominate, and appoint board members to ensure they possess extensive industry experience and professional knowledge. This enables them to provide strong support for the Company’s strategic planning and business development.

As of the date of this report, the Board consists of three executive directors, three non-executive directors, and four independent non-executive directors, with female directors accounting for 20%. In

Fu Shou Yuan is dedicated to providing high-quality funeral services and leading the innovation and development of China's death care service industry. We integrate the concept of sustainable development into our strategic planning and implement it in our daily operations to address stakeholder concerns. We actively fulfill our social responsibilities and promote the long-term sustainable development of the industry and society.

2.1 Strategy of Sustainable Development

Rooted in the core elements of life education, historical heritage, technological leadership, charitable initiatives, and green environmental protection, Fu Shou Yuan continues to optimize its sustainable development strategic system, striving for the co-growth of corporate value creation and social value creation. In 2024, Fu Shou Yuan further deepened the “3JI” concept, centering on “beautify ‘Jihao’, thickening ‘Jizai’, and lengthening ‘Jinian’”. Simultaneously, we advanced in multiple fields such as life education and the “integration of palliative care and funeral services”, building a multi-dimensional sustainable development capability.

Fu Shou Yuan

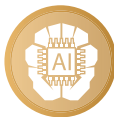
Sustainable Development



Life education
Li Ji Academy



Historical heritage
Shanghai Fu Shou Yuan Humanities
Memorial Museum



Technology driven
Digital-empowered
Fu Shou Cloud Technology
Life Technology
Fu Shou Cloud Technology



Public welfare
Shanghai Fu Shou Yuan
Public Welfare Development
Foundation



**Green and Environmental
Protection**
Service Ecosystem

— The Sustainability Strategies System of Fu Shou Yuan —

Life education

Fu Shou Yuan focuses on enhancing the perception of life culture and expanding life education, actively promoting public welfare initiatives and industry-academia-research projects to encourage more members of the public to confront the subject of life. During the Reporting Period, the first cohort of undergraduate students in funeral services at the Shanghai Qingpu Li Ji Academy of Continuing Education (上海青浦禮濟進修學院) (“Li Ji Academy”) commenced their studies after the college received approval from the local education bureau to operate as a private institution. Additionally, China’s first research report focusing on the quality of end-of-life care, titled “Bringing ‘Good Death’ Back to Reality: 2024 Report on the Quality of End-of-Life Care for Chinese Residents (《把「善終」帶回現實：2024中國居民善終質量研究報告》)”, was released at the inaugural International Forum of the Yangtze River Delta Life Service Industry Think Tank, hosted by Li Ji Academy. Furthermore, Fu Shou Yuan actively collaborates with institutions of higher education such as Shanghai University and Beijing Social Management College to advance life education and spearhead the development of the “Industry-education Integrated Unit of Funeral Industry (殯葬行業產教融合共同體)”.

As of the end of the Reporting Period, Fu Shou Yuan has conducted over 350 life education courses, lectures, forums, and experiential activities, involving nearly 1,900 organizations and more than 400,000 target audience. Moving forward, Fu Shou Yuan will continue to deepen its commitment to life education, exploring the meaning of life alongside the public and fostering a reverence for both life and death.

Historical heritage

Fu Shou Yuan values historical heritage and the commemoration of life culture, creating humanistic memorial parks that preserve treasured memories for the living in the form of museums and pass down historical stories through cultural cemeteries. Our humanistic memorial halls, veterans’ memorial squares, body donation memorial squares, and squares honoring heroic martyrs who acted with courage embody the sentiments of family and nation, as well as the memories of the city. They closely connect the value of life with the inheritance of history, expressing profound reverence for life.

Technology driven

As a leading provider of life technology services, Fu Shou Yuan focuses on digital innovation, building a “technology + internet” smart cemetery ecosystem, and is committed to creating memorial spaces for the digital age. During the Reporting Period, Fu Shou Yuan was awarded the Intelligent Innovation Leadership Award at the 13th Financial Summit. Our innovative services, such as “Digital Humans”, “Digital Farewells” and “Immersive Digital Auditorium” have been rolled out across various parks nationwide, offering people new ways to express emotions and commemorate loved ones.

Fu Shou Yuan will continue to advance its digital transformation, and facilitate technology-based life technology services around “beautify ‘Jihao’”, thickening ‘Jizai’, and lengthening ‘Jinian’”, extending love and companionship.

Public welfare

Fu Shou Yuan regards public welfare as a key pillar of its sustainable development strategy, and have invested over RMB400 million in total in public welfare initiatives, benefiting more than 10 million people. During the Reporting Period, with the social mission of “developing family hospice care services and building life-friendly communities” and supported by the “Life Community Care Special Fund”, Fu Shou Yuan has significantly advanced the cause of hospice care. Through this way, along with public welfare services such as pre-need contracts, wills, and eco-friendly burials, forms the foundation of Fu Shou Yuan’s charity efforts to benefit the people.

In the future, Fu Shou Yuan will continue to uphold the concept of advancing public welfare, contributing to rural revitalization, practicing benefiting funeral services, and safeguarding the dignity of life.

Green and Environmental Protection

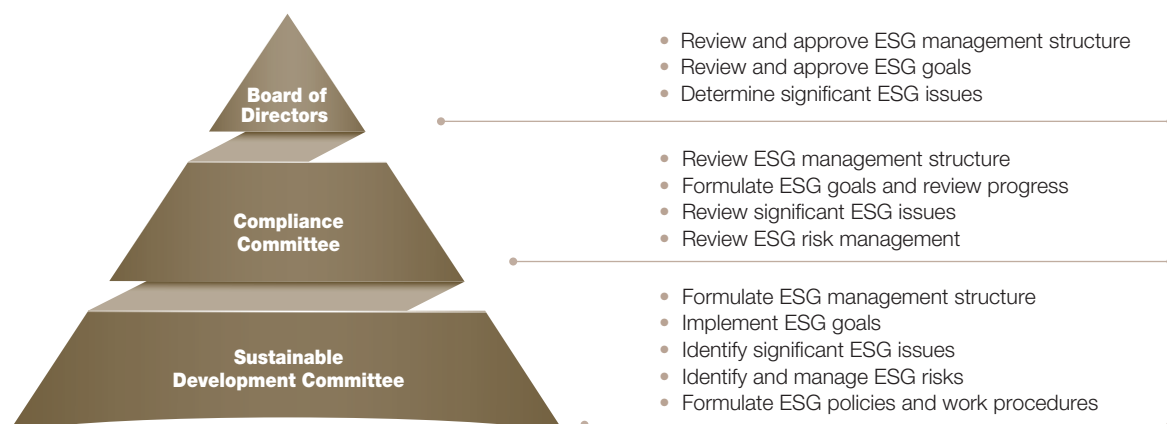
Guided by ecological civilization, Fu Shou Yuan is fully committed to promoting green and low-carbon development. The Company focuses on building a century-long ecological legacy by optimizing coffin structures and selecting environmentally friendly building materials. With the core principle of “tombstone slimming and memorial capacity expansion”, we aim to reduce the use of stone materials and land occupation while promoting ecological burials, actively addressing climate change, and practicing green and environmentally friendly operations. During the Reporting Period, we continued to conduct “carbon footprint” assessments for our tombstone products and, for the fourth consecutive year, received the national exclusive carbon-neutral cemetery certification.

Looking ahead, Fu Shou Yuan will continue to focus on six environmental goals, driving low-carbon transformation and green development at the corporate, industrial, and societal levels.

2.2 Governance of Sustainable Development

Fu Shou Yuan has established a robust three-tier ESG governance structure that clearly defines responsibilities at each level. The Board is responsible for approving the ESG management framework, objectives, and reports, as well as identifying significant ESG issues. The Compliance Committee oversees the progress of ESG goal achievement, regularly reviews ESG management policies, strategies, and governance structures, and submits the review results to the Board for risk assessment. The Sustainable Development Committee is tasked with building the ESG management framework, formulating relevant policies, identifying ESG risks, and executing goals to ensure the effective implementation of the Group’s ESG guidelines in daily operations.

During the Reporting Period, the Sustainable Development Committee of Fu Shou Yuan held two meetings. These meetings focused on key sustainability issues and involved in-depth discussions. Meanwhile, the committee also reviewed the progress of environmental goal achievement, identified and assessed significant risks posed by climate change and their potential impacts. Additionally, the committee engaged with management to discuss the latest developments in sustainability and relevant policy guidance.



— Fu Shou Yuan's Three-Tier Governance Structure for ESG —

The Board's Statement	
The Board responsibility	The Board assumes ultimate responsibility for Fu Shou Yuan's ESG strategies and performance. The Compliance Committee plays a leading role in formulating ESG strategies, goals and management policies and coordinating the resource deployment for sustainable development goals and their implementation.
Implementation in daily business	The Sustainable Development Committee is responsible for the day-to-day implementation and monitoring of the action plans and providing the Compliance Committee with recommendations on strategies, goals and management policies in an effort to incorporate sustainable development concepts into its daily operations.
Risk identification	The business nature of Fu Shou Yuan and the environment in which we operate expose us to a variety of potential risks, which may have an impact on the Group's sustainable development. The Sustainable Development Committee is responsible for identifying, managing, overseeing and controlling risks and supporting the Board on risk analysis and decision making.
Materiality analysis	We regularly organize internal and external activities to maintain close communication with stakeholders, thereby identifying and assessing and prioritizing ESG issues. The priority of our materiality issues is determined based on the third-party materiality assessment, and the assessment results have been discussed and approved by the Sustainable Development Committee.

Sustainability Risks Management

In its daily operations and management, Fu Shou Yuan integrates sustainability risks into its overall risk management system by identifying and managing three major categories of risks: policy risks, operational risks, and integrity risks. Policy risk identification and management encompass legal and regulatory risks associated with climate change related transition risks. Operational risk identification and management include physical risks related to climate change, as well as risks in the supply chain and occupational health and safety. Integrity risk management involves risks related to business ethics and anti-corruption.

Additionally, Fu Shou Yuan has incorporated material ESG issues into its investment project evaluation system through its investment valuation and decision-making models. These issues are embedded in the investment valuation decision-making models in the form of quantifiable coefficients. This initiative not only reflects Fu Shou Yuan's responsible investment philosophy but also underscores its emphasis on the sustainability risks and values of investment projects. Furthermore, during the post-investment project evaluation and management process, the Company follows up and assesses the ESG-related information and performance of the relevant projects.

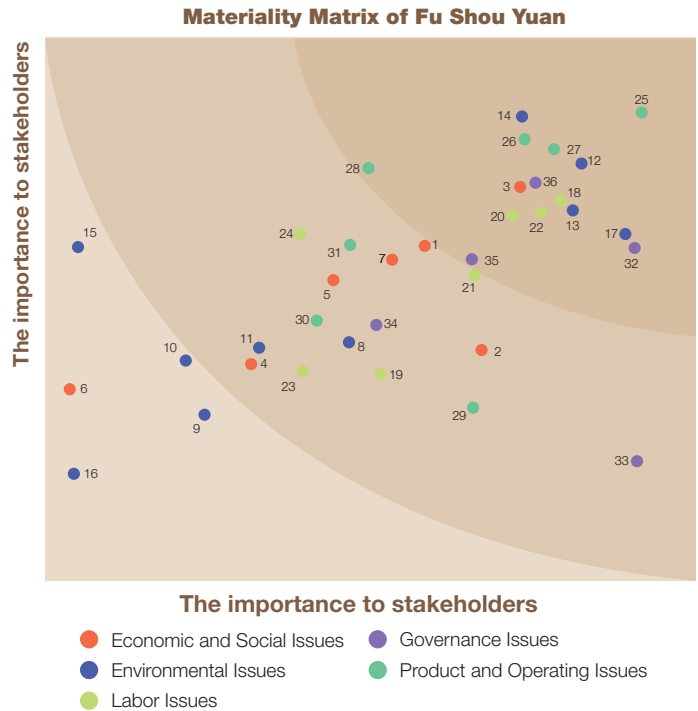
2.3 Stakeholder Communication

Fu Shou Yuan values stakeholder communication and listens attentively to the opinions of parties concerned. We conduct regular and irregular communication and exchanges through on-site communication, emails, WeChat, video and other channels with stakeholders we identified, which can primarily be divided into 8 main categories, including employees, investors, customers, government and regulators, partners, members of the public, media and capital market rating indices. Such communication aims to catch up with the identification and management of risks, discuss development opportunities, collect major concerns and expectations of stakeholders, give feedback and respond through this Report.

Stakeholder Groups	Issues of Concern	Communications Channels	Frequency/Times
Employees	Occupational health and safety Employment and employee retention Employee performance evaluation and promotion Employee benefits and remuneration Education and training Diversity and inclusion Human rights	— Employee performance appraisal interview — Internal publications: Fushou Humanism Fushou Daily	— Quarterly — Quarterly
Shareholders/ Investors	Company's business performance Governance structure Sustainable development strategy Risk and crisis management Legal compliance	— General meetings — Extraordinary general meetings — Investor meetings — Results releases — Press releases/ Announcements — Field surveys — Brokerage strategy seminars	— Annually — On an irregular basis — Annually — Semi-Annually — On an irregular basis — On an irregular basis — On an irregular basis (Reverse roadshow)
Customers	Service quality and customer complaints Customer privacy protection Product and service compliance Technology and innovation	— Official website — Service managers — Instant communication software — Social media platforms	— On an irregular basis — On an irregular basis — On an irregular basis — Usually daily
Government and regulators	Company's business performance Legal compliance Green death care	— Field surveys — Meetings	— On-demand on an irregular basis for each channel
Partners (including suppliers and service providers)	Supply chain management Raw materials procurement Suppliers assistance	— Field surveys — Meetings	— On-demand on an irregular basis for each channel
Members of the public/ Organizations/ Non-governmental organizations	Economic and social contribution Industry trend and policy Traditional cultural heritage Community development Charity and donation Assistance to vulnerable groups	— Field surveys — Meetings — Instant communication software	— On-demand on an irregular basis for each channel
Media	Economic and social contribution Industry trend and policy Traditional cultural heritage Community development Charity and donation Assistance to vulnerable groups Green death care	— Press releases/ Announcements — Press conferences	— On-demand on an irregular basis for each channel
Capital market rating indices	Staff issues Product and operation issues Governance issues	— Regular email communication — Questionnaire response	— On-demand on an irregular basis for each channel

2.4 Materiality Analysis

Fu Shou Yuan collects opinions from parties concerned through questionnaire surveys, telephone interviews, site visits and face-to-face communication for comprehensive analysis and in-depth exchanges, so as to form a matrix of major issues with 36 ESG issues were identified, of which 15 are issues of major concern in the Report and are disclosed and illustrated in detail in the Report.



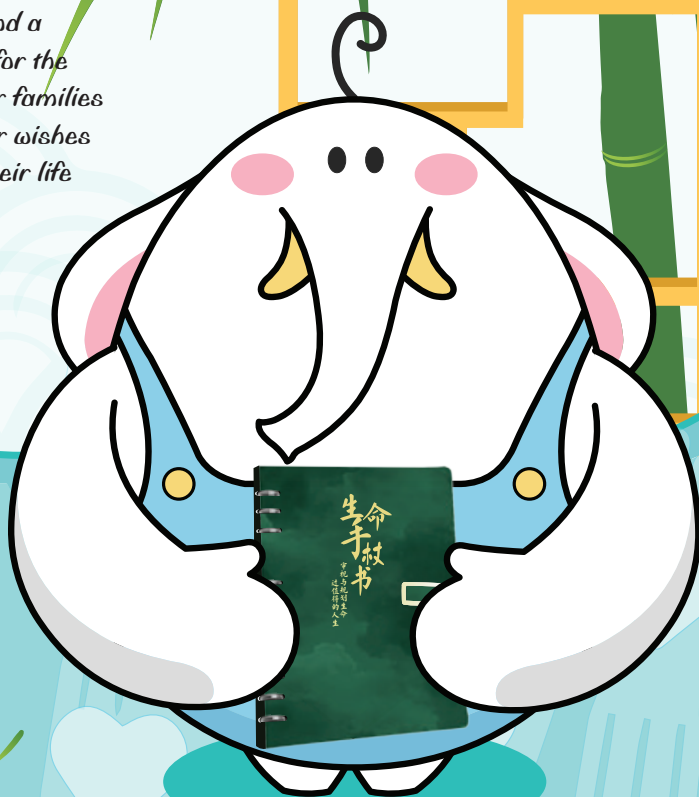
Economic and Social Issues	Environmental Issues	Labor Issues
1. Economic and social contribution 2. Industry trend and policy 3. Traditional cultural heritage 4. Community development 5. Charity and donation 6. Suppliers assistance 7. Assistance to vulnerable groups	8. Energy utilization 9. Resources consumption 10. Emission management 11. Solid waste treatment 12. Park greening 13. Land use 14. Ecological impact and biodiversity 15. Climate change 16. Greenhouse gas emissions and pricing 17. Carbon neutrality	18. Occupational health and safety 19. Employment and employee retention 20. Employee performance appraisal and promotion 21. Employee benefits and wages 22. Education and training 23. Diversity and inclusion 24. Human rights

Product and Operating Issues	Governance Issues
25. Service quality and customer complaints 26. Customer privacy information protection 27. Product and service compliance 28. Advertising and labelling 29. Technology and innovation 30. Supply chain management 31. Raw material procurement	32. Governance structure 33. Sustainable development policy and strategy 34. Anti-corruption 35. Risk and crisis management 36. Legal compliance

Garden of Life Journey



The Life (生命手杖書) serves as a tool suitable for everyone, providing a framework for writing about life topics and documenting their life experiences, and a "Book of Life" for the dying and their families to express their wishes and pass on their life stories.



3.1 Guarding the Journey of Life

Against the backdrop of society entering a phase of high-quality development and an increasingly aging population, how to complete the final stage of life with dignity and quality is a solemn challenge faced by the entire society. This is also the mission of Fu Shou Yuan in transmitting the value of life.

Integrated Hospice and Funeral Services Strategy

With the social mission of “developing family hospice services and building life-friendly communities” and the vision of “providing professional social services for family hospice care and end-of-life management”, Fu Shou Yuan leverages its industry strengths to break down industry boundaries through family-centered hospice management and regional collaborations with medical institutions, which drives the establishment of an “integrated hospice and funeral services” system.

Currently, Fu Shou Yuan has completed work in three major segments: building a public welfare framework, project development, and team construction. Supported by the “Life Community Care Special Fund”, we have developed key projects such as the “Family Hospice Co-Care (Management) Plan” and the “Anshan Plan”. We have established a team structure encompassing clinical services, volunteer services, and training support, while accelerating channel development, product implementation, and internal collaboration. Through “projects replication and service/training delivery”, Fu Shou Yuan reinforced co-construction of hospice projects across its subsidiaries, activated local medical channel resources, and attained capability enhancement, scenario enrichment and value creation in integrating end-of-life hospice and funeral services.

Hospice Care Capacity Building

Fu Shou Yuan continues to enhance its capacity building by focusing on team development, project implementation, and channel expansion and internal collaboration. Taking the newly launched “Anshan Plan” during the Reporting Period as an example, this project emphasizes the construction of a management and operational mechanism for life hospice volunteers, building a core volunteer team and output standards, and providing volunteer operational and management support to cross-regional medical cooperation institutions. As of the end of the Reporting Period, we have established an interconnected system comprising a “core volunteer team”, “volunteer training courses” and a “local output operation mechanism”, and have formed project partnerships with local medical institutions in Shanghai, Ningbo, Jinan, Zhengzhou, and other regions, achieving initial success.



Implementation of Hospice Care Practices

Under the strategic framework of “integrated hospice and funeral services”, Fu Shou Yuan leveraged its resources and established deep connections with universities, hospitals, communities, nursing homes, and other stakeholders, supporting the development of hospice care from theoretical guidance to practical implementation.

During the Reporting Period, the First International Forum of the Yangtze River Delta Integrated Life Services Think Tank, co-hosted by Shanghai Fu Shou Yuan Public Welfare Development Foundation, Li Ji Academy, and the Hospice Care and Medical Social Work Research Center, School of Social Sciences, Shanghai University, was held at Fu Shou Yuan Li Ji Academy. At the forum, China's first research report focusing on the quality of end-of-life care, titled *Bringing 'Good Death' Back to Reality: 2024 Report on the Quality of End-of-Life Care for Chinese Residents* (《把「善終」帶回現實：2024中國居民善終質量研究報告》) was released. This report provides scientific evidence for improving the quality of end-of-life care and death in China, while also charting a forward direction for advancing the development of hospice care.



**Scene from the First International Forum
of the Yangtze River Delta Integrated Life Services Think Tank**

During the Reporting Period, Fu Shou Yuan's hospice care practices received widespread recognition. In the "2023 Shanghai Hospice Care Service Outstanding Case Collection and Selection" event, the case "Sailing Far — Lighting the Lamp for the Journey Home (碩海遠航 — 點亮歸家的一盞燈)" participated in by Shanghai Fu Shou Yuan Public Welfare Development Foundation, won the second prize for outstanding cases. At the 2024 World Hospice Care Day themed conference in the Yangtze River Delta region, Fu Shou Yuan's case "Guardians of Life's Flickering Light — Bringing Peace to Fading Lives (生命微光守护者 — 讓搖曳生命安詳)" also won the second prize and was included in the collection of outstanding cases.

3.2 Spreading Culture of Life Life Education

As a provider of life services, Fu Shou Yuan understands that life services are not limited to "end-of-life care" and "post-life arrangements". They also encompass the perception of life's meaning and the cherishing of life's value throughout the long journey of life. Therefore, Fu Shou Yuan is committed to promoting life education, developing life education courses, creating life education spaces, and establishing life education bases.

Simultaneously, we have extensively collaborated with various universities and institutions to carry out diverse life education co-creation activities, establishing multiple life education bases.

Henan Fu Shou Yuan Received "Life Education Practice Base" Certification.



**"Life Education Practice Base"
Award Ceremony**

As one of the earliest universities in China to engage in life education research, the Center for Life and Moral Education Research of Henan University leverages the unique features and strengths of its educational programs to build a prestigious life education brand, generating widespread influence. During the third Fu Shou Yuan Public Welfare Festival, Wang Dinggong, Director of the Center for Life and Moral Education Research at Henan University and Chairman of the Life Education Professional Committee of the Henan Education Association, presented a researcher appointment letter to Chen Zhennan, General Manager of Henan Fu Shou Yuan. The Center for Life and Moral Education Research of Henan University, Zhengzhou Shengda University, and Henan Provincial Civil Affairs School officially designated Henan Fu Shou Yuan as a "Life Education Practice Base" and awarded the certification.

During the Reporting Period, Fu Shou Yuan collaborated with Chen Yan, an associate professor at Shanghai Institute of Visual Arts and an expert in university life education, to develop the “Fu Shou Yuan University Life Education Research Course”. This course provides university students with an opportunity to deeply perceive life and engage in life education through immersive learning methods. Through carefully designed teaching activities and practical sessions, it helps students establish positive life perspectives and values. Additionally, during the Reporting Period, we participated in various life education activities, including the Life Education and Care Practice Experience Workshop and the Shanghai University Life Education Curriculum Development Seminar, exploring future directions and trends with institutions such as Shanghai Jiaotong University and Tongji University.

Dissemination of Life Culture

The year 2024 marks the 30th anniversary of Fu Shou Yuan. From cultural and public welfare perspectives, we reflected on and summarized the core values that have shaped the Group’s development journey.

Life culture has always been the pursuit of Fu Shou Yuan

- We completed the creation of the *Fu Shou Yuan Humanistic Art Collection: Sculpture Edition/Calligraphy and Painting Edition*, which brings together the essence of Fu Shou Yuan’s life art. Through artistic tombstones, landscape sculptures, and museum-quality calligraphy and paintings within the park, the collection showcases the cultural accumulation of Fu Shou Yuan over the past 30 years.
- Additionally, we compiled *Fu Shou Yuan’s 30th Anniversary Oral History*, which presents its commitment to its “Five Major Responsibilities”—corporate responsibility, social responsibility, industry responsibility, historical responsibility, and public responsibility — through the perspectives of industry experts, employees, clients, media, and public welfare partners.

Public welfare remains its foundational essence

- In collaboration with the Shanghai Academy of Social Sciences and The Paper, we released the *Fu Shou Yuan Charitable Undertaking White Paper 2024*, which outlines the pathways through which Fu Shou Yuan supports the development of public welfare life services.

Highlights of Brand Building for Fu Shou Yuan’s 30th Anniversary

We actively expand external communication channels by strengthening media collaborations and participating in industry conferences to consistently convey Fu Shou Yuan’s life culture philosophy.

Industry Collaboration

Fu Shou Yuan has taken the initiative to undertake the responsibility of developing industry standards, aiming to establish a scientific, standardized, and humanized service system. This effort sets a benchmark for improving the service quality and professional standards of the entire industry, guiding the life services sector toward greater specialization, standardization, and humanization.

Grief Counseling Service Standards for Funeral Practitioners

Proposed and managed by the Qingpu District Funeral Association, jointly drafted by Shanghai University’s School of Sociology and Political Science, Li Ji Academy, and Fu Shou Yuan Public Welfare Foundation, the *Grief Counseling Service Standards for Funeral Practitioners (T/QPBZXH 0002-2024)* was officially released in December 2024. This group standard, along with the *General Rules for Funeral Social Work Services*, lays the foundation for the standardization of “hospice-funeral collaborative services” and explores the methodology of “life social work”. By reasonably expanding the scope of professional social work throughout the life cycle, we aim to transform closed-loop service content, enhance life quality in the “last mile”, and strengthen the professional capabilities and precision of “medical-elderly care-funeral integration” services.

Industry Exchange

Fu Shou Yuan consistently upholds an open and collaborative attitude, actively participating in various domestic and international industry conferences and forums. We are committed not only to sharing our advanced experiences and achievements in funeral service innovation, green burial promotion, and cultural heritage preservation, but also to actively listening to the voices of our peers and jointly exploring the challenges and opportunities faced by the industry.

First China Funeral Governance 30-Person Forum.

During the Reporting Period, the First China Funeral Governance 30-Person Forum was held at Shanghai Fu Shou Yuan. Hosted by China Society for Social Governance and co-hosted by the Funeral Governance Research Branch of China Society for Social Governance and Fu Shou Yuan, the forum aimed to implement national decisions on promoting funeral reform and changing customs. It focused on discussing theoretical and practical issues related to funeral governance, fostering exchanges among government, industry, academy, and research in the funeral sector, and providing intellectual support for accelerating the improvement of a funeral governance system with Chinese characteristics.

3.3 Spreading Public Welfare and Compassion

As Fu Shou Yuan continues to grow and expand, its public welfare cause has also been on the rise, gradually reaching over 40 cities nationwide starting from Shanghai. Over the years, we have cumulatively invested more than RMB400 million, covering areas such as charity aid, emotional assistance, hospice care, educational assistance for special groups, life education, and environmental protection, benefiting over 10 million people. During the Reporting Period, we contributed a total of RMB1,872,000 for charity business.

“Life Journey and End-of-Life Well-being” Fund

During the Reporting Period, Shanghai Fu Shou Yuan Public Welfare Development Foundation donated to Education Development Foundation of Shanghai University to establish the “Life Journey and End-of-Life Well-being” Fund for Shanghai University’s School of Sociology and Political Science. This fund will progressively support initiatives such as scholarships and financial aid, course and industry product development (including the “Funeral Social Work” direction within the adult continuing education “Social Work” undergraduate program), research projects (e.g., research on multi-stakeholder collaborative governance models in the funeral industry from a social governance perspective, and the design of death literacy surveys and death education courses in China), and the development of international collaborative projects, all aimed at fostering talents in the industry.



Scene from the Donation Ceremony

During the Reporting Period, Fu Shou Yuan was honored with the “Annual Education Charity Contribution Award” at the 13th China Charity Festival, recognizing its outstanding contributions to public welfare. Looking ahead, Fu Shou Yuan will remain true to its original heart, actively leveraging its influence in social welfare to contribute to building a better society and making a meaningful impact.

Emotional Healing Garden

Supplier exchange meeting

- Establish a risk management mechanism
- Establish a regular sustainable supply chain risk management mechanism

- Regularly review and summarize

- Conduct regular risk review and summarize the opened projects

- Identify opportunity points for enhancement

- Collect relevant data and information, and identify opportunity points for further improvement

- Create a closed management loop

- Create a closed loop of sustainable supply chain management

Supply chain ESG impact assessment

Prevention and mitigation of ESG negative impacts

Key control of sustainable risks

Establishment of supplier collaboration mechanisms

Multi-dimensional supplier empowerment

Continuous information collection and risk assessment

Ongoing identification of areas for improvement



As a leading funeral and life technology service provider in China, Fu Shou Yuan consistently upholds respect and care for life, thoughtfully safeguarding every stage of the life journey. We are also committed to empowering high-quality funeral products and services through digital technology, driving technological breakthroughs with the passion of innovators, and ensuring service quality with the dedication of upholders, allowing the power of memory and companionship to endure.

4.1 Innovative Life Services

Fu Shou Yuan adheres to innovation-driven practices by implementing the “3JI” life technology service philosophy and instilling traditional services with new cultural connotation and digital elements, enhancing the breadth and depth of life technology services.

Funeral Services

Fu Shou Yuan is committed to continuously innovating funeral service formats, elevating the emotional value and cultural significance of services, and ensuring that funeral services are filled with warmth and respect. During the Reporting Period, we improved and promoted existing services such as on-site home cleansing and 3D printing remains restoration. Simultaneously, we actively expanded innovative services: upgrading bathing of the deceased to ritual bathing ceremony, enhancing family participation and sense of ceremony to comfort the bereaved; designing meditation ceremonies and meditation lighting to create immersive experiences that guide the living to reflect on the meaning of life and achieve emotional healing; independently developing three eco-friendly floral products and collaborating with suppliers to create new eco-friendly paper coffins, offering products that combine environmental sustainability with artistic value, and promoting new cultural concepts in funeral services.

Upgrading the “Four Halls” of Life Planning.....

The Group has developed the *New Cultural Project — “Four Halls” of Life Planning Scheme*, which centres on the core concept of “modern commemoration and spiritual healing”. The plan designs and arranges the Hall of Life Spirit, Hall of Life Ceremonies, Hall of Life Gatherings, and Hall of Life Education, reducing traditional funeral elements to meet diverse scenario-based needs.



Before upgrading



After upgrading

In terms of digital transformation, we continue to create memorial spaces for the digital age, actively applying and promoting digital technologies. We have advanced the renovations of immersive digital memorial halls across multiple parks nationwide, enhancing the settings and procedures of farewell ceremonies. Through artificial intelligence-generated content (AIGC) technology, we vividly recreate the voices, appearances, and life memories of the deceased. Family and friends can also view photos and videos of the deceased’s life in the memorial hall, read memorial texts by scanning QR codes, and experience a more technologically advanced and humanistic modern funeral service.

Since its implementation until the end of 2024, Fu Shou Yuan’s immersive digital memorial halls have hosted 69 funeral, farewell and memorial ceremonies and events, receiving positive feedback from all parties.

In terms of the funeral service guarantee system, we have comprehensively strengthened service support across four dimensions: systems, processes, capabilities, and standards.

Systems	Processes	Capabilities	Standards
Developing and implementing specialized systems such as funeral service terminology and classification management, and funeral fee management to enhance service standardization	Providing customers with one-stop worry-free services by assigning dedicated funeral service personnel, applying digital information management and implementing QR code verification mechanisms to achieve full-process information closed-loop management, effectively mitigating operational risk	Continuously conducting professional training, encouraging and supporting funeral personnel to participate in national industry skill contest and expanding the breath, depth and warmth of funeral services	Actively participating in the formulation of industry standards such as the Ministry of Civil Affairs' <i>Service Standards for Farewell to the Remains</i> and Chongqing's <i>Service Standards for Transportation of Remains</i> , promoting the standardization of funeral services and supporting high-quality development of the industry

Cemetery Services

We build picturesque park-style cemeteries to cherish every precious emotion and memory. Fu Shou Yuan adheres to the “3J” life service philosophy by integrating new cultural concepts and digital technologies into cemetery services. We are constructing digital cemeteries and intelligent tomb sweeping facilities, promoting innovative services such as AR park tours, virtual-real interaction, and online memorials, creating a digital-era space for remembrance, allowing companionship and memories to endure.

Creating Beauty through “Jihao”

In the funeral industry, “Jihao” is not just a simple marker but also a symbolization which bears the respect for the deceased's life, comfort for the families' emotions, and the continuation of beautiful memories. Fu Shou Yuan continues to explore product miniaturization, style diversification, and layouts personalization, as well as innovative “Jihao” such as “Life Crystals”. These efforts save resources, reduce land use, and infusing tombstones with more cultural significance by incorporating artistic elements like flowers, birds, insects, and fish, as well as personalized designs into our products.



Product miniaturization



Style Diversification



Layouts Personalization

“Jizai” Writing with Virtue

Fu Shou Yuan integrates traditional culture with digital technology, enriching “Jizai” in online and offline forms such as digital tombstone plaques, digital family shrine mini-programs, and life book lounge. A code is equipped with a digital tombstone plaque that allows mourners to scan a QR code and learn about the deceased's life and story. The digital family shrine mini-program, “元家載”, integrates such functions as digital memorials, digital avatars, AI family histories, and online memorials, enriching memorial forms. The life book lounge collects and displays autobiographies or other books voluntarily donated by clients, preserving and documenting the emotional connections between the deceased and their loved ones in a physical space.



Display of Books in Shandong Fu Shou Yuan Life Book Lounge

“Jinian” Expressing Everlasting Love

Fu Shou Yuan continues to promote AI digital memorial services by consolidating the deceased’s pre-death records and creating lifelike “digital avatars” with AI technology. During grave visits and honoring the deceased, these “digital lives” can carry more memories and warmth, showcasing humanistic elements, deepening the emotional expression of memorial activities and extending the power of love and companionship. Additionally, our parks offer offline AR-guided tours and online memorial halls, allowing families to preserve important digital assets such as photos and pre-death information of their loved ones online, ensuring the continuity of spiritual wealth.

In the process of advancing digital transformation, Fu Shou Yuan maintains a deep respect for technology ethics and proactively manages technology ethics and digital application risks. In compliance with national laws and regulations, we safeguard information security based on the standards of key information protection units to ensure that each client’s personal information is fully respected and protected. The Group has established rigorous authorization mechanisms by requiring clients to sign authorization agreements when providing life technology services. This clearly defines the scope of use of pictures, texts, human voices and human face, and digital avatars uploaded by clients. We also implement appropriate freeze and delete mechanism, phone number connection and real-name verification and other privacy protection measures to effectively prevent information leaks and misuse.



Fu Shou Yuan’s Trademark Profile

While continuously enriching its life technology services, Fu Shou Yuan also places significant emphasis on the development of intangible assets and the protection of intellectual property. We strictly adhere to laws and regulations such as the *Patent Law of the People’s Republic of China*, the *Copyright Law of the People’s Republic of China*, the *Trademark Law of the People’s Republic of China*, and the *Implementing Regulations of the Patent Law*, to implement standardized management of the design, application, and registration processes for intellectual property and patents related to trademarks and products. As of the end of the Reporting Period, Fu Shou Yuan has 39 patents and 282 trademarks in total, including 12 trademarks approved during the Reporting Period.

4.2 Perfecting Services with Quality

Digital Service System

Fu Shou Yuan actively builds the digital service system, and has completed the integrated construction and put in use of a new version of cemetery business management system during the Reporting Period, significantly improving service convenience and customer satisfaction.

Multi-end linkage	Full-chain management
Achieving unified database and system architecture, integrating the system website (PC-end), corporate WeChat mini-programs (employee-end) and WeChat mini-programs (client-end). Multi-centre linkage operation and real-time message push resolve data soli issues, enabling point-to-point customer satisfaction feedback and accountability.	Covering all services stages of cemetery pre-sales, sales, and after sales. Clients may use tools like online maps to handle all business online, including tombstone purchase, burial, shuttle bus reservation, valet tomb-sweeping, potted flower rental and flower purchase and other modules, addressing the pain point of cemeteries being far away from metropolitan area and inconvenience for clients to purchase tombs.

Marketing Management

Fu Shou Yuan upholds integrity business principle and systematically advances regulated marketing system construction. In business management, we strictly follow relevant national laws and regulations and implement the *Sales Pricing Management Measures of Fu Shou Yuan International Group Limited* and the *Sales Discount Management Measures of the Cemetery and Funeral Units under Fu Shou Yuan International Group Limited*. We have established a transparent pricing system, standardized sales processes and implemented responsible marketing practices to protect clients' interests.

The Group has built an integrated online and offline marketing model to convey advanced life culture concepts and sincere service spirit of Fu Shou Yuan via multiples channels. Through offline channel, we deepen service reach through involving in charity events, community promotion, channel network building, and explore forms of "Life Flower Store", "Life Book Store", "Life Cafe" to optimize store experience, enhance customer maintenance; and through online channel, we actively expand new media marketing, reinforce new media capability building by expanding our reach to new media tools and network platforms, and conduct differentiated content marketing via short videos and dynamic posters to acquire customers and convey civilized funeral concept.

Professional team building

- Focusing on building professional video creation team, improving account activeness through community operation, while conducting targeted training on MCN live broadcasting traffic infusion and new media content ideation, comprehensively enhancing the professionalism of the team.

Professional tool introduction

- Conducting real-time monitoring, managing and control over new media accounts, full-media key words information, big news spreading, social media cooperation of the Group through such professional tools as "Matrix Newrank" and Qingbo public opinion monitoring and analytics system, improving marketing data analysis and public opinion management capabilities.

In-depth content dissemination

- Preparing and publishing creative short videos on products and services of Fu Shou Yuan, festival and solar term poster centering on traditional culture, life themed charity animation and industry documentaries, long pictures and texts displaying the Group's history of endeavor.

New Media Capacity Construction

The monitoring results show that Fu Shou Yuan's full-channel public opinion information amounted to 113,981 items during the Reporting Period, representing a year-on-year increase of 74%, with a positive coverage rate of 96.8%.

Upholding responsible marketing concept, Fu Shou Yuan dynamically optimize management systems such as the *Administrative Measures for Publicity and Communication of Fu Shou Yuan International Group* and the *Group Visual Identification System (VIS) Handbook*, with a focus on enhancing regulated management of new media social platform, self-media accounts and mini-programs, and establishment of negative list mechanism for marketing content dissemination. In terms of source material use, we strictly regulate font authorization and the use of commercial content to intensify the awareness of intellectual property protection. Meanwhile, we set up a tiered approval model for content prior-distribution, effectively avoiding copyright infringement, misuse of information, misleading audiences, exaggeration of facts and other controversial content in our propaganda materials.

To effectively implement marketing related management systems and measures, we organized targeted topic training to improve the marketing awareness and capacity of marketing teams via system interpretation, excellent case sharing and practical guidance.

Customer Communication

To ensure customer service quality and continuously improve customer satisfaction, the Group has formulated the *Implementation Plan for Funeral Customer Satisfaction Enhancement of Fu Shou Yuan International Group*, the *Standards for Service Supplies and Facilities*, among others, and enhanced employee service training to offer premium and thoughtful services for our customers. We achieved centralized and digital management of customer resources leveraging our customer relations management system and the new version of cemetery business management system, thus ensuring standardization and transparency of service process and significantly improving customer service capability and customer relation maintenance level.

	Funeral service segment	Cemetery service segment
Survey frequency	Two customer satisfaction surveys via telephone conducted in the first and second half of the year respectively	
Content of survey	Overall satisfaction, equipment and facility maintenance, cleaning, hall display, ceremony host, service attitude and service initiative, speed of response, service details and professionalism, catering service, etc.	Overall satisfaction, business handling process, professional capacity, park area environment and hygiene, service efficiency and initiative, ceremony proceedings, park area landscaping creation, etc.
Results¹	Overall customer satisfaction reached 82.2%	Overall customer satisfaction reached 83.6%

We have established a routine customer response mechanism whereby customer opinions are continuously collected and analyzed through customer satisfaction surveys performed by the third-party institutions, which serves as important insights for service optimization, and will be distributed to front line departments of each region upon the satisfaction survey for the first half and the second half of the year is completed. Issues identified in the survey are required to be rectified and reported within specified time limit and followed up by the Group's headquarter management centre to form closed-loop management.

For negative feedback from customers, we have established a systematic customer complaint response, resolve and follow-up process whereby the customer complaint handling team handles complaints in strict accordance with response work flow by judging and distinguishing after sales and complaints for classified handling, ensuring appropriate after sales service and responsive address and proper resolution of each customer complaint. During the Reporting Period, Fu Shou Yuan did not receive any effective complaints².

¹ Customer satisfaction survey results from third-party institutions

² Effective complaints refer to those incurring fee compensation.

Privacy Protection

Fu Shou Yuan attaches high importance to protecting customer information and privacy and has established a comprehensive information security protection system in strict accordance with laws and regulations such as the *Data Security Law of the People's Republic of China*, and internal guidelines like *Proposal on the Group's Information Security Guidance*. We have implemented technical measures such as privacy data desensitization, setting up hierarchical access permissions, prohibiting information export and monitoring data modification traces to effectively prevent the risk of customer information leakage and tampering. During the Reporting Period, Fu Shou Yuan did not encounter any information leakage.

During the Reporting Period, two core business systems of Fu Shou Yuan — funeral services and cemetery services — consistently maintained a Level 3 certification in the Information Security Graded Protection assessment, while the official website system achieved a Level 2 certification. In 2024, we actively collaborated with public security and other safety authorities to enhance cybersecurity protection. We conducted seven vulnerability scans or penetration tests, promptly addressing and resolving identified risks to strengthen the information security defenses for our customers.

Fu Shou Yuan continuously keeps pace with the updates and development trends in cybersecurity technology by promptly upgrading relevant systems and technologies. We actively organize employees to participate in both internal and external training sessions on information security, system operation and maintenance frameworks, business system permission management, and standardized usage. These efforts consistently enhance the Group's information security and privacy protection standards.

4.3 Reinforcing Quality Assurance

Fu Shou Yuan continuously enhances quality management, strengthens supplier management and collaboration, and works with suppliers to build a sustainable supply chain ecosystem, ensuring the provision of high-quality products and services to customers.

Supply Chain ESG Impact Assessment	Prevention and Mitigation of ESG Negative Impacts	Key Control of Sustainable Risks	Establishment of Supplier Collaboration Mechanisms	Muulti-Dimensional Supplier Empowerment	Continuous Information Collection and Risk Assessment	Ongoing Identification of Areas for Improvement
During the supplier screening and evaluation phase, we conduct comprehensive assessments, including on-site visits and qualification surveys, on their sustainability risks, covering but not limited to human rights, labor rights, and fair operating practices. We prioritize low-risk suppliers and establish sustainable risk management mechanisms for selected suppliers.		We have implemented a tiered and classified management mechanism to address identified risks in a targeted manner. For example, for engineering suppliers of projects with large amount and long durations, we identify labor rights risks and require them to set up a dedicated co-managed account for migrant workers' wages. For suppliers of products like paper coffins, we collaborate on research and development to optimize material selection and assembly processes, enhancing the environmental performance of the products.			We have established a normalized sustainable supply chain risk management mechanism, conducting regular risk reassessments, summarizing completed projects, collecting relevant data and materials, and identifying opportunities for further improvement, establishing closed-loop management for sustainable supply chain.	

Quality Management

In strict accordance with laws and regulations such as the *Product Quality Law of the People's Republic of China*, Fu Shou Yuan continuously improves the standardization and regulation management of its product based on the *Service Product Handbook*. It has formulated and implemented such systems as *General Management Principles for Engineering Construction*, and signed agreements like the *Quality Assurance Responsibility Agreement* with third-party constructors in the parks. This strengthens construction handover and final acceptance requirements, ensuring project safety, quality, and progress control.

In terms of park area management, Fu Shou Yuan has established a hierarchical responsibility implementation system involving the centre, regions, entities, and projects. The Group comprehensively implements daily safety and quality inspections and potential hazardous inspections in the parks. During peak tomb-sweeping periods such as Qingming Festival, Zhongyuan Festival, and Winter Solstice, as well as before holidays and flood seasons, routine safety inspections are conducted. The introduction of drone patrols has enhanced real-time safety monitoring capabilities, ensuring customers may sweep tombs in a safe and comfortable environment. Additionally, the Group has established fire safety operating procedures in the *Property Management Manual* and regularly conducts employee safety training and emergency drills to improve their safety awareness and emergency response capabilities.

The Group produces and uses cremation equipment certified by the ISO 9001 Quality Management System, sets strict product quality standards and employee operating procedures to ensure safe and professional operation of cremation equipment. During the Reporting Period, by analyzing after-sales repair requests and handling, we identified areas for improvement and performed cremation equipment process optimization to ensure long-term stable operation. No product recalls due to quality or safety issues occurred during the Reporting Period.

Supplier Management

Fu Shou Yuan has formulated and implemented a series of supplier management systems, including the *Supply Chain Management Measures*, *Procurement Management System*, *Procurement Bidding and Tendering Management System*, *Supplier Management Regulations* and the *2023–2025 Group Mandatory Control-Level Product Supplier List*. These systems establish supplier management processes and hierarchical control standards, enabling supplier risk management and fair operating practices, thereby building a sustainable supply chain.

During the Reporting Period, we continued to strengthen supplier risk identification and assessment. Through regular risk questionnaires, key risk interviews, and data collection, we comprehensively analyzed and categorized supplier risks, including risks related to supply chain sustainability and fair operating practices. Suppliers identified with higher importance or higher risks were included in the mandatory control list, and targeted risk prevention and mitigation measures were implemented.

To enhance supply chain stability and overall risk management capabilities, Fu Shou Yuan further intensified supplier consolidation during the Reporting Period, ensuring the quality of purchased products and services. Simultaneously, we continued to advance the integration and digitization of the supply chain system.

Supply Chain Integrated Project Development

During the Reporting Period, Fu Shou Yuan completed the construction of the inventory module for the second phase of the Supply Chain Management System, conducted comprehensive promotion and training across the Group, and planned to launch the inventory data integration functions for funeral, cemetery, and supply chain systems. This enables automatic sales and inventory outbound processes for merchandise data, enhancing the work efficiency of business personnel and inventory management levels.

The Group has integrated sustainable development requirements into its supplier management process and prioritizes members of the China Funeral Association as suppliers. ESG standards are incorporated into all supplier screening and access audit processes, taking into account sustainability risk factors. Regular evaluation assessments and dynamic management are conducted for qualified suppliers.

Environmental standards

- Suppliers shall have environmental protection certifications and relevant permits issued by the state and relevant departments, such as local government pollutant discharge permit and environmental management system certification.
- Supplier shall offer eco-friendly and pollution-free products such as water-based paint and eco-friendly paint.

Social standards

- Suppliers shall have a comprehensive quality assurance system and have no unqualified situation or administrative penalties in the quality supervision and inspection performed by the state, industry, the Group, and local governments in the past three years.
- Suppliers must undertake that there is no illegal employment, child labor, or forced labor and have occupational health and safety management system certification to protect the rights and interests of employees.

Governance standards

- Suppliers shall sign and abide by the Supplier Integrity Agreement to maintain honest and clean business ethics.
- Suppliers shall have a good business reputation and have no illegal records in business activities in the past three years.

Selected Sustainable Supply Chain Access and Evaluation Standard of Fu Shou Yuan

Fu Shou Yuan categorizes suppliers into three levels based on business attributes: mandatory control-level, supervisory control-level, and authorized control-level. Semi-annual evaluations are conducted for mandatory and supervisory control-level suppliers, with regular on-site visits to mandatory control-level suppliers to inspect their equipment, facilities, and employee working conditions. Regional companies are responsible for evaluating authorized control-level suppliers. Suppliers with significant issues in sustainability areas such as environmental protection, employee rights protection, and business ethics may be subject to actions such as discussions, rectification, quota adjustments, or removal. Additionally, we mitigate supply chain risks by insuring against property damage.

Building on a robust screening, evaluation, and risk identification and analysis mechanism, we actively establish cooperative relationships with suppliers, deeply engaging in and enhancing their sustainability management practices to prevent and mitigate potential ESG risks.

Environmental Protection-Enabled Enhancement

Fu Shou Yuan places high importance on the environmental performance of supplier products, offering suggestions on eco-friendly processes and the use of sustainable materials, and collaborating on the development of green products such as eco-friendly cremation coffins.

During the Reporting Period, Fu Shou Yuan introduced the *Implementation Measures for R&D Project Rewards* to promote the improvement of the environmental performance of cremation equipment. Additionally, we engaged in technical exchanges and testing R&D with refractory material suppliers for cremation equipment, optimizing the refractory materials inside the furnace. We replaced some castables with high-quality refractory bricks made of phosphate materials, extending equipment durability while conserving energy and resources.

Labor Rights Risk Prevention

Fu Shou Yuan attaches great importance to the prevention of risks related to human rights, labor rights, and fair operations within the supply chain for proactive identification and prevention.

We focus on controlling engineering suppliers of projects with large amount and long durations. For identified potential labor rights risks, we establish special co-managed accounts for migrant workers with suppliers at the initial stages and monitor them to effectively prevent wage arrears by construction units.

Business Ethics Standards Control

All our suppliers are required to sign integrity agreements upon access, clearly defining integrity obligations and default liability to prevent business ethics risks at the source and ensure compliant supply chain operations.

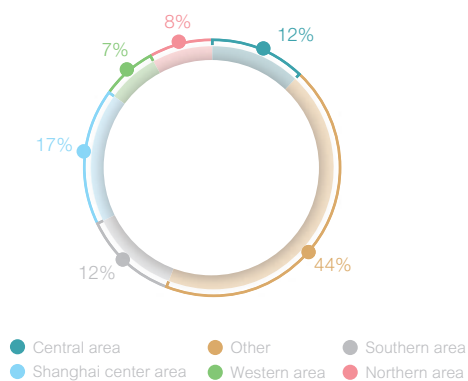
Furthermore, we deliver our sustainability requirements and expectations to suppliers through diverse communication mechanisms, organizing supplier conferences, training sessions, ESG dissemination, and other communication and capacity-building activities to enable suppliers to enhance their sustainability capabilities and awareness.

Building Bridges for Supplier Communication and Collaboration

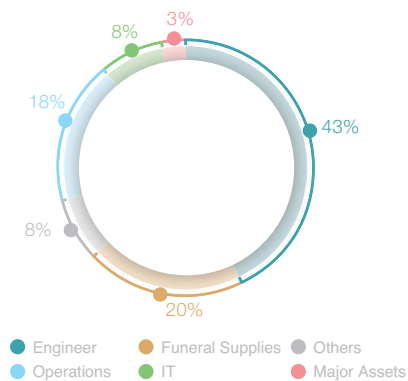
During the Reporting Period, Fu Shou Yuan organized stone material supplier meetings and engineering supplier conferences to facilitate communication and collaboration among suppliers. Our primary tombstone suppliers invited tertiary tombstone suppliers to visit processing plants, fostering in-depth exchanges on production techniques and technical expertise. Primary engineering suppliers led tertiary engineering suppliers on field visits to newly developed thematic parks, sharing engineering experiences, unifying technical standards, and conveying high-quality construction requirements. These collaborative initiatives among suppliers have promoted technical exchanges and capability enhancement, driving continuous improvement in the overall supply chain standards.

As of the end of the Reporting Period, Fu Shou Yuan had 471 suppliers in total. During the Reporting Period, 124 suppliers considered environmental and social responsibility factors, accounting for approximately 26% of the total. The statistics by type and region are as follows:

Number of Suppliers by Region



Number of Suppliers by Type



Garden of Happiness

Master Liu Jian

The "head chef" in the Administration and Human Resources Department of Henan Fu Shou Yuan

Ten years

Deeply impressed by Fu Shou Yuan's persistence in social contribution and humanistic care. Gradually understand Fu Shou Yuan and fall in love with Fu Shou Yuan.

Getting certified as a public nutritionist

Individual and park entrepreneurship and emphasis on employee wellness

Daily

Lead the kitchen to prepare nutritious and delicious meals for employees, pouring heart and love

Showing

Deep emotion between employees and the park and "people-oriented"



Fu Shou Yuan deeply understands that talent is the driving force behind corporate development. We are committed to providing employees with comprehensive care and support, ensuring occupational health and safety, fostering an equal and diverse workplace atmosphere, and offering abundant training opportunities, as well as a robust compensation, benefits, and performance evaluation system.

Winning Hearts Through Stomachs — People-Oriented Employee Care



Learning Material of Master Liu

Master Liu Jian is an employee in the Administration and Human Resources Department of Henan Fu Shou Yuan, as well as the “head chef” of the Henan Fu Shou Yuan family. Over nearly ten years since joining Fu Shou Yuan, Master Liu Jian has personally experienced the Company’s commitment to social contribution, humanistic care, and employee well-being, gradually coming to understand and love Fu Shou Yuan.

During his time at Fu Shou Yuan, Master Liu Jian has continuously pursued self-improvement, earning a professional certification as a public nutritionist. This reflects the meticulous and striving spirit of Fu Shou Yuan’s staff and exemplifies the Company’s dedication to caring for employee health and prioritizing their quality of life.



Every morning or afternoon, he is busy leading the kitchen staff to meticulously prepare nutritious, healthy, and delicious meals for every employee at Henan Fu Shou Yuan. He pours his heart and love into his daily work, which embodies both the employees’ affection for Fu Shou Yuan and the Company’s care for its staff. This dedication reflects Fu Shou Yuan’s “people-oriented” spirit of uniting the team with love and caring for employees with sincerity, ensuring that every member of Fu Shou Yuan continues to grow and thrive.

5.1 Diverse Employment System

Under “people-oriented” principle, Fu Shou Yuan upholds a workplace culture of diversity, equality, and inclusion, commits to sustainable recruitment and employment practices, and comprehensively safeguards the rights and interests of every employee.

Diversity and Equality

Fu Shou Yuan is committed to providing equal opportunities in employment, compensation, training, and promotion, without discrimination based on gender, age, race, ethnicity, educational background, marital or parental status, religious beliefs, or other factors. During the Reporting Period, we formulated a Diversity and Equal Opportunity Policy, which was incorporated into the *Employee Handbook 2024* Edition, further clarifying the principles of “anti-discrimination and anti-harassment”.

Updates to the Diversity and Equal Opportunity Policy in the *Employee Handbook 2024* Edition

In the chapter on employment principles, it is clearly stated: “Employees have equal opportunities in hiring and promotion, and no different treatment shall be given based on ethnicity, race, age, gender, marital status, religion, or other similar factors.”

The chapter on employee rights has been updated to include anti-discrimination and harassment, protection for women, and the safeguarding of employees’ intellectual property and portrait rights. It describes seven main specific scenarios of “discrimination” and “harassment” and clarifies the employee rights protection monitoring mechanism and the employee grievance mechanism.

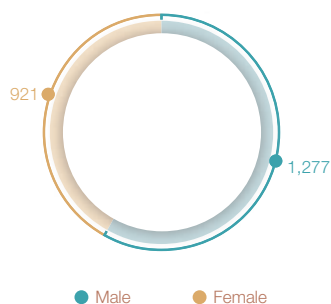
We implement these updated policy provisions through internal labor monitoring mechanisms and employee communication and grievance mechanisms, effectively safeguarding employee rights. We conduct regular internal labor monitoring, collect employee feedback, and analyze management practices to eliminate violations of national laws and regulations as well as diversity and equality principles, such as unequal pay for equal work between men and women, discrimination, and harassment. Additionally, we ensure smooth grievance and reporting channels, clarify employees’ rights to reporting, and define the obligations of relevant departments to accept, investigate, and protect privacy, providing legal assistance to parties concerned when necessary.

Simultaneously, we conduct propaganda training on the above updates for all employees, including online and offline courses and learning assessment tasks, to deeply instill the cultural idea of diversity and inclusion and the rule awareness of “anti-discrimination and anti-harassment,” creating a diverse and inclusive workplace environment. Furthermore, parks have organized training and sharing activities focusing on diversity and women’s equal employment. For example, Fu Shou Yuan Haigang Cemetery organized female employees to participate in training on labor relations coordinators and labor law supervisors, Chongqing Baita Fu Shou Yuan subscribed to the China Women’s News for female employees, and Jinzhou Maoshan Fu Shou Yuan conducted special training on career development and maternity protection for female employees.

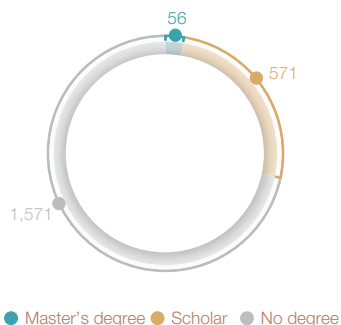
We continue to create sound work environment by continuously optimizing our staff structure. As of the end of the Reporting Period, Fu Shou Yuan has a total of 2,198 full-time employees.

Employee overview

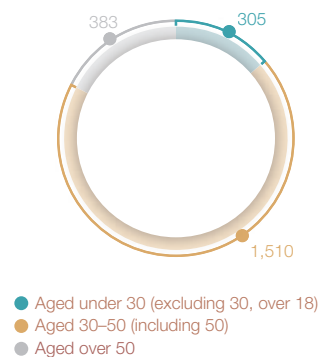
By gender



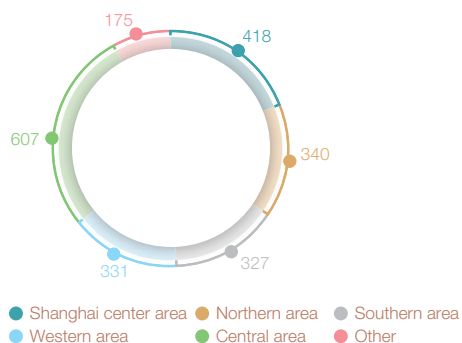
By education



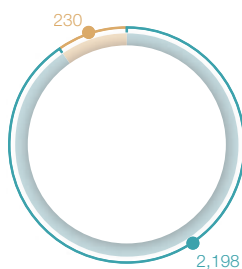
By age



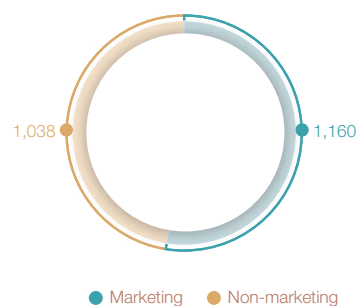
By region



By employment type

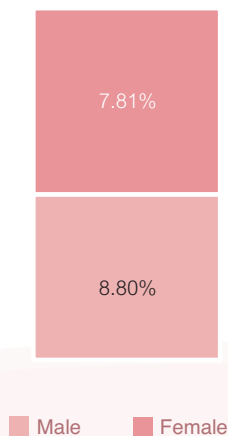


By job type

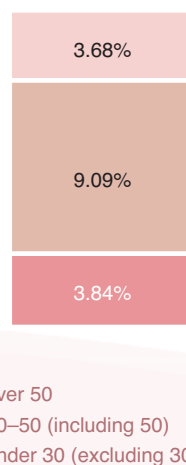


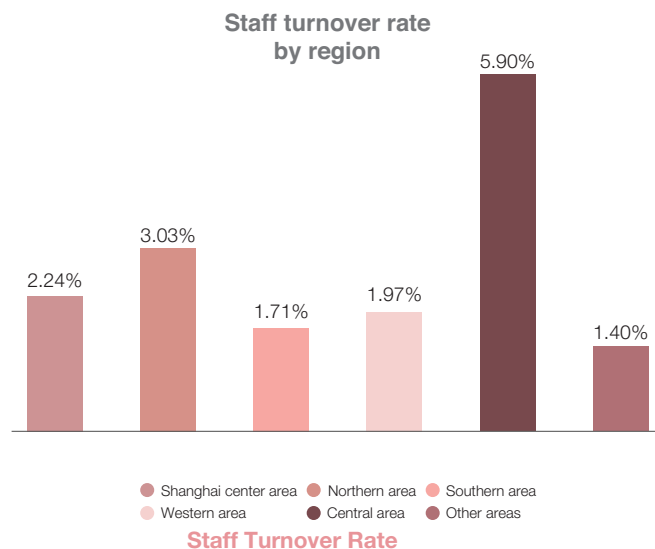
The staff turnover rate for the Reporting Period was 16.61%.

Employee turnover rate by gender



Employee turnover rate by age





Sustainable Labor Use

In strict compliance with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Employment Promotion Law of the People's Republic of China*, the *Provisions on Prohibition of Using Child Labor* and other laws and regulations, Fu Shou Yuan formulated *Provisions on Prohibition of Using Child Labor*. We conduct strict identification check and background survey on new hires to ensure he/she is of legal age for employment while resisting all forms of child labor and forced labor. During the Reporting Period, there were no cases of illegal employment of child labor or forced labor in Fu Shou Yuan.

Guided by our strategy and relying on the digital human resource management system, we constantly improve our talent reserve plan, broaden talent recruitment channels, and based on principles of openness, equality and merit-based selection, we introduce diversified talents through campus recruitment, social recruitment and internal recommendation, laying a solid talent foundation for long-term development of Fu Shou Yuan.

Campus Recruitment	Social Recruitment	Internal Introduction
Identifying and securing outstanding talents in advance by providing internship opportunities for potential professional talents from academic institutions, organizing professional skill training workshops, and hosting professional skill competitions through university-enterprise collaborations.	Talents are acquired through multiple channels such as recruitment software, local talent networks, new media platforms, and internal referrals.	Formulation of the "Internal Talent Competition" plan, increase internal competition positions, including senior executive position, and seek for targeted training of high-potential employees at all levels.

Diverse Recruitment Channel

In strict compliance with laws and regulations, Fu Shou Yuan is committed to ensuring a balance between work and life for its employees. By implementing digital working hour management and utilizing a digital OA system to rigorously manage overtime applications, we ensure the necessity and legality of overtime work, thereby preventing ineffective overtime and illegal overtime from harming employees' physical and mental well-being.

Remuneration and Benefits

Fu Shou Yuan strictly complies with national laws and regulations and remuneration standards, and in accordance with the *Fu Shou Yuan International Group Benefits Management System* and the *Fu Shou Yuan International Group Remuneration Management Rules*, provides employees with competitive remuneration package and benefits, including basic salary, variable performance-based compensation, five social insurances and one housing fund, paid holidays, supplementary business medical insurance, employee equity incentives, accident insurance and employer's liability insurance covering all employees.

On this basis, we offer diverse welfare and subsidies to satisfy employees' different needs, such as communication allowance, medical check-up allowances, high temperature allowances, maternity allowances, expatriate allowances, and assistance to employees in difficulty. For employees who are unable to take enough paid annual leave within one year due to work arrangements, we will provide them with a two-month extended leave, and for employees who take more than the statutory medical leave due to illness, we will provide medical leave beyond the statutory requirements based on their specific circumstances, to allow them to rest and recuperate without worries.

For emerging talent in fields closely aligned with Fu Shou Yuan's strategy, such as digital talent and hospice care social workers, we support their long-term personalized development through a dual-path compensation system. We have also established incentives such as special subsidies for digital talent, the "President's Award" for chief employees, and rewards for civil affairs skill competitions to recognize and reward outstanding performers.

5.2 Empowering Employee Development

Fu Shou Yuan actively supports employees' growth and progress through comprehensive employee promotion pathway and enhanced training mechanism, guides them to unlock their potential and achieve self-value.

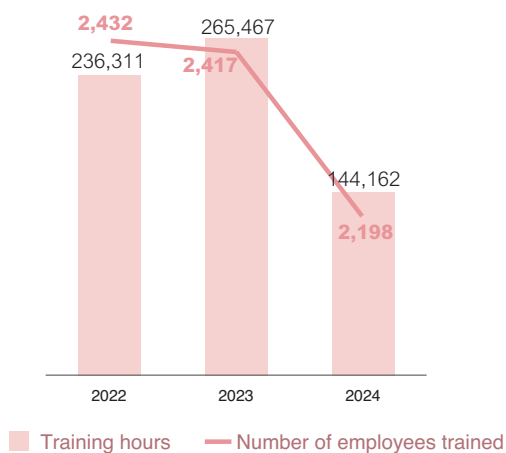
Employee Development and Training

Based on industry trends, the Group's strategic planning, and employees' actual needs, Fu Shou Yuan continuously improves its employee training system. During the Reporting Period, we updated the *Education and Training Management Regulations*, to strengthen training requirements for new employees. Through a combination of online and offline, internal and external training methods, we empower employees at all levels with tiered thematic training across three dimensions: leadership training, professional skills training, and life culture training. Key training programs including the "President's Training Class", "Managers' Workshop", and "Fu Shou Yuan Staff Experience Camp" were organized.

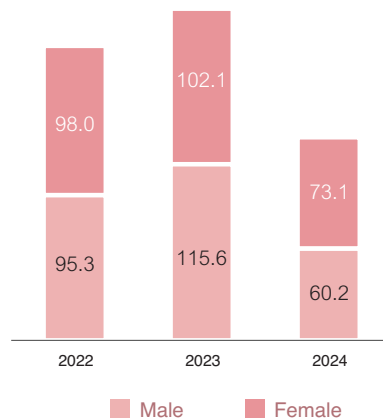
Under the digital transformation strategy, the Group's training focuses on digital transformation, offering courses such as Digital Strategy Decoding, Tsinghua EMBA Excellence President Program, and Advanced Data Asset Training. Additionally, we organize key business personnel to participate in cross-industry exhibitions like the International Consumer Electronics Show and the 2024 World Artificial Intelligence Conference (WAIC), while conducting internal practical training on data standards and digital ecosystem quality empowerment.

The details on training hours per employee during the Reporting Period are as follows:

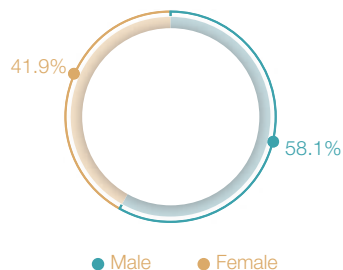
Number of training hours and employees trained in the last three years



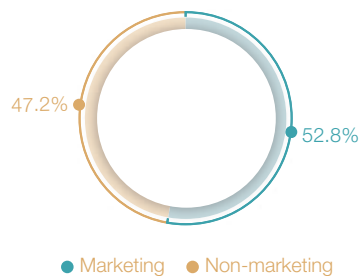
Average training hours by gender



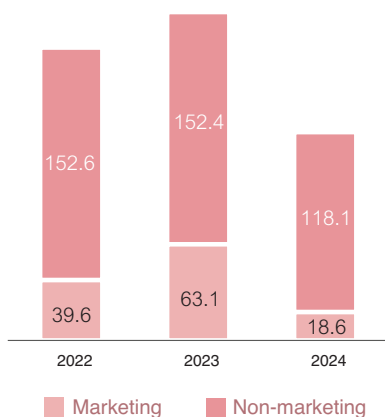
Percentage of trained employees by gender



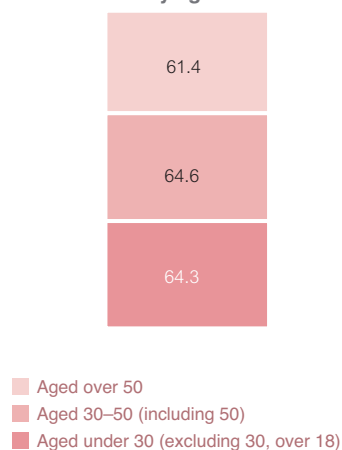
Percentage of trained employees by category



Average training hours by type



Average training hours by age



Employee Development and Support

Guided by the philosophy of supporting employees’ comprehensive development, Fu Shou Yuan not only encourages employees to excel in their respective professional fields but also promotes continuous learning and cross-industry exploration. We provide diverse training resources and learning opportunities to help employees break through traditional thinking limitations and stimulate innovative ideas.

During the Reporting Period, we prioritized the participation of key business personnel in cross-industry exhibitions as a key component of internal inspection, and organized visits including the Xiamen Buddhist Supplies Exhibition, China International Environmental Protection Exhibition, “Design Shanghai” 2024 Exhibition, and the 2024 Shenzhen International Consumer Electronics Show. These experiences were shared through internal training sessions, enabling all employees to stay informed about the latest industry trends and draw new inspiration.

In the *Education and Training Management Regulations* and the *Reward Measures for Employees Winning Vocational Skills Competitions in National Civil Affairs Industry*, we clearly stipulate that employees participating in vocational skills competitions are entitled to paid off-the-job training, with financial rewards for competition winners. Additionally, we encourage and support all employees in pursuing higher education or obtaining job-related vocational skill certificates. These policies explicitly state that all employees can apply for reimbursement or rewards for academic advancement and obtaining professional qualification certificates.

Academic Advancement for Employees at Ningbo Yongyi Funeral Home

In recent years, seven employees at Ningbo Yongyi Funeral Home, with our support, have completed their junior college to undergraduate academic advancement through adult education programs at local institutions such as Ningbo Open University. These advancements span multiple professional fields, including social work, business administration, and advertising, injecting new momentum into the shared development of employees and the Company.

Promotion Channels

Fu Shou Yuan implements a dual-pathway promotion mechanism, encouraging career transitions between technical professional roles and general management positions, thereby facilitating the promotion of versatile talents to higher positions. On this basis, we regularly conduct talent reviews, categorize and position employees through assessments and face-to-face interviews, and develop incentive or training plans based on their performance. Additionally, in accordance with *Fu Shou Yuan International Group Organisational Performance Management Measures*, we conduct monthly performance reviews to optimize organizational performance management.

Performance assessment	<ul style="list-style-type: none">Organizing performance assessment on a quarterly basis: the Human Resources Center continuously collects organizational performance data to conduct comprehensive quarterly performance assessment on all employees.
Performance follow-up	<ul style="list-style-type: none">Monthly follow-up of the performance assessment: performing follow-up analysis on actual achievements on a monthly basis of the PBC³ set at the beginning of 2024, confirming completed items, in-progress items and left-behind items.
Feedback	<ul style="list-style-type: none">Subsequent improvement and feedback: communicate on a monthly basis with employees on performance, provide them with self-improvement analysis and support, and submit a performance improvement plan (PIP) for the following month.

Fu Shou Yuan Performance Appraisal System

³ PBC refers to business targets, management goals and individual development goals

5.3 Protecting Health and Safety

In strict accordance with the *Production Safety Law of the People's Republic of China*, the *Law on Prevention and Control of Occupational Diseases of the People's Republic of China* and relevant laws and regulations, Fu Shou Yuan keeps improving its safe production responsible mechanism and security management system and reviews through ISO 45001 Occupational Health and Safety Management System. During the Reporting Period, 17 work-related injuries occurred within the Group, and the number of lost working days was 880 days. There were no accidents leading to the death of employees in the past three years.

Fu Shou Yuan has established the *Production Safety Management System* and revised regulations such as the *Property Management Manual*, *Surveillance System Management Regulations* and *Fire Safety Management System* during the Reporting Period to optimize the production safety system. We regularly identify and inspect occupational disease risks and safety hazards, equipping all locations with first aid equipment and emergency medications, and conduct regular fire safety emergency drills. For operations and positions with higher exposure to occupational disease risks and safety risks, we require employees and supplier staff to undergo safety training and obtain occupational health training certificates before starting work. Additionally, we sign work safety service contracts with suppliers to clearly define safety responsibilities.

5.4 Building a Happy Life

The physical and mental well-being of employees is a crucial guarantee for Fu Shou Yuan's progress on going concern basis. We address employees' concerns through open and smooth employee communication and diverse forms of employee care, continuously enhancing their sense of identity, belonging and happiness.

Employee Communication

Fu Shou Yuan values employee communication and respects the voices of every employee. We ensure employee's right to know, right to participate and right to supervise in corporate management through labor unions and efficient employee consultation mechanisms. We have established diverse communication and feedback channels, including human resources interviews, satisfaction surveys, supervision hot-lines, email and OA systems to categorization, assess, follow up on and resolve employee requests.

We conduct annual employee satisfaction surveys covering dimensions such as compensation and performance, growth and promotion, gender equality, corporate culture and atmosphere, and corporate management. As of the end of the Reporting Period, employee satisfaction scored 4.42 out of 5, showing further improvement compared to the previous year.

Employee Care

During the Reporting Period, we optimized employee health check standards by upgrading our health check partner hospitals to top-tier Class III hospitals and adding specialized check-up items for female employees to meticulously care for their health. Additionally, through the "Employee Care Team", we regularly express sympathy and provide assistance to employees in need.

Meanwhile, we organize various holiday activities, psychological counseling sessions, and summer cooling initiatives on an irregular basis. We provide care facilities such as "Love Mommy Rooms", women-only rest areas and pregnant women dining zones for female employees, and offer "retirement banquets" and holiday greetings for retired employees. These efforts create a warm and caring Fu Shou Yuan family, enhancing happiness and cohesion.

"Exclusive" Urban Garden

Green Development

Low carbon life

Protecting the environment starts from me

Continuing to deepen its management
and auditing of greenhouse gas emissions

Engaging
third-party bodies

Further enhancing the accuracy and
credibility of "carbon information"

Obtaining greenhouse
gas verification certificates

Achieving carbon
neutrality in some parks

7 subsidiaries obtaining
verification reports

Received a certificate from Shanghai
Environment and Energy Exchange

Transition to green and
sustainable development

During the Reporting Period, seven subsidiaries of Fu Shou Yuan completed greenhouse gas emission verification and obtained verification reports issued by China Quality Certification Centre. Additionally, Shanghai Fu Shou Yuan has offset its 2023 greenhouse gas emissions by purchasing green electricity and green certificates, achieving carbon neutrality and receiving a carbon neutrality certificate from Shanghai Environment and Energy Exchange.

Fu Shou Yuan always regards environmental protection, rational resource utilization, and green, low-carbon development as critical responsibilities in our operations. We continuously implement low-carbon and environmental protection measures, regularly following up and managing the achievement of environmental goals:

	Energy consumption goal	Greenhouse gas goal	Water consumption goal	Waste management goal	Resource usage goal	Exhaust emission goal
Goals	Reduce electricity consumption intensity	Reduce greenhouse gas emissions, achieving carbon neutrality and zero emissions by 2030	Reduce water resource consumption intensity	Increase waste recycling rate	Reduce the average stone usage per tombstone	Promote smoke-free cemeteries and increase their proportion
Achievements	The electricity consumption intensity in 2024 was 6.10 MWh/million RMB revenue	The greenhouse gas emission intensity in 2024 was 4.90 ton CO ₂ e/million RMB revenue	The water consumption intensity in 2024 was 4.47 ton/RMB0,000 revenue	Waste recycling rate increased	Average stone usage per tombstone in 2024 was 0.136 cubic meters	The proportion of smoke-free cemeteries achieved reached 97%

6.1 Addressing Climate Change

Fu Shou Yuan deeply recognizes the challenges posed by global climate change and responds thoroughly to the national “Dual Carbon” strategic goals, actively fulfilling its responsibilities as a corporate citizen. Based on industry trends and corporate strategic planning, we have identified climate change risks as a key focus area. Guided by the Task Force on Climate-related Financial Disclosures (TCFD) framework, we address climate change risks across four dimensions: governance, strategy, risk management, and metrics and targets. The Group regularly conducts specialized risk prevention training and special audits and assessments to monitor and ensure the effective implementation and continuous improvement of countermeasures for climate change.

Category of risks/opportunities	Name of risks/opportunities	Description of risks/opportunities	Countermeasures
Transition risk	Law and Regulation risk	The regulations and policies related to low-carbon transformation and ecological burial have become stricter, bringing higher environmental costs and increased compliance risks to the industry	<ul style="list-style-type: none"> Conduct carbon footprint assessments for stone materials and greenhouse gas emission verification to understand the greenhouse gas emissions of the Group and of the industry to respond to the stricter disclosure requirements Closely monitor changes in relevant laws and regulations Strictly comply with pollutant emission standards for crematoriums Continue to promote the construction of smoke-free cemeteries Enhance the overall environmental efficiency of cremation processes and optimize equipment upgrades
	Technological risk	The impact of technological improvements or innovations resulting from the transition to a low-carbon, energy-efficient economy	<ul style="list-style-type: none"> Continuously research and innovate environmentally friendly cremation technology Promote the development and implementation of smart IoT, online memorials, and virtual cemeteries. Implement energy-saving management and explore the use of renewable energy

Category of risks/opportunities	Name of risks/opportunities	Description of risks/opportunities	Countermeasures
	Market risk	Market demand for environmentally friendly cremation, green burial, and landscape cemeteries may have created demand for more new products such as land-saving and ecological burial, etc.	<ul style="list-style-type: none"> Vigorously develop ecological land-saving burials, and launch land-saving products including indoor burials, lawn burials, forest burials, flower bed burials, three dimensional burials, waterscape burials, and tower burials Launch Hui Xin Valley digital cemetery, digital funeral, and spiritual healing space to satisfy market demands
	Reputation risk	Green and low-carbon has become the mainstream consensus, and the company's negative events in the low-carbon economic transformation may affect the company's brand image and market confidence	<ul style="list-style-type: none"> Strictly implement the development strategy of ecological civilization and promote the green and healthy development of all sectors Actively promote the concept of green development and utilize online and offline marketing channels to develop a green, low-carbon, and sustainable brand image of Fu Shou Yuan
Physical risk	Acute risk	Flood risks: operation sites located in East China and other areas with rainy seasons and frequent typhoons may encounter problems such as damage to cemeteries, deterioration of ashes, and loss of urns	<ul style="list-style-type: none"> Follow up and develop responsive control measures for flood risk and conduct risk control training by the Safety Risk Management System Optimization Team Formulate <i>Emergency Plan on Preventing Typhoon and Flood</i> to regulate rules and clarify responsibility Purchase “Property All Risks Insurance” to mitigate potential flood-related damages Strengthen pre-disaster preparations, such as reinforcing infrastructure, clearing drainage systems, and conducting safety inspections and warnings Improve disaster response measures, such as real-time monitoring of water level Carry out post-disaster restoration work, such as investigations of electricity facilities etc. Allocate special funds for addressing force majeure, e.g., funds for natural disasters primarily used for rescue, post-disaster repairs, and reconstruction
	Chronic risk	Drought risks: operation sites in northern, northeastern and central China with low annual precipitation may increase the pressure on irrigation water and the risk of fire during tomb-sweeping	<ul style="list-style-type: none"> Follow up and develop responsive control measures for potential secondary disasters from droughts and conduct risk control training by the Safety Risk Management System Optimization Team Purchase “Property All Risks Insurance” to hedge and mitigate the potential secondary disaster caused by drought Formulate <i>Emergency Plan on Preventing Fire</i> to improve responsive and handling capacity Establishment of a firefighter patrol mechanism to prevent fires Optimize water-saving irrigation systems to alleviate water pressure caused by drought risks Adhere to the principle of “appropriate trees for local conditions”, choosing local native species that are drought-resistant and compatible with the local ecosystem

Category of risks/opportunities	Name of risks/opportunities	Description of risks/opportunities	Countermeasures
		Extreme heat risks: operation sites in the southern area may be at risk of increased frequency and severity of extreme heat weather	<ul style="list-style-type: none"> • Formulate <i>Emergency Preparedness and Response Plan on Preventing Heatstroke and Cooling</i> and conduct emergency drills • Design and construct recreational corridors to enhance air circulation and improve service quality
		Extreme cold risks: operation sites in northern area may be at risk of increased frequency and severity of extreme cold weather	<ul style="list-style-type: none"> • Replace plant with simulated materials with low-frequency of maintenance to prevent excessive use of water and freezing of plants, which is conducive to restoring soil fertility
Opportunities	Energy sources	Use low-carbon technologies and energy sources to reduce reliance on traditional fossil fuels	<ul style="list-style-type: none"> • Explore new energy-saving technologies and renewable energy utilization to reduce fossil fuel consumption and greenhouse gas emissions • Purchase green electricity and green certificates to promote greenhouse gas reduction
	Products and services	Develop and expand low-carbon products and services, leading the industry in green development	<ul style="list-style-type: none"> • Vigorously develop ecological land-saving burials, offering products like indoor burials, lawn burials, forest burials, flower bed burials, vertical burials, waterscape burials, and tower burials • Replace stone materials with eco-friendly materials such as glass, aluminum alloy, copper products, and UHPC materials • Launch Hui Xin Valley digital cemetery, digital funeral, spiritual healing space to satisfy market demands • Continuously research and innovate environmentally friendly cremation technology, upgrading cremation equipment

6.2 Building Ecological Burial Practices

Fu Shou Yuan deeply implements the ecological burial philosophy of “planning from high starting point, high standard construction, landscaping design and ecological creation”. We actively advocate for shifting traditional customs and green burial, vigorously promoting land-saving burials and smoke-free memorial activities, and systematically building an ecological park construction and operation system.

Century-old Cemetery Ecological Construction

Fu Shou Yuan upholds the mission of building century-old ecological cemeteries, adhering to green and ecological principles in site selection, design, and construction. Through scientific site selection strategies, we avoid ecologically fragile areas as much as possible, utilizing abandoned burial grounds and mining sites for greening transformation and ecological restoration, creating cemeteries that coexist harmoniously with the natural environment. Additionally, we entrust survey and design institutes in new project locations to conduct geological surveys and provide reports, analyzing topographic structures and soil properties to ensure feasibility of construction projects and design rationality. During construction, we prioritize biodegradable and recyclable eco-friendly building materials and adopt resource-efficient and environmentally friendly advanced construction techniques, ensuring synergistic development between construction and ecological protection.

In the process of park operation and management, we attach great importance to ecosystems and biodiversity, proactively implementing a series of efficient protection and management measures:

Plant selection	Selecting and cultivating plants suitable for the local ecological environment and landscape characteristics
Pest control	Adopting physical control methods such as solar-powered insect traps and biological control methods like using insects to combat pests, avoiding toxic chemicals and harmful emissions
Soil improvement	Actively exploring the planting of green manure to improve soil structure
Lawn maintenance	Employing diversified measures such as specialized sealants, ryegrass seeding and manual maintenance to create a healthy lawn growth environment
Water body restoration	Planting submerged aquatic plants like hornwort and dwarf sagittaria in park waterways, enriching aquatic plant diversity while effectively restoring aquatic ecosystems

Examples of Fu Shou Yuan’s Ecosystem and Biodiversity Protection Measures

Harbin Fu Shou Yuan is adjacent to the Erlong Lake ecological protection red line, and Liaoning Guanlingshan Fu Shou Yuan borders the Qipanshan Natural Scenic Area. Both parks have designated wildlife habitat zones and installed signs to inform visitors to avoid and minimize disturbance to wildlife, promoting harmonious coexistence between humans and nature.



Wildlife Habitat Area at Liaoning Guanlingshan

Promotion of Green Burial

Fu Shou Yuan actively leads the development of green burial practices, implementing regulations on banning burning and smoking and introducing eco-friendly services such as alternative memorial offerings. In accordance with the *Guiding Opinions on Promoting Land-Saving Ecological Burial* issued by the Ministry of Civil Affairs of the People’s Republic of China, the Group adheres to the design philosophy of ecological, compact and land-saving to continuously optimize and upgrade cemetery products, promoting stone material substitution and reduction. In recent years, the market share of Fu Shou Yuan’s land-saving burial products has steadily increased, with significant reductions in stone material usage and land area per burial plot.

Example of Ecological, Compact, and Land-Saving Cemetery Product Designs

At Nanchang Hongfuyuan Qishanju, a plot of approximately 16 square meters is planned to accommodate around 30 rock burial products and 34 garden burial products, totaling 64 burial plots. The average land area per product is only 0.25 square meters.



Illustration of Nanchang Hongfuyuan Qishanju Products

6.3 Practicing Green Operations

Fu Shou Yuan is committed to promoting green operations, strictly implementing energy-saving and consumption-reduction measures, and improving the energy and water use efficiency. We standardize the handling and emission management of “three wastes”, practicing the concept of green development through concrete actions, and leading the industry toward green, civilized and sustainable development.

Environmental Management

Fu Shou Yuan implements environmental laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, fulfilling corporate environmental management responsibilities. The Group enhances park environmental management through smart technologies, utilizing park management visualization platforms and digital twin technology to monitor and intelligently analyze real-time environmental data such as energy consumption and emissions. We rationally plan and centrally coordinate vehicle usage to ensure data accuracy and efficient management, promptly identifying anomalies in energy consumption, equipment failures, and leaks to effectively avoid potential environmental impacts.

In green construction, we require construction units to sign the *Responsibility Letter on Environmental Protection at the Construction Site* to thoroughly implement environmental requirements. Monitoring equipment is installed at high points around projects to supervise construction processes and environmental compliance. For green office practices, we promote double-sided printing and paperless office work, and advocate for low-carbon commuting among employees. Additionally, we have formulated the *Provisions on Managing Vehicles for Administration Purposes of the Group (2024 Revision)*, clearly stipulating the priority purchase of new energy vehicles for administrative use. During the Reporting Period, we purchased four new energy vehicles. In the planning and construction of our new headquarters office building, we carefully integrated green and energy-saving elements, such as indoor green walls and high-quality office furniture meeting international environmental standards, creating a healthy, high-quality, and safe office environment.

Energy Management

Fu Shou Yuan strictly complies with laws and regulations such as the *Energy Conservation Law of the People's Republic of China* and formulates internal systems like the *Energy-Saving and Consumption Reduction Management Regulations* to comprehensively implement efficient and smart energy management. The Group continuously monitors the operating conditions of cremation equipment, ensuring timely maintenance and optimal performance to reduce unit energy consumption. We actively introduce energy-saving equipment and explore renewable energy applications to optimize energy efficiency and structure.

Shanghai Fu Shou Yuan Headquarters Office Building Rooftop Distributed Photovoltaic Power Generation Project

The Shanghai Fu Shou Yuan headquarters office building has installed a photovoltaic power station with an installed capacity of 225.81 kilowatts peak, operating under the “self-consumption with excess electricity fed into the grid” model. Completed and operational since September 2024, the project generated approximately 56 megawatt-hours during the Reporting Period, with an estimated first-year generation of 240 megawatt-hours.

Fu Shou Yuan's energy consumption during the Reporting Period is as follows:

	Unit	Total in 2022	Total in 2023	Total in 2024
Purchased electricity	MWh	12,628	13,083	12,678
Coal	ton	40	59	36 ⁴
Kerosene	litre	11,527	15,136	4,000 ⁵
Diesel	litre	512,149	713,890	411,790 ⁶
Natural gas	cubic meter	443,054	431,491	522,675
Gasoline	litre	329,139	564,730	459,091
Comprehensive energy consumption ⁷	MWh	25,366	31,910	28,177
Comprehensive energy consumption intensity	mWh/RMB million revenue	11.68	12.14	13.56
GHG scope I	ton CO ₂ e	3,154	4,232	3,372
GHG scope II	ton CO ₂ e	7,202	7,461	6,803 ⁸
Total GHG emission	ton CO ₂ e	10,356	11,693	10,175
GHG emission intensity	ton CO ₂ e/RMB million revenue	4.8	4.45	4.90

Water Resource Management

Fu Shou Yuan attaches high importance to water resource management, and continuously enhances water consumption efficiency in strict adherence to laws and regulations such as the *Water Law of the People's Republic of China*. We have installed water-saving facilities such as sensor faucets in office areas to effectively reduce water consumption. Within the parks, we have constructed rainwater recycling systems that use collected rainwater for landscape irrigation and replenishing water features. During the Reporting Period, a total of 12,690 tons of rainwater were reused. Additionally, we have innovatively introduced smart irrigation systems that are integrated with advanced equipment such as mini weather stations and soil sensors to achieve intelligent control of irrigation timing and water volume by real-time monitoring soil moisture and predicting weather changes, which significantly improve irrigation efficiency. During the Reporting Period, Fu Shou Yuan maintained standardized operations in water extraction and usage, with no incidents of illegal water extraction or water usage violations.

Fu Shou Yuan's water consumption during the Reporting Period is as follows:

	Unit	Total in 2022	Total in 2023	Total in 2024
Municipal pipeline water consumption	ton	131,515	159,847	131,578
Natural water withdrawal	ton	778,470	787,737	797,079
Water consumption intensity	ton/RMB0,000 revenue	4.21	3.61	4.47

Emission Management

In strict accordance with laws, regulations, and technical standards such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, the *Technical Specifications for Flue Gas Treatment Engineering of Industrial Boilers (2021)*, and the *Technical Specifications for Quality Verification of Pollutant Discharge Permits (HJ 1299-2023)*, Fu Shou Yuan establishes and executes scientific and effective “three wastes” emission management specifications based on its actual operations and emissions to ensure compliant emissions/discharge and avoid environmental pollution.

⁴ In 2024, some northern subsidiaries of the Group adopted electric boilers, which reduced coal consumption.

⁵ In 2024, some northern subsidiaries of the Group adopted electric boilers, which reduced kerosene consumption.

⁶ In 2024, some subsidiaries of the Group decreased year-on-year in cremation business, which led to a decline in diesel consumption.

⁷ The comprehensive energy consumption is calculated based on the *General Principles for Calculating Comprehensive Energy Consumption GB/T 2589-2020*.

⁸ The GHG scope II from purchased electricity in 2024 is calculated using the latest national grid average carbon emission factor of 0.5366 tCO₂/MWh issued by the Ministry of Ecology and Environment in the *Announcement on Release of the 2022 Carbon Dioxide Emission Factors for Electricity*.

The waste generated during the Group’s operations is primarily non-hazardous waste, including memorial waste, domestic waste, a small amount of construction waste, and garden waste such as dead branches and weeds. We uphold the waste management principles of “reduction, recycling and harmless treatment”, strengthening the classified collection, recycling and disposal of waste. Waste sorting bins are installed throughout the parks, and waste removal is uniformly entrusted to the municipal environmental sanitation management department. Meanwhile, we actively promote the resource utilization of recyclable non-hazardous waste, fostering circular economy development and reducing environmental impact.

To effectively manage the potential environmental risks of hazardous waste, Fu Shou Yuan, in compliance with relevant local laws, regulations, and technical standards such as the *Standard for Pollution Control on Hazardous Waste Storage (GB 18597–2023)*, the *Technical Specifications for Setting Identification Marks of Hazardous Waste (HJ 1276–2022)*, and the *Technical Code for Collection, Storage, and Transportation of Hazardous Waste (HJ 2025–2012)*, as well as hazardous waste classification management requirements, systematically reduces the environmental impact of hazardous waste through source reduction, strict process control and standardized disposal. During the Reporting Period, the Group actively developed cremator dust solidifiers to prevent secondary dispersion of dust during collection, further strengthening hazardous waste control.

Fu Shou Yuan’s waste generated during the Reporting Period is as follows:

	Unit	Total in 2022	Total in 2023	Total in 2024
Non-hazardous waste	ton	4,267	5,687	5,731
Non-hazardous waste intensity	ton/RMB million revenue	1.97	2.16	2.76
Hazardous waste	kg	270	683	392
Hazardous waste intensity	kg/RMB million revenue	0.12	0.26	0.19

Fu Shou Yuan has established a perfect waste gas emission control system to effectively manage two major sources of emissions: i.e. unorganized emissions from cemeteries and emissions from self-operated cremation equipment. For unorganized emissions, we promote “smoke-free cemeteries” by strictly enforcing no-smoking and no-burning policies within the parks to control waste gas emissions from traditional memorial activities such as burning tin foil and joss paper at the source. Meanwhile, we actively advocate for green memorial practices and virtual memorials as civilized new trends. Regarding cremation equipment emissions, through years of innovation and optimization, our cremator exhaust purification system has reached industry-leading standards. Using efficient and eco-friendly treatment processes, we effectively reduce waste gas emissions generated by cremation equipment.

Fu Shou Yuan’s waste gas emissions during the Reporting Period is as follows:

	Unit	Total in 2022	Total in 2023	Total in 2024
Exhaust gas emission	cubic meter	90,030,000	86,930,000	84,570,000
Nitrogen oxides emission	ton	6.75	6.52	6.51
Exhaust gas emission intensity	cubic meter/RMB0’000 revenue	414.58	330.78	407.08

The wastewater generated by Fu Shou Yuan in the course of daily operations mainly includes domestic wastewater, cemetery greening wastewater and funeral wastewater. Domestic wastewater from employees’ office activities and kitchen cooling is treated through municipal pipelines by local sewage treatment plants. Cemetery greening wastewater naturally infiltrate back into the ground, evaporates into the atmosphere, or is recycled and reused after treatment. Funeral wastewater is treated using advanced wastewater treatment equipment, undergoing biochemical adjustment, disinfection and other multiple treatment processes to ensure the water quality fully complies with the Level 1 Standard of *Integrated Wastewater Discharge Standard*, the *Discharge Standards of Water Pollutant for Medical Institutions*, and the *Regulation on Urban Drainage and Sewage Treatment* before compliant discharge. Thanks to scientific and comprehensive wastewater treatment and discharge management measures, Fu Shou Yuan has achieved zero discharge of hazardous and polluted wastewater.

General Disclosures and Key Performance Indicators (KPIs)			Section
A Environmental			
A1: Emissions	General Disclosure: policies on air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.		6.3 Practicing Green Operation
	A1.1	The types of emissions and respective emissions data.	6.3 Practicing Green Operation
	A1.2	Greenhouse gas emissions in total and, where appropriate, intensity.	6.3 Practicing Green Operation
	A1.3	Total hazardous waste produced and intensity.	6.3 Practicing Green Operation
	A1.4	Total non-hazardous waste produced and intensity.	6.3 Practicing Green Operation
	A1.5	Description of measures to mitigate emissions and results achieved.	6.3 Practicing Green Operation
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	6.3 Practicing Green Operation
A2 : Use of Resources	General Disclosure: policies on efficient use of resources including energy, water and other raw materials.		6.3 Practicing Green Operation
	A2.1	Direct and/or indirect energy consumption by type in total and intensity.	6.3 Practicing Green Operation
	A2.2	Water consumption in total and intensity.	6.3 Practicing Green Operation
	A2.3	Description of energy use efficiency initiatives and results achieved.	6.3 Practicing Green Operation
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	6.3 Practicing Green Operation
	A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced.	Not disclosed as packing material is rarely involved during the operation
A3: The Environment and Natural Resources	General Disclosure: policies on minimising the issuer's significant impact on the environment and natural resources.		6.2 Building Ecological Burial Practices
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	6.2 Building Ecological Burial Practices
A4: Climate Change	General Disclosure: policies on identifying and responding to major climate related matters that have and may have an impact on the issuer.		6.1 Addressing Climate Change
	A4.1	Description of the major climate related issues that have and may have an impact on the issuer, and response actions.	6.1 Addressing Climate Change

General Disclosures and Key Performance Indicators (KPIs)			Section
B Social			
B1: Employment		General Disclosure: information on the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	5.1 Diverse Employment System
	B1.1	Total workforce by gender, employment type (e.g., full-time or part-time), age group and geographical region.	5.1 Diverse Employment System
	B1.2	Employee turnover rate by gender, age group and geographical region.	5.1 Diverse Employment System
	B2.1	Number and rate of work-related fatalities each year over the past three years (including the reporting year).	5.1 Diverse Employment System
	B2.2	Lost days due to work injury.	5.1 Diverse Employment System
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	5.3 Protecting Health and Safety
B3: Development and Training		General Disclosure: policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	5.2 Empowering Employee Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management and others).	5.2 Empowering Employee Development
	B3.2	The average training hours completed per employee by gender and employee category.	5.2 Empowering Employee Development
B4: Labour Standards		General Disclosure: information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	5.1 Diverse Employment System
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	5.1 Diverse Employment System
	B4.2	Description of steps taken to eliminate such practices when discovered.	5.1 Diverse Employment System

General Disclosures and Key Performance Indicators (KPIs)			Section
B5: Supply Chain Management		General Disclosure: policies on managing environmental and social risks of the supply chain.	4.3 Reinforcing Quality Assurance
	B5.1	Number of suppliers by geographical region.	4.3 Reinforcing Quality Assurance
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	4.3 Reinforcing Quality Assurance
	B5.3	Description of practices for identifying environmental and social risks in each link of the supply chain, where the practices are being implemented, how they are implemented and monitored.	4.3 Reinforcing Quality Assurance
	B5.4	Description of the practice of promoting the use of environmental protection products and services when selecting suppliers, where the practices are being implemented, how they are implemented and monitored.	4.3 Reinforcing Quality Assurance
B6: Product Responsibility		General Disclosure: information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	4.1 Innovative Life Services 4.2 Comprehensive Services with Quality 4.3 Reinforcing Quality Assurance
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	4.3 Reinforcing Quality Assurance
	B6.2	Number of products and service related complaints received and how they are dealt with.	4.2 Comprehensive Services with Quality
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	4.1 Innovative Life Services
	B6.4	Description of quality assurance process and recall procedures.	4.3 Reinforcing Quality Assurance
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	4.1 Innovative Life Services 4.2 Comprehensive Services with Quality
B7: Anti-corruption		General Disclosure: information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	1.3 Corporate Governance
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	1.3 Corporate Governance
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	1.3 Corporate Governance
	B7.3	Description of anti-corruption training provided to directors and staff.	1.3 Corporate Governance

General Disclosures and Key Performance Indicators (KPIs)			Section
B8: Community Investment		General Disclosure: policies on community engagement to understand the needs of the communities and to ensure its activities take into consideration the communities' interests.	3. Conveying the Value of Life
	B8.1	Focus areas of contribution (e.g. education, environmental issue, labour needs, health, culture, or sports).	3.1 Guarding the Journey of Life 3.2 Spreading Culture of Life 3.3 Spreading Public Welfare and Compassion
	B8.2	Resources contributed to the focus area (e.g. money or time).	3.1 Guarding the Journey of Life 3.2 Spreading Culture of Life 3.3 Spreading Public Welfare and Compassion