

2024

Sustainability Report

龙湖集团控股有限公司

LONGFOR GROUP HOLDINGS LIMITED

(于开曼群岛注册成立之有限公司)

(Incorporated in the Cayman Islands with limited liability)

Stock Code 股份编号: 960

善待共生
FOR YOU
FOREVER





Property Development

LONGFOR
龙湖

Commercial Investment

天街
Paradise Walk

星悦荟
STARRY STREET

Property Management

LONGFOR
龙湖智创生活

Asset Management

龙智资管

Smart Construction

LONGFOR
龙湖龙智造

ESG

Operational
Compliance

Public Welfare
Initiatives

Quality First

Thriving Together
with the Industry

Environmental
Symbiosis

People
Orientation

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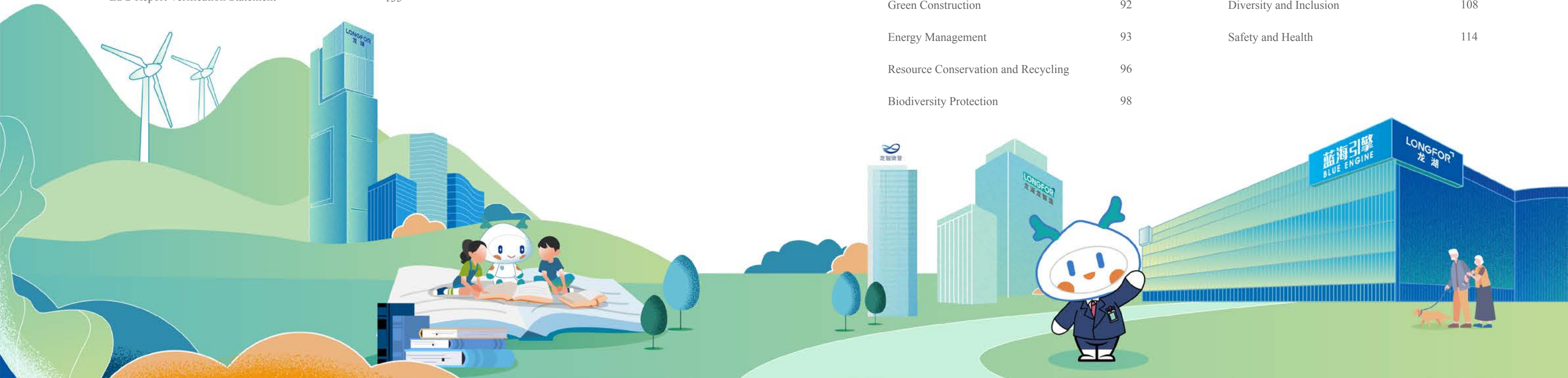
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About the Report

Longfor Group Holdings Limited has issued the *2024 Sustainability Report* (the "Report"), the fifth independent sustainability report since 2020. This Report describes Longfor Group's philosophy, management, actions, and achievements in sustainable development from Environmental, Social, and Governance perspectives (hereinafter referred to as "ESG"), and responds comprehensively to stakeholders' expectations.

Source of Data

This Report follows the principles of materiality, quantitative, balance and consistency of the *ESG Reporting Code* set out in Appendix C2 of the *Main Board Listing Rules of the HKEX*. Unless otherwise specified, the information and data cited in this Report are from the official documents, statistical reports and financial reports of the Company, as well as from the Company's collated, aggregated, and reviewed ESG information

Report Terms

For ease of expression and comprehension, Longfor Group Holdings Limited is also referred to as the "Longfor Group", "Longfor", "the Group", "the Company" or "we". Unless otherwise specified, "Yuan", "million Yuan", and "billion Yuan" are referred to as "RMB", "RMB million", and "RMB billion".

The Reporting Standards

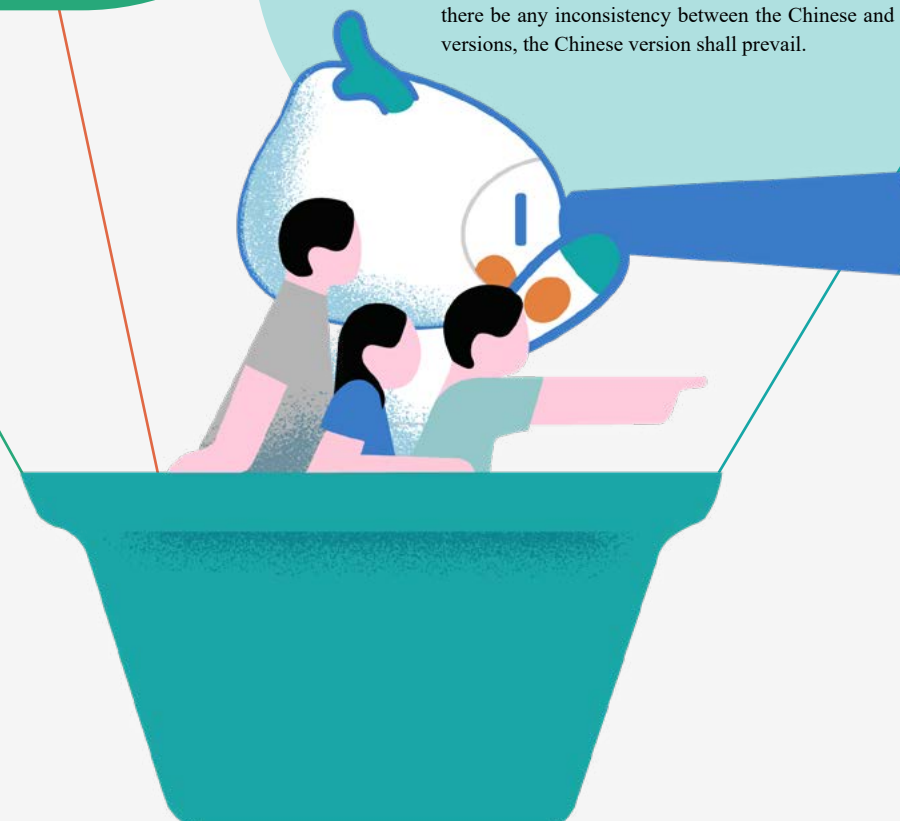
This Report follows the relevant provisions and requirements of the *Environmental, Social, and Governance (ESG) Reporting Code* set out in Appendix C2 of the *Main Board Listing Rules of the Stock Exchange of Hong Kong Limited* (hereinafter referred to as "HKEX"). It was prepared with reference to Sustainable Development Goals (SDGs), *GRI Standards* by Global Reporting Initiative (GRI), the *Guidelines on Sustainability Reporting for Chinese Enterprises (CASS-ESG6.0)* by China Enterprise Reform and Development Research Society and Responsibility Cloud Research Institute, as well as other relevant Chinese and international standards.

Availability of the Report

The Chinese and English versions of this Report are available on the Company's official website (<https://www.longfor.com/en/index.html>) or on the website of the HKEX. Should there be any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

Reporting Scope

This Report covers the period from January 1, 2024, to December 31, 2024 (the "Reporting Period"), which is aligned with our *2024 Annual Report*, with some historical or current data extension of 2025. The scope of the business includes property development, commercial investment, asset management, property management, and smart construction.



Chairman's Statement

In 2024, the real estate industry entered a new phase marked by "an overall slowdown and structural differentiation". The sector accelerated the transition toward a new development model characterized by "a dual focus on rental and ownership, quality enhancement of existing assets, and digital and green transformation". Longfor Group upheld stability as the operational baseline and remained committed to high-quality development. We eye on three core business segments: development, operations, and services, and continuously boost the synergistic growth of five business divisions: property development, commercial investment, asset management, property management, and smart construction. Staying true to the "For You Forever" mission, Longfor does the utmost to care for the environment and society. Through responsible management, green living, smart cities, and beautiful homes, we are pushing forward the ESG framework development and performance, and improving our modern and sustainable governance for better space and more considerate services for urban and residential life.

In 2024, Longfor Group's steady improvements in ESG practices earned broad recognition from leading domestic and international institutions. We received the highest MSCI ESG rating (A) among Chinese real estate companies, elevated our GRESB rating to 96 points with a Green 4 Stars designation, maintained a "Low Risk" rating from Sustainalytics, and were included in the Hang Seng ESG Enhanced Index, Hang Seng ESG Enhanced Select Index, Hang Seng ESG Index, Hang Seng Low Carbon Index, and Hang Seng Climate Change 1.5°C Target Index.



Crafting quality homes with commitment to customers' well-being

Longfor Group upholds the zenith of craftsmanship and perpetually refines our offerings to align with the evolving aspirations of homeowners. In 2024, we successfully delivered over 120 projects across 43 cities, providing approximately 100,000 residences, 20% of which were delivered ahead of schedule. For the 12th consecutive year, Longfor has been lauded among the "Top 10 Chinese Real Estate Developers in Overall Strength". Meanwhile, we extend our service ambit to offer full-lifecycle property management while caring for our owners, creating a beautiful and warm way of life, and building diverse cultural hubs within communities through community events such as "Longmin Festival" and "Longfor Games". In 2024, the overall customer satisfaction rate reached 90%. Additionally, we implemented a three-tier quality control system spanning headquarters, regional offices, and projects to ensure 360° supervision throughout the construction process, thereby achieving comprehensive lifecycle quality management.



Creating a green better life through green construction with commitment to environmental well-being

Embracing the "green mission", Longfor Group has proactively established energy conservation and emission reduction targets, aspiring to a 15% reduction in carbon emission intensity per unit area by 2030. We are a vanguard of sustainable, low-carbon, and healthy construction practices, with all new developments adhering to China's national green building standards. By the end of 2024, the total GFA of Longfor Group that meeting national green building standards has exceeded 130 million square meters. We are also at the forefront of advancing passive house technology, prefabricated construction, renewable energy integration, and sponge city initiatives, striving to build an all-encompassing green network. During the Reporting Period, Longfor installed distributed photovoltaic power generation systems on the rooftops of six commercial projects, including Shishan Paradise Walk in Suzhou, ensuring 100% self-consumption of renewable energy during operational hours of the mall.



Contributing to the public good with commitment to community well-being

Guided by the corporate mission of "For You Forever", we remain steadfast in our commitment to advancing public welfare. Longfor Foundation addresses the diverse needs of various age cohorts through an extensive portfolio of philanthropic initiatives. Key programs include fostering elderly- and child-friendly communities and bolstering rural revitalization efforts. By the end of 2024, Longfor Group, the founder, and Longfor Foundation had collectively donated over RMB 2 billion, benefiting more than 2.34 million people in total.



Cultivating a healthy workplace with commitment to employees' well-being

Longfor Group has established a sound employee recruitment and employment system and continuously optimizes the remuneration and benefits framework to ensure comprehensive protection of employee rights. We fostered a diverse, equal, and inclusive work environment that supported mutual growth for both employees and Longfor. Moreover, Longfor implemented a three-tier safety management system covering "headquarters, regional offices, and project sites", clearly defining the responsibilities of health and workplace safety management at each level. We enforce a safety accident accountability system, linking executive and employee remuneration to safety performance, including major accidents, fatalities, and fire incidents, to ensure workplace safety.

Looking ahead, Longfor Group will continue to craft premium products and services, deliver more care to people, and foster more harmonious living residences. Aligning with the progress of cities and the aspirations of the people, we will persistently exemplify industry leadership and present a perfect model of sustainable development.

Board Statement

Longfor Group's Board of Directors places great emphasis on ESG initiatives. In accordance with the requirements of the *ESG Reporting Code* set out in Appendix C2 of the *Main Board Listing Rules of the Stock Exchange of Hong Kong Limited*, the Group has progressively refined the ESG governance framework, established a robust ESG governance structure, and strengthened the Board's oversight and involvement in ESG matters to support the Company's long-term sustainable development.

ESG Governance

The Board of Directors serves as the highest decision-making body for sustainable development management and holds overall responsibility for ESG decisions. A Board-level ESG Committee, chaired by Mr. Chan Chi On, an independent non-executive Director, and consisting of the Board Chairman, one executive Director, and two independent non-executive Directors, has been established. This Committee is responsible for formulating and reviewing the Group's ESG strategies and policies, examining major ESG trends as well as related risks and opportunities, overseeing and evaluating the Group's performance in sustainable development, and regularly reporting to the Board of Directors. An ESG Working Group has been established under the ESG Committee to coordinate and promote ESG projects in each functional department and ensure the allocation of resources to ESG efforts, as well as implementation on the ground.

ESG Risk Management

Recognizing the potentially significant impact of ESG risks on the Company, we conduct regular identification and assessment of ESG-related risks through stakeholder engagement and research. The ESG Committee routinely reviews ESG risks and opportunities, makes decisions on significant ESG management tasks and projects for the year, and discusses and confirms ESG risk management measures in committee meetings. To address climate-related risks, we referenced the framework recommended by the Task Force on Climate-related Financial Disclosure (TCFD) to conduct periodic identification and assessment of climate change risks and opportunities and formulate targeted initiatives to address them. For further details, please refer to the "Responding to Climate Change" section.

ESG Target Management

We have set sustainability-related objectives and regularly assess ESG materiality issues, reporting them to the ESG Committee for review and evaluation to guide the management in optimizing the ESG objectives management system. In terms of environmental objectives, we have set a carbon reduction target of 15% reduction in carbon emission intensity per unit area by 2030. We also integrate ESG indicators into the performance appraisals of key departments to encourage employee engagement in carbon reduction efforts. For health and safety, we have established quantitative workplace safety targets, aiming for zero general and above-grade workplace safety accidents for which we are responsible. Additionally, we are targeting a 5% reduction in general and above-grade workplace safety accidents for which related parties hold responsibility, compared to the previous year, as part of our proactive measures to ensure construction safety. The ESG Committee has reviewed and discussed these targets and will continue to supervise and review the progress toward achieving them.

The Group places significant emphasis on the disclosure of ESG information. The ESG Working Group is responsible for publishing the annual ESG report, which undergoes review by the ESG Committee to guarantee the authenticity and effectiveness of the disclosure. This Report, which details the progress and effectiveness of Longfor Group's 2024 ESG efforts, was reviewed and approved by the ESG Committee on 22nd of April, 2025.

About Longfor¹

Founded in Chongqing in 1993, Longfor Group Holdings Limited (stock code: 960) has since expanded its footprint nationwide. The Company was listed on the Main Board of the Hong Kong Stock Exchange in 2009 and became a constituent of the Hang Seng Index in 2021. Longfor Group maintained the ranking in the Forbes Global 2000 for 14 consecutive years and has been included in the Fortune Global 500 for many years. Longfor Group has established a high-quality development model with a focus on three main segments: development, operation, and service, leveraging the synergistic effect of five core sectors: property development, commercial investment, asset management, property management, and smart construction. Longfor has successfully achieved a comprehensive layout in high-potential tier-one and tier-two cities. Additionally, the Company is committed to enhancing the capabilities of each sector for organic growth, ensuring positive operating cash flow. Longfor also maintains the dedication to consistently optimizing and improving asset quality to ensure sustainable development.

Revenue in 2024

RMB 127.5 bn

Tax Paid in 2024

RMB 14.3 bn

Property Development

Contracted Sales

RMB 101.1 bn

Total Landbank

33.12 mn sqm

Projects Developed

1,300+

Total GFA Developed

230 mn sqm

Accumulated Housing Delivered

1.0+ mn units

Commercial Investment

Rental Income

RMB 10.98 bn

Total GFA in Operation

9.30 mn sqm

No. of Malls in Operation

89

Foot Traffic

3.20+ mn ppl/day

Total Retail Sales

RMB 73.0+ bn

Property Management

GFA under Property Management Service

410 mn sqm

Households Covered

3.25 mn

Customer Satisfaction Rate

90%+

Asset Management

No. of Rooms in Operation by Long-Term Rental Apartment Goyoo

124 thousand

Serviced Apartment Hsiafei Mansion

Hongqiao Shanghai & Binjiang Hangzhou

Two Benchmark Projects

GFA under Industrial Office Blue Engine

300+ thousand sqm

No. of Patient Visits Served by Women's & Children's Hospital Youyou Baobei

930,000+ ppl

No. of Projects by Dynamic Commercial Hybrid Space

5

Customer Satisfaction Rate of Elderly Care Ever Spring

97%

Smart Construction

No. of Contracted Construction Projects

150

GFA of Contracted Construction Projects

24+ mn sqm

¹ <https://www.longfor.com/en/about/company.html>



2024 Key ESG Performance

Economy/Governance

Revenue

RMB 127.5 bn

Core Attributable Profit

RMB 7.0 bn

Total Assets

RMB 665.6 bn

Net Assets

RMB 245.5 bn

Tax Paid

RMB 14.3 bn

MSCI ESG Rating

A

Sustainalytics

Low Risk

GRESB

Green 4 Stars,
with a score of 96

Hang Seng Indexes

Hang Seng ESG Enhanced Index, Hang Seng ESG Enhanced Select Index, Hang Seng ESG Index, Hang Seng Low Carbon Index, and Hang Seng Climate Change 1.5°C Target Index

Social

Delivered Housing Units

nearly 100,000 units

Delivery Satisfaction Rate

90%+

Delivery Rate Ahead of Schedule

20%

Customer Satisfaction Rate

90%

Total Number of Employees

29,738

Total Number of Suppliers

265,451

Accumulated Charity Donation

RMB 2.0+ bn

Accumulated Number of Cities Covered by Charity

50+

Accumulated Number of People Helped

2.34+ mn

Total Number of Volunteers

18,000+

Cumulative Volunteer Service Hours

60,000+

Environmental

In 2024, the proportion of the Group's new projects that meet national green building standards

100%

In 2024, the proportion of the Group's new projects that meet national green building standards of one star or above

66.6%

As of the end of 2024, the Group's accumulated projects that meet national green building standards

590

As of the end of 2024, the Group's accumulated area for projects that meet national green building standards

130+ million square meters

In 2024, the proportion of new projects utilizing air-source energy

11%

In 2024, the proportion of new projects utilizing solar hot water

33%

In 2024, the proportion of new projects utilizing solar photovoltaics

44%

In 2024, the total volume of green electricity purchased by the Group

177 mn kWh

As of the end of 2024, the number of prefabricated construction patents applied by the Group

265

Stakeholder Communication

Longfor Group recognizes the materiality of stakeholder communication in achieving sustainable development. We actively diversify our communication channels to establish effective engagement mechanisms with various stakeholders, including government and regulatory authorities, shareholders and investors, customers, employees, corporate partners, society, and the environment. By proactively understanding and addressing stakeholder expectations and concerns, we work collaboratively to drive the green and high-quality development of the industry.

Longfor's Stakeholder Communication Mechanism

Stakeholders	Main Concerns	Main Communication Channels	Main Response
<div>Government/ Regulatory Authorities</div> <div></div>	<ul style="list-style-type: none">Operate in legal complianceResponse to national strategyPromote economic growthSupport local developmentAnti-corruption and antitrust	<ul style="list-style-type: none">Governmental conferencesPolicy directivesProject collaborationSupervision by governmental agenciesDaily communication	<ul style="list-style-type: none">Strengthen operation complianceResponse to governmental callsImplement national housing policiesFacilitate urban developmentContantly refine anti-corruption mechanism
<div>Shareholders/ Investors</div> <div></div>	<ul style="list-style-type: none">Corporate governanceEconomic and market performanceInvestment return and growthEnhance information disclosure	<ul style="list-style-type: none">Shareholders' general meetingRegular reports and corporate announcementsInvestor relations activitiesIrregular email communicationInvestor teleconference	<ul style="list-style-type: none">Operate stably and progressivelyImprove corporate governance and risk managementFacilitate information disclosureEnhance investor relations management
<div>Customers</div> <div></div>	<ul style="list-style-type: none">Product and service qualityData and privacy securityResponse to demandsManagement service	<ul style="list-style-type: none">Customer satisfaction surveyCustomer relations managementCustomer visits and communication	<ul style="list-style-type: none">Reinforce product safety and quality inspectionImprove data security and privacy protectionRefine customer service processUpgrade the quality of product and servic
<div>Employees</div> <div></div>	<ul style="list-style-type: none">Legitimate rights and interests of employeesRemuneration and benefitsDevelopment and promotion opportunitiesOccupational health and safetyGood working environmentDiversity, equity and inclusion	<ul style="list-style-type: none">Employee trainingEmployee engagement surveyEmployee suggestion feedback mechanism	<ul style="list-style-type: none">Protect the legitimate rights and interests of employeesProvide a competitive remuneration systemOffer career development channelsOffer diversified training programsExpand employee benefitsEnhance employee communicationImprove employee engagement and satisfaction
<div>Cooperative Partners</div> <div></div>	<ul style="list-style-type: none">Legal complianceBusiness ethicsEconomic and market performanceCustomer relations managementLong-term partnerships	<ul style="list-style-type: none">Project collaboration and negotiationEvaluation and surveyCommunication and visits for daily business	<ul style="list-style-type: none">Comply with contractual requirementsImprove the Company's creditStrengthen qualification reviewExpand business fieldsMaintain sustained collaboration
<div>Community</div> <div></div>	<ul style="list-style-type: none">Economic and social impactsPublic welfareCharitable activitiesProvide career opportunities	<ul style="list-style-type: none">Community projectsRegular communication with community representatives and mediaDonationCharity events and voluntary service	<ul style="list-style-type: none">Participate in community projectsActively participate in public welfare and philanthropic activitiesAdvocate employees in volunteering activities
<div>Environment</div> <div></div>	<ul style="list-style-type: none">Reasonable resource consumptionEmission managementEnvironmental protectionBiodiversity protectionResponse to climate change	<ul style="list-style-type: none">Pay heed to environmental protectionCollaboration on environment protection projectsCollaboration with association	<ul style="list-style-type: none">Implemente green construction, and promote the design and application of green buildingsEnhance resource and energy use efficiency, and actively reduce energy consumption and emissionsImplement green office practices and encourage a green lifestyleIdentify and assess risks and opportunities of climate change and devise corresponding responsesEnhance environmental information disclosure

Identification of Material Issues

In 2024, we conducted a comprehensive review of our materiality matrix, taking into account the compliance requirements of the HKEX, the prevailing ESG rating system in the capital market, best practices from our industry peers, and input from various stakeholders after review, discussion, and analysis, which revealed no significant changes in the outcomes. With the results of our materiality assessment as a guide, we developed the 2024 Material Issue Matrix and provided targeted responses in this Report to address the primary concerns of stakeholders.



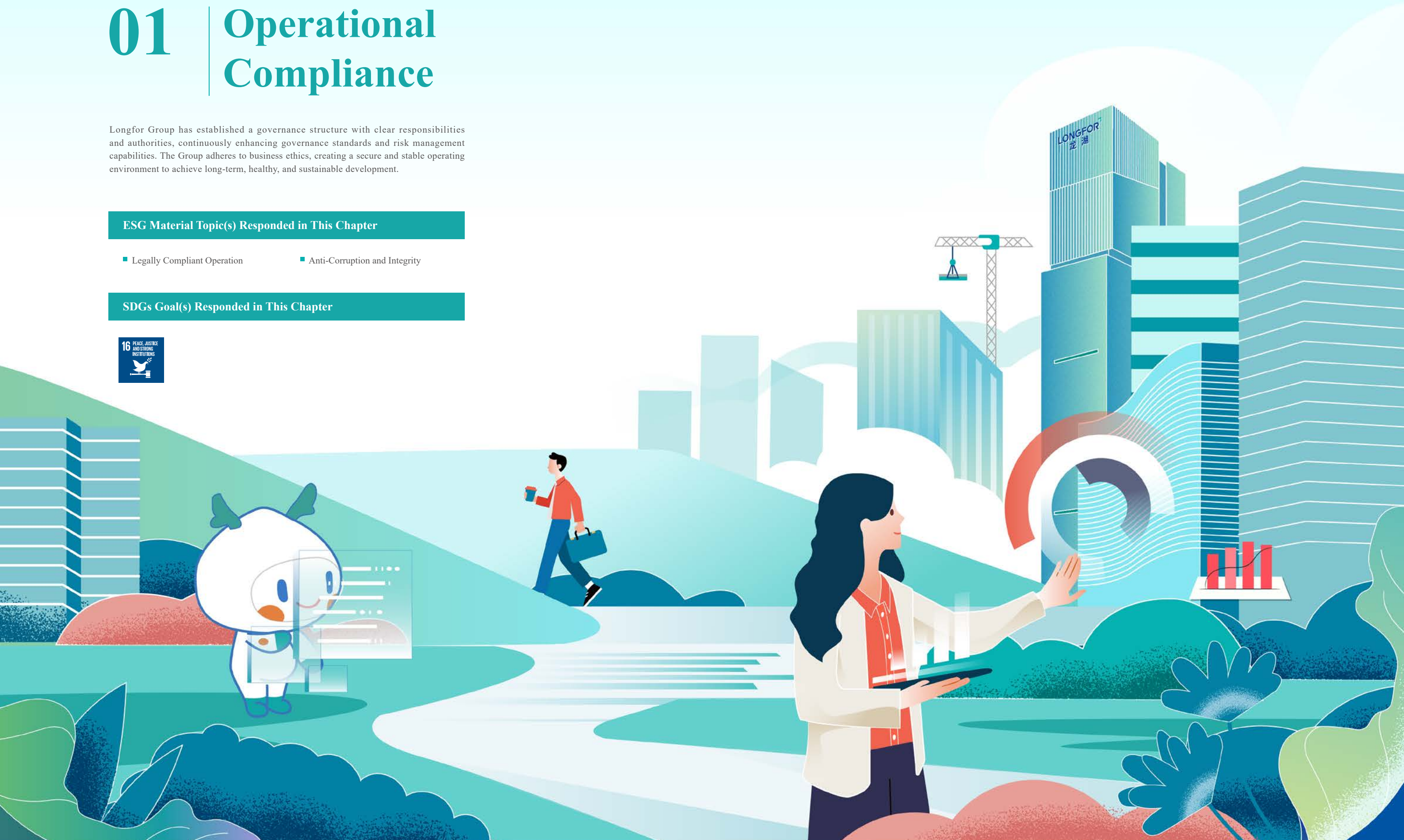
01 | Operational Compliance

Longfor Group has established a governance structure with clear responsibilities and authorities, continuously enhancing governance standards and risk management capabilities. The Group adheres to business ethics, creating a secure and stable operating environment to achieve long-term, healthy, and sustainable development.

ESG Material Topic(s) Responded in This Chapter

- Legally Compliant Operation
- Anti-Corruption and Integrity

SDGs Goal(s) Responded in This Chapter



Corporate Governance

Longfor Group strictly complies with relevant laws and regulations, including the *Company Law of the People's Republic of China*, and continuously improves the corporate governance framework. The Group enhances the diversity of the Board of Directors and safeguards the legitimate rights and interests of shareholders.

The Board of Directors of the Company (" the Board") as the highest governance body, is responsible for formulating and reviewing the Group's overall business, development strategies, and performance. It fulfills the governance duties in accordance with legal and regulatory requirements. The Board has established five specialized committees, including the Audit Committee, the Remuneration Committee, the Nomination Committee, the Investment Committee, and the Environmental, Social, and Governance Committee (hereinafter referred to as the "ESG Committee"). Based on their specific duties, the five committees oversee the relevant operations and management of the Group to ensure the efficient functioning and scientific decision-making of the Board. For more details about the Board and the committees, please refer to the investor relations section of the Company's official website at <https://www.longfor.com/en/investor/index.html>. During the Reporting Period, the Board of Directors held 4 meetings with a 100% attendance rate.

As of the latest, the Board of Directors consisted of 9 members, including 4 Executive Directors (44.4%), 1 Non-Executive Director (11.2%), and 4 Independent Non-Executive Directors (44.4%).

List of Longfor Board of Directors

Executive Director	Non-Executive Director	Independent Non-Executive Director
Mr. Chen Xuping (Chairman and CEO)	Ms. Sun Jiahui	Mr. Frederick Peter Churchouse
Mr. Zhao Yi (CFO)		Mr. Chan Chi On, Derek
Mr. Zhang Xuzhong		Mr. Xiang Bing
Ms. Shen Ying		Mr. Leong Chong

List of Members of Each Committee

Audit Committee	Remuneration Committee	Nomination Committee
Mr. Chan Chi On, Derek (Chairman)	Mr. Leong Chong (Chairman)	Mr. Xiang Bing (Chairman)
Mr. Frederick Peter Churchouse	Ms. Shen Ying	Mr. Chan Chi On, Derek
Mr. Xiang Bing	Mr. Chan Chi On, Derek	Ms. Sun Jiahui
	Mr. Xiang Bing	
	Ms. Sun Jiahui	

Investment Committee	ESG Committee
Mr. Chen Xuping	Mr. Chan Chi On, Derek (Chairman)
Mr. Zhao Yi	Mr. Chen Xuping
Mr. Zhang Xuzhong	Ms. Shen Ying
Mr. Chang Keyi	Mr. Frederick Peter Churchouse
Ms. Sun Jiahui	Mr. Xiang Bing

Longfor Group recognizes board diversity as a crucial factor in achieving the sustainable development of the Company and is committed to building a diversified and professional Board of Directors. We have formulated the *Board and Employee (Including Senior Management) Diversity Policy*², which stipulated that when selecting members of the Board, it is necessary to uphold the principle of diversity and comprehensively consider the diversified factors such as professional experience, cultural and educational background, professional skills, gender, age and service term of the candidate. We regularly review the implementation of diversification of the Board to ensure that the decision-making of the Board is transparent and efficient.

Strategy/Business Focus for Longfor's Board Members

Strategy/Business Focus	Mr. Chen Xuping	Mr. Zhao Yi	Mr. Zhang Xuzhong	Ms. Shen Ying	Ms. Sun Jiahui	Mr. Frederick Peter Churchouse	Mr. Chan Chi On, Derek	Mr. Xiang Bing	Mr. Leong Chong
Finance	√	√	√			√	√	√	√
Industry	√	√	√	√	√	√	√		√
Corporate Governance	√	√	√	√	√	√	√	√	√
Regulatory Authorities/ Public Relations	√	√	√	√	√	√	√	√	√
Expertise in International Projects	√	√	√	√	√	√	√	√	√



² <https://www.longfor.com/upload/file/2022-07-14/0cd33318-49ac-42be-b561-6418d350baf6.pdf>

Board Diversity Dimensions



Cultural and Educational Background

Bachelor's Degree

Master's Degree

Phd Degree

1

2

6

Positions

Executive Director

Non-Executive Director

Independent Non-Executive Director

4

4

1

Term of Office

Less than 5 Years

More than 10 Years

4

5

When formulating the remuneration policy for directors, we comprehensively consider the Group's strategic objectives, performance results, and benchmarking against the external market environment. Meanwhile, we take into account the individual capabilities, performance, role value, and contributions of the directors to the Company. The remuneration structure not only includes short-term incentives such as base salary, allowances, and bonuses but also provides long-term incentives through the implementation of equity incentive plans, further enhancing the directors' sense of responsibility and belonging.

The Group maintains continuous and effective communication with investors and other stakeholders. Through interim/annual reports, stock exchange announcements, earnings release presentations, roadshows, investor forums, and a dedicated investor relations email, we ensure timely and transparent information disclosure, thereby enhancing investor trust. In 2024, the Group issued 62 announcements, hosted over 150 investor visits and teleconferences with both domestic and international investors, conducted two online result briefing conferences for investors and sector analysts, and arranged more than 20 investor roadshows.

The Group issued

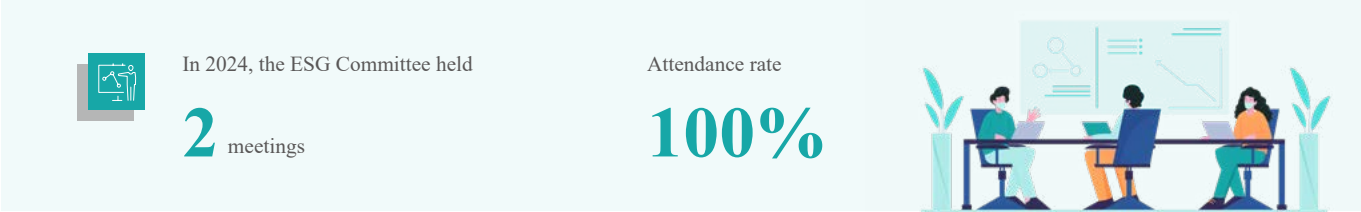
62 announcements

Number of investor visits and teleconferences with both domestic and international investors

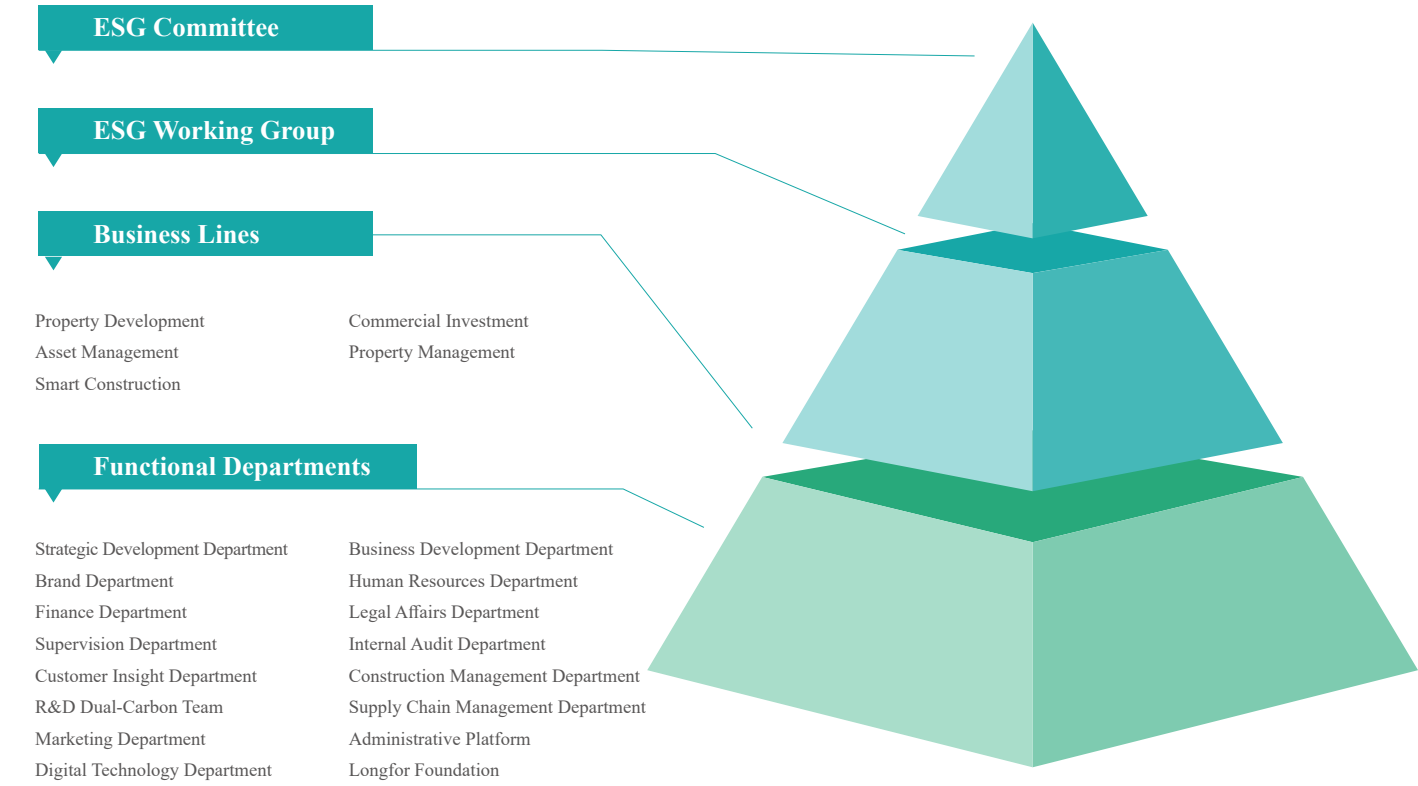
150+

Sustainability Governance

The Group is committed to integrating sustainable development principles into the corporate strategy and operational decision-making. We have established a clear, stable, and efficient ESG governance structure, including the ESG Committee at the board level. The ESG Committee is responsible for overseeing and reviewing the Company's overall climate strategy, goals, and related material issues. Under the ESG Committee, an ESG Working Group has been established to coordinate with various business lines and functional departments to drive the implementation of ESG initiatives and regularly report the Group's ESG performance to the ESG Committee. For details on the roles and responsibilities of Longfor Group's ESG Committee, please refer to the *Terms of Reference of the ESG Committee*³. In 2024, the ESG Committee held a total of 2 meetings with 100% participation.



ESG Governance Structure of Longfor Group



Longfor continuously optimizes the ESG management system, sets multidimensional sustainability goals, and regularly reviews the progress of goal completion. We incorporate indicators such as risk management, occupational health and safety, innovation and research, and energy conservation and emission reduction into the performance evaluation of senior executives and Board members, thereby continuously enhancing the Board and senior management's involvement in ESG management.

³ <https://www.longfor.com/upload/file/2023-09-01/441ae046-e447-4875-aba3-162d6921dcd3.pdf>

Green Finance

Against the backdrop of carbon peaking and carbon neutrality, Longfor actively responds to the national call for green development, viewing green finance as a key engine to drive the Group's sustainable development. We established the Company's green finance framework⁴ in 2020 and obtained certification from independent third-party rating agencies. We fully leveraged green finance as an important tool, focusing on the development of green building projects, actively participating in sponge city and smart city construction, and providing strong financial support for the Group's green transformation and upgrade.

Green Finance of Longfor Group

2017

The National Development and Reform Commission approved the Group's plan to issue three green bonds with a total offering size of RMB 4.04 billion to develop the new Chongqing Longfor Lijia project and Shanghai Hongqiao Business District Phase I No.5 plot.

2020

The Group established a green finance framework in 2020. With strong financial standing and extensive experience in green building development, the Company has obtained the green certification and the Second-Party Opinion from Sustainalytics⁵, a third-party organization, to be fully prepared for the future issuance of green bonds. All funds raised from the green bonds would be strictly used for the financing and refinancing of qualified green projects. The Group will disclose the use and allocation of funds in the annual sustainability report. The Group has established a special working group to concentrate on the development and certification of green building projects and implement the development and management of green projects systematically.

2022-2023

The Group obtained syndicated loans of HK\$3.45 billion and HK\$3.1 billion in 2022 and 2023 respectively with the SLL framework (Sustainability Linked Loan Framework). It requires the Company to select three ESG-related indicators and set corresponding goals, the attainment of which will result in cost savings. In pursuit of this objective, Longfor Group has set annual greenhouse gas emission intensity goals, water intensity goals (including water consumption by general contractors), and the goal of raising the percentage of female employees in the total workforce so as to monitor and enhance the sustainability performance.

⁴ <https://www.longfor.com/upload/file/2025-04-22/ljsrkj2504221652.pdf>
⁵ <https://www.longfor.com/upload/file/2025-04-22/dryjs250422.pdf>

Risk Management

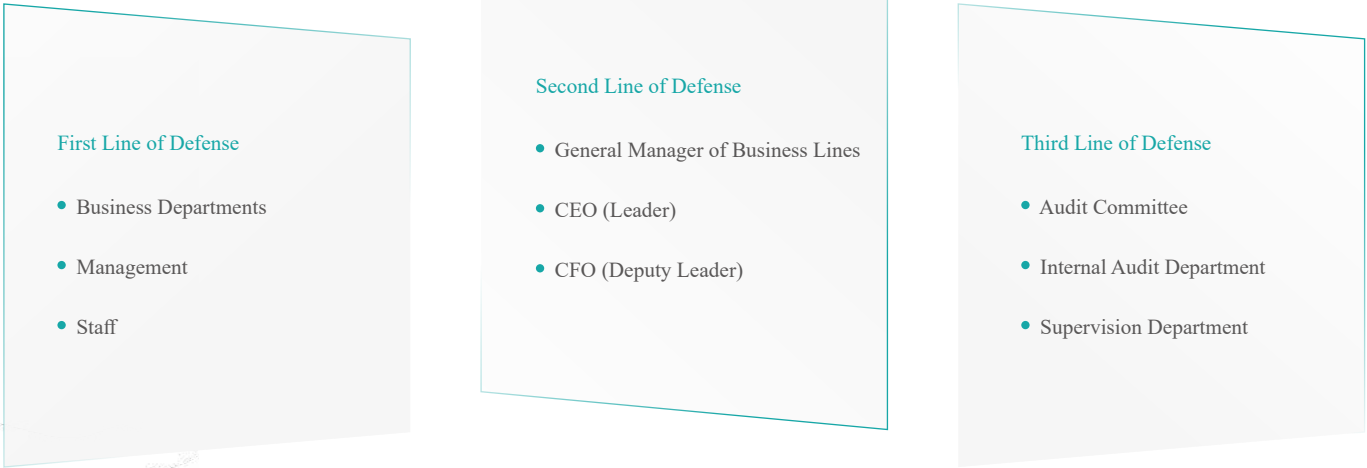
Longfor Group adheres to the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Companies Ordinance of Hong Kong*, the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited*, and other relevant laws and regulations. Furthermore, we refer to our peers and the internal control framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). We have established the *Longfor Risk Management System* and the *2024 Intelligent Living Headquarters Safety Risk Source Management System*, to standardize risk management processes and strengthen risk control capabilities. A comprehensive three-level risk management structure has been established, with the Board of Directors as the ultimate responsible body for overall risk management, clarifying the roles and responsibilities of each level and ensuring the fulfillment of risk control duties.

Risk Management Structure of Longfor Group



The Group has built a "Three Lines of Defense" risk management system, integrating risk management requirements into various management and business processes to ensure the effectiveness of risk prevention and control. We conducted self-inspection and self-correction activities in 2024, primarily in the first and second lines of defense, and enhanced the effectiveness of relevant systems and the compliance of business operations in response to the more than 1,000 issues identified during self-inspection. The third line of defense utilizes case advocacy and other methods to to deepen business empowerment and increase the integration and agility of business linkages.

"Three Lines of Defense" Risk Management Model



Every year, the Group invites external professional audit institutions to carry out risk identification and assessment. We have completed the risk identification and assessment in 2024, and sorted out 13 medium level risks and 2 low level risks, and further determined the top 10 risks and their solutions in 2024 according to the vulnerability and impact assessment method. Details of risks and responding plans were submitted by the Audit Committee and confirmed by the Board. The Group monitored the implementation of risk management based on the risk responding plans and prepared a risk management report at the end of the year.


Top 10 Risks for Longfor Group in 2024



Amid policy adjustments and increasing market competition, the challenges faced by enterprises are becoming increasingly complex and dynamic. During the Reporting Period, the Group incorporated risk management into the strategic planning, proactively identifying and assessing two important long-term emerging risks, cybersecurity and information and privacy security, that may significantly impact the Company's business. The Group has taken active measures to address these risks, ensuring the long-term development of the organization.

The Group actively uses quantitative indicators to measure the effectiveness of the risk management. We have established the *Management Measures for Segment Strategy Evaluation System*, setting financial incentive targets related to risk management for both management and staff. We have also included various risk indicators, such as systemic vulnerabilities, significant defects in public opinion feedback, customer complaints, and safety responsibility incidents in performance evaluations, encouraging employees to proactively identify and report potential risks.

The Group is actively promoting a risk management culture. In 2024, we conducted two risk management training sessions for executives and key management personnel, focusing on the significant risks identified. A total of over 100 people participated, effectively enhancing employees' awareness of risk management and improving the risk management capabilities of employees in key positions.



In 2024

2

Total participants

100+

risk management training sessions organized by the Group

Business Ethics and Anti-Corruption

Longfor Group adheres to relevant national and local policies and regulations, including the *Supervision Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, and the *Prevention of Bribery Regulations*. A governance framework for business ethics at the board level is established, with the Audit Committee responsible for the daily supervision and management of business ethics issues.

We have developed management systems such as the *Code of Longfor Business Conduct*⁶ (hereinafter referred to as "*Code of Conduct*") and the *Anti-Bribery and Anti-Corruption Rules*. These systems adopt a "zero tolerance" approach to corrupt and bribery-related activities, monopolies, unfair competition, money laundering, and other violations of business ethics. We require all employees, including executives and new hires, to sign the *Code of Conduct* and link compliance with the code to individual employee performance evaluations. If an employee violates the *Code of Conduct*, we will take measures such as salary deductions, in accordance with the *Employee Discipline Management Regulations*.

We conduct annual audits covering all business lines and functional departments within the Company to ensure the effectiveness of business ethics and anti-corruption policies. If any violations of business ethics are identified, they are promptly reported and addressed. In 2024, more than 20 audits were completed and 60 audited risks were identified, all of which were rectified and completed with a 100% rectification rate.

The Group has established open, transparent, and unobstructed reporting channels, encouraging employees and stakeholders to actively report any violations of business ethics. In 2024, to further enhance complaint handling efficiency, we established business ethics reporting liaison teams across business segments. Upon receiving a complaint, cases are followed up based on risk levels and importance by either the relevant business department or the Supervision Department. During the Reporting Period, a total of 345 valid reports were received from all channels, and the completion rate for reports throughout the year was 100%.

The Group has established a strict whistleblower protection mechanism to safeguard the legitimate rights and interests of whistleblowers. We follow the principle of protecting whistleblowers' rights and have formulated the *Whistleblower Protection System*⁷, which prohibits the disclosure of whistleblower information or the contents of their reports in any form. Any retaliatory action against whistleblowers will be held accountable.

Every year, the Group conducts business ethics training covering e Board of Directors, management, employees (including interns and part-time staff), suppliers, and contractors to further raise awareness of business ethics and anti-corruption. This helps create a transparent, ethical, law-abiding, and compliant business environment. Additionally, we conducted online training sessions on the *Code of Conduct* all employees, reaching over 69,000 viewers. More than 30,000 people completed the training, accounting for a total of over 8,061 training hours, and achieved a 100% pass rate on the business ethics examination.



During the Reporting Period

2

integrity training sessions organized by the Group for the Board of Directors and senior management

Average training hours per capita

3.5 hours

A total of over

300 training hours

During the Reporting Period, Longfor Group did not experience any incidents of discrimination or harassment, conflicts of interest, money laundering or insider trading, or corruption litigation cases.



In 2024

100 %

of employees signed the *Code of Conduct*

Longfor Reporting Channels for Business Misconduct



E-Mail

ljjb@longfor.com



Hotline

400-604-0988



Official Website

<https://www.longfor.com/report/index.html>



Mail

Longfor Blue Engine Industrial Park,
Building 6, No.8 Beiyuan Xiaojie,
Chaoyang District, Beijing
Recipient: Internal Audit and Investigation
Team of the Group
Zip Code: 100012

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⁶ <https://www.longfor.com/upload/file/2022-05-27/155b26f2-df79-4d83-9394-6778a00317be.pdf>

⁷ <https://www.longfor.com/upload/file/2022-05-27/3496a0d3-e468-4a5c-a9bb-accab41680d5.pdf>

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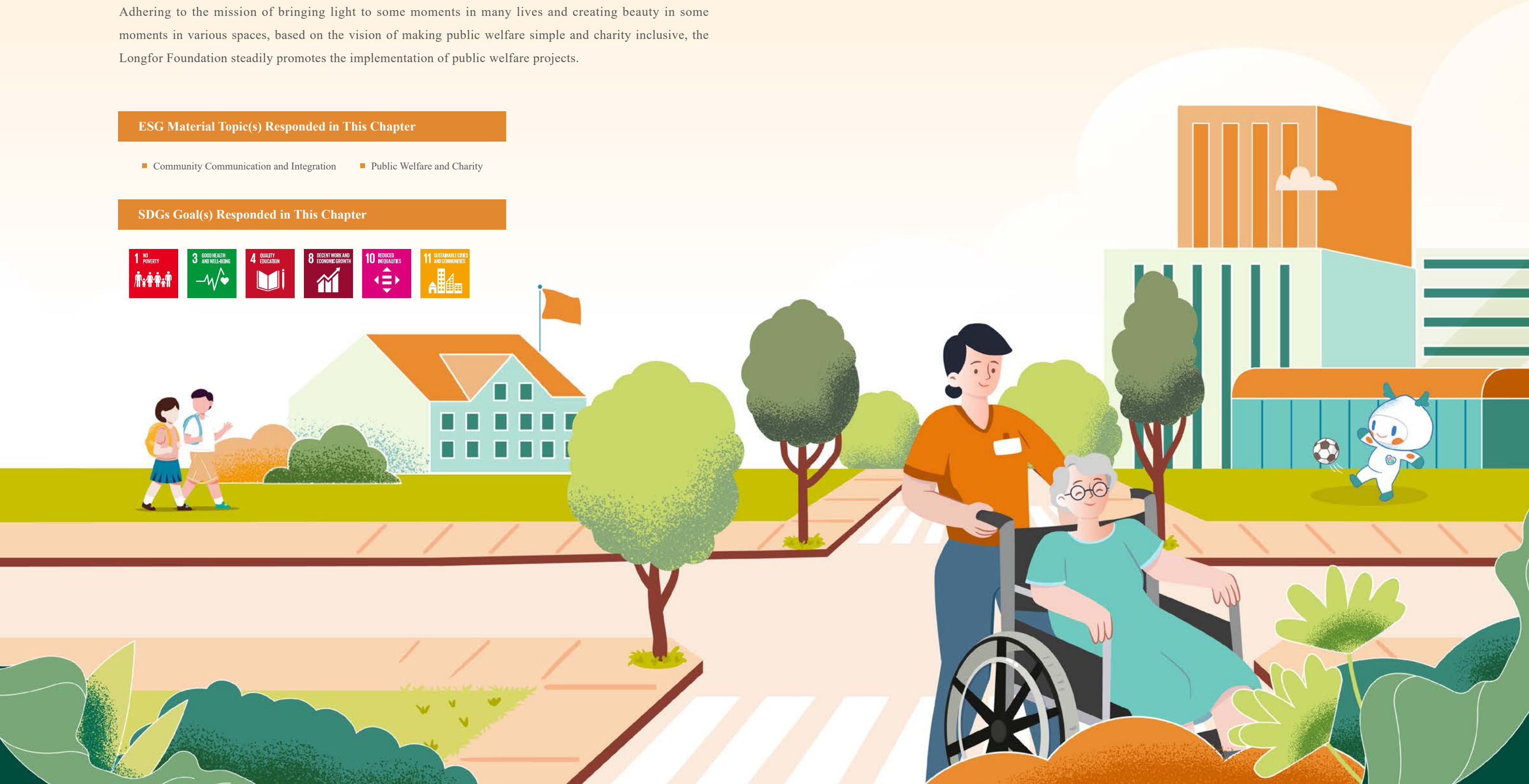
02 | Public Welfare Initiatives

Adhering to the mission of bringing light to some moments in many lives and creating beauty in some moments in various spaces, based on the vision of making public welfare simple and charity inclusive, the Longfor Foundation steadily promotes the implementation of public welfare projects.

ESG Material Topic(s) Responded in This Chapter

- Community Communication and Integration
- Public Welfare and Charity

SDGs Goal(s) Responded in This Chapter



Longfor Group is actively involved in public welfare initiatives and established the Longfor Foundation. And strictly complying with the *Charity Law of the People's Republic of China* and the *Regulations on Foundation Management*, the Group has formulated management measures such as the *Shenzhen Longfor Foundation Donation Management System*⁸, continuously improving the internal governance of public welfare projects. After Longfor Group won the 12th China Charity Awards in 2023 and the Shenzhen Longfor Public Welfare Foundation achieved a 5A grade in the assessment of Shenzhen social organizations, Longfor Group steadily moved forward on the path of public welfare and charity in 2024. The demonstration zone project of comprehensive assistance for rural revitalization in Dianjiang was awarded the 2024 Excellent Cases of Rural Revitalization by www.china.com.cn and Longfor Group has been ranked among the top three Chinese corporate volunteer service brands with its outstanding performance.

The Longfor Foundation has constructed a matrix of public welfare projects covering the entire life cycle to address the specific needs of different age groups. It carries out five major public welfare programs, including the Smiley Bud Program, providing assistance for children with major illnesses from financially disadvantaged families, the Lake-Light Program, supporting rural education, the Flying-Eagle Program, assisting youngsters in their career development, the Stream Program, supporting rural industrial development, and the Evergreen Program, promoting the renovation of old urban districts and ageing adaptation retrofitting. It has also carried out activities fostering the development of "One Elder One Child" Friendly Community Project and providing special assistance for rural revitalization. The Longfor Foundation has made targeted efforts to provide high-quality assistance services through diversified public welfare practices. As of the end of the Reporting Period, the accumulated donations from Longfor Group, its founders, and the Longfor Foundation exceeded RMB 2 billion and a total of more than 2.34 million people had been assisted.

Rural Revitalization

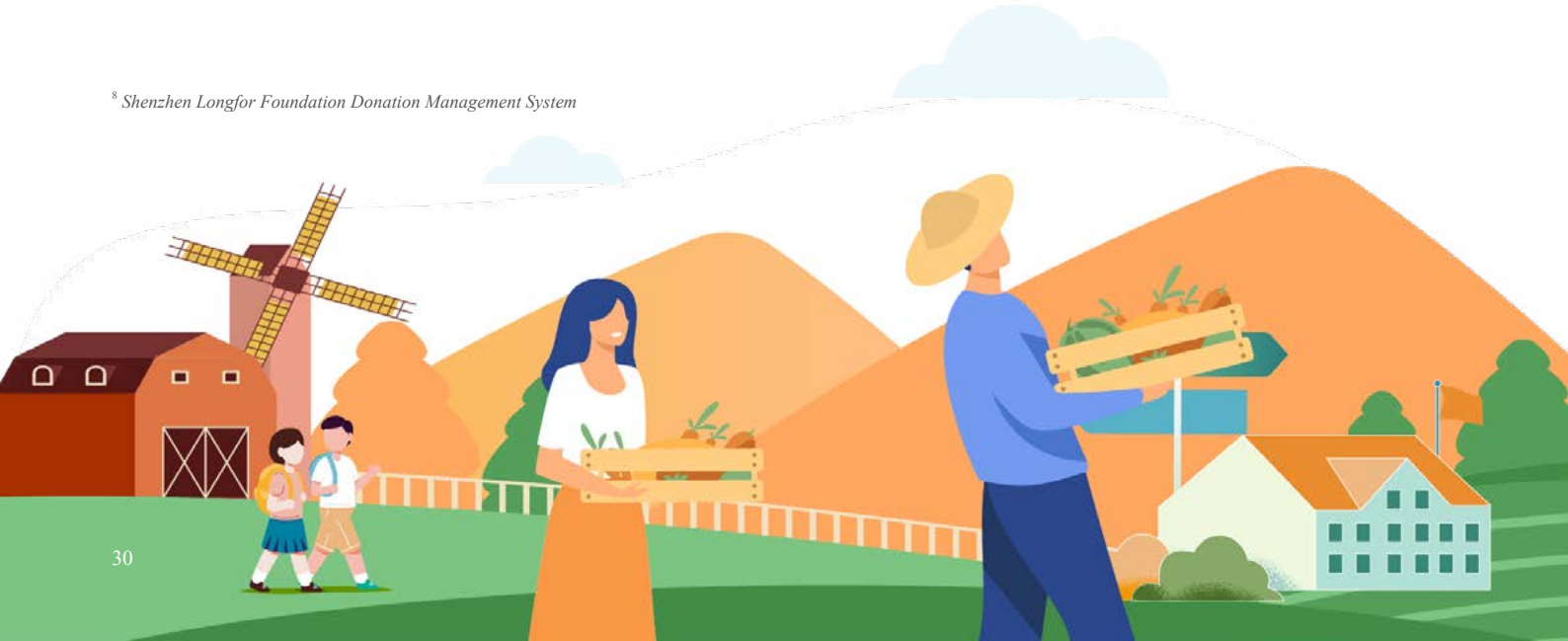
In 2024, the Communist Party of China (CPC) Central Committee and the State Council issued the *Opinions of the CPC Central Committee and the State Council on Learning and Applying the Green Rural Revival Program Experience to Effectively Advance All-round Rural Revitalization*, pointing out the need to improve the level of rural development from three dimensions: industry, construction, and governance, to provide strong impetus for rural revitalization. The Longfor Foundation closely follows the national rural revitalization strategy and focuses on industrial revitalization, brain gain, and cultural revitalization. It comprehensively supports rural development through multiple measures such as industry-based assistance, education enhancement, medical assistance, and community building, contributing Longfor Group's strengths to the rural education enhancement and economic development.

Comprehensive Assistance for Rural Revitalization⁷

Longfor Foundation integrates high-quality resources and collaborates with the China Guangcai Program Foundation, the United Front Work Department of the Chongqing Municipal Committee, the Chongqing Federation of Industry and Commerce, and the Chongqing Guangcai Program Foundation to launch the “Supporting Program for Dianjiang County to Comprehensively Promote Rural Revitalization”. The program provides continuous support for Dianjiang County to build a demonstration area for rural assistance.

As of the end of 2024, the project has been fully implemented in dimensions such as children's health, youth education, industrial economic development, and the comfort and happiness of the elderly, benefiting over 25,000 people in total.

⁸ Shenzhen Longfor Foundation Donation Management System



Medical Assistance

Longfor Foundation and Ai You Foundation have launched the Smiley Bud Program in Dianjiang County. They, in collaboration with Children's Hospital of Chongqing Medical University, focus on screening illnesses for children, providing medical assistance and doctor training, and creating a green channel to assist children with major illnesses. Meanwhile, free medical screening and lectures for training pediatricians are provided, covering departments such as cardiology, respiratory medicine, and child health care, to help improve children's medical care in Dianjiang.

Education Enhancement

Longfor Foundation, in conjunction with the Education Committee of Dianjiang County, has launched the Lake-Light Program to introduce high-quality resources and help improve education in Dianjiang through projects such as the Nurturing Talent Plan, principal empowerment, and scholarships. It has also launched the Flying-Eagle Program and set up a Longfor Flying Class at the Dianjiang Vocational Education Center to provide scholarships, literacy courses, and social practice support for disadvantaged vocational school students.

Industry-Based Assistance

Longfor Foundation collaborates with multiple parties to carry out rural revitalization projects. It organizes exchanges and connections between leading enterprises in other regions and enterprises in Dianjiang. Through project promotion, agricultural assistance forums, industry salons, and other activities, it helps cultivate new industries and promote rural revitalization. Meanwhile, Longfor Foundation, in collaboration with the Dianjiang Agricultural Committee, explores characteristic agricultural products, support agricultural development through charitable activities, and creates popular agricultural products through online and offline promotion.

Community Building

Longfor Foundation collaborates with the Chongqing Foundation for Disabled Persons and Dianjiang County People's Government to implement the "Actions on Care for the Elderly Living Alone " and child care programs such as "One Elder and One Child" campaign in Dianjiang County.

Longfor Foundation Launched Charitable Campaign Across Communities to Support Farmers

On May 18 and 19, 2024, Longfor Foundation, together with Dianjiang Agriculture and Rural Committee, carried out public welfare activities in Chongqing Longfor River View and Good City Time communities. Featured merchants in Dianjiang were invited to bring high-quality local specialties such as Dendrobium officinale buns, fermented glutinous rice, Zaiju and Rice noodles to the communities. These agricultural products were also promoted to other Longfor communities, shopping malls and our employees through online and offline channels, making high-quality agricultural products in Dianjiang available for more consumers, and providing a broader sales platform for Dianjiang featured agricultural products, thus contributing to local economic development and farmers' income increase.



Agricultural Products Involved in Longfor Foundation's Charitable Campaign

The Lake-Light Program⁹: Focus on Rural Education

Longfor Foundation actively responds to the national "14th Five Year Plan" and the *Opinions on Accelerating the Revitalization of Rural Talents* and other related policies. Taking education as the starting point and leveraging the advantages of enterprises, it integrates high-quality resources into the county-level education ecology to address rural education needs. Longfor Foundation takes such measures as principal empowerment training, support for teachers and their teaching, and introduction of literacy courses to comprehensively enhance the management skills of educational talents in the county and promote comprehensive improvement of education in the county, thus assisting in rural revitalization.

As of the end of 2024, the Lake-Light Program had encompassed 157 schools in 5 provinces. It assisted 124 education managers in enhancing their management skills, provided livelihood protection and professional development systems for 3,448 rural teachers, and assisted 51,776 rural students in enhancing their core literacy skills.



Accumulated number of rural students assisted

51,776

Lake-Light Program: Supporting Rural Education in Dianjiang



Longfor Foundation, together with China Social Entrepreneur Rural Foundation, Tsinghua University High School and some other public welfare partners, has closely cooperated with the Education Committee of Dianjiang County to launch the Dianjiang Special Project of Lake-Light Program: Supporting Rural Education. Longfor Foundation brings high-quality educational resources to Dianjiang, together with enterprises, prestigious schools, public welfare organizations, and Longfor volunteers, through projects such as the Potential Talent Cultivation Project, the Principal Management Empowerment, the Lake-Light-Shanqiao Project, and offering scholarships to disadvantaged students, facilitating the improvement of the comprehensive literacy education of rural schools.

As of the end of 2024, the project has provided educational management empowerment support to 65 primary and secondary school principals in Dianjiang, and professional training and literacy courses support for 1,408 teachers in areas such as mental health, adolescent sex education, music, art, and science, benefiting a total of 20,712 rural primary and secondary school students.



Rural Principal Management Empowerment and Rural Teacher Training in Dianjiang



⁹ For more details, please visit <https://www.longforfoundation.com/hgjh/index.htm>

Care for the Elderly and Children

The topic of the aging population and young children has garnered significant attention, and the demand for elderly care and childcare services is increasing rapidly. In 2024, China increased the amount earmarked within the central budget for investment and focused on promoting the construction of the service facilities system for the elderly and children. Longfor Group, in active response to the national call, continuously promotes the Smiley Bud Program and the Evergreen Program, creates friendly communities for the elderly and children. It incorporates care for the elderly and young into its corporate strategy and strives to create more happiness in life for them, facilitating the harmonious development of society.

The Smiley Bud Program¹⁰: Focus on Health Concerns

The Smiley Bud Program offers free screening of major illnesses to children, assistance to children with major illnesses from financially disadvantaged families, training to grass-roots pediatricians and humanistic care to pediatric patients. Through these efforts, it provides timely and efficient medical assistance for children with major illnesses, improves local medical care level, and addresses the medical shortcomings in economically disadvantaged areas, enabling early detection and treatment without requiring patients to leave their province.

As of the end of the Reporting Period, the Smiley Bud Program has been implemented in more than 20 cities, providing free diagnosis and screening services for nearly 110,000 children, assisting 613 children with major illnesses, and grass-roots pediatricians participated in training a total of 415 times.

The Smiley Bud Program Carried Out Volunteer Screening for Major Illnesses for Children in Dianjiang

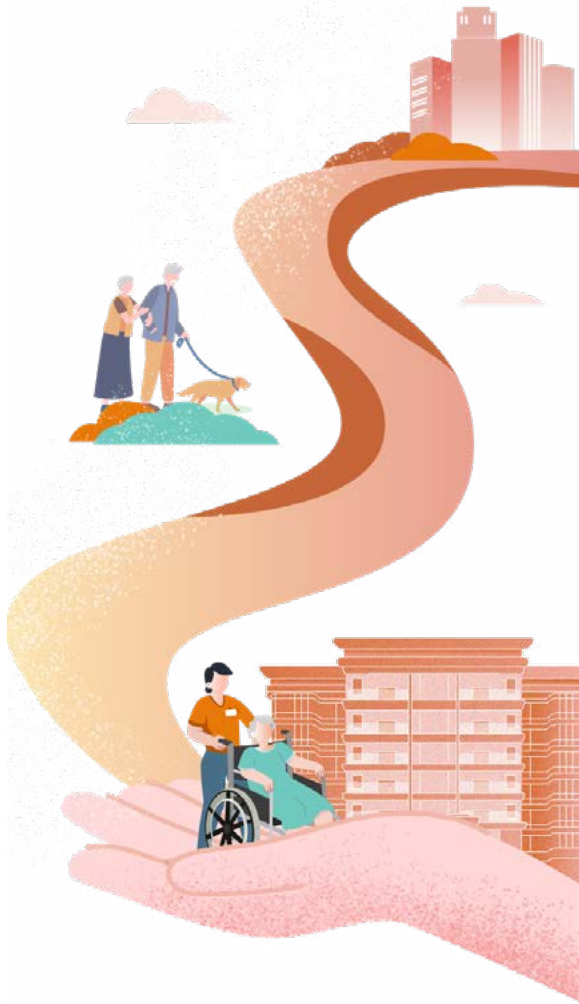


On April 14, 2024, Longfor Foundation, together with Ai You Foundation and Children's Hospital of Chongqing Medical University, carried out the activity of Smiley Bud Program: Volunteer Screening for Major Illnesses for Children in Dianjiang, Chongqing. During this event, experts from the Children's Hospital of Chongqing Medical University conducted free medical screenings for 80 children in Dianjiang, involving child health care, respiratory diseases, infection, and ear, nose and throat (EnT) diseases. In addition, to further enhance grass-roots diagnosis and treatment capabilities, experts have trained 57 pediatricians to bring high-quality medical resources to the county.



Training for Grass-roots Pediatricians in Dianjiang, Chongqing

¹⁰ For more details, please visit <https://www.longforfoundation.com/xyjh/index.htm>



The Evergreen Program¹¹: Building Age-Friendly Communities

In response to the policy requirement for promoting the renovation of old urban residential compounds and ageing adaptation retrofitting, the Evergreen Program gives full play to Longfor's expertise in spatial design and services to deliver systematic aging adaptation renovation for old urban residential compounds. This program encompasses four core areas: the optimization of community public space, improvement of home environments for the elderly, renovation of community-based elderly service centers, and the facilitation of community care services. These endeavors aim to bolster safety, convenience, and contentment for the elderly, while also contributing to the rejuvenation of old residential compounds and the establishment of age-friendly communities.

As of the end of 2024, the Evergreen Program has implemented 107 projects in 17 cities, including Chongqing, Shenyang, Suzhou, Shanghai, and Ganzhou, helping 140,000 elderly people to enjoy their old age and experience a more secure and convenient living environment.

The Aging Adaptation Renovation Project of Longxing Street in Shuanglonghu Sub-district, Yubei District Was Successfully Completed and Accepted

On December 18, 2024, the renovation project of Longxing Street in Shuanglonghu Sub-district, Yubei District, Chongqing supported by Longfor Foundation, received acceptance inspection. The renovated compound is an old commercial housing community built in the late 1990s, with a population of about 850 people, of which 60% are elderly. The community covers an area of 26,000 square meters and this project involved a renovation area of 707 square meters. The renovation includes standardized products such as leisure pergola, fitness equipment, facilities in the children's playground, elderly-friendly seats, and assistive devices. Longfor Foundation, with its expertise, has renovated the public space of this old compound in line with high standards, creating comfortable, safe, and convenient activity space for the elderly and children, as well as bringing warmth and care to them.



Community Renovation Achievements of Longxing Street in Shuanglonghu Sub-district, Yubei District

"One Elder and One Child" Friendly Community Building¹²: Creating an Inclusive Community for the Elderly and Young People

Longfor Foundation prioritizes the physical and spiritual well-being of the elderly and children. Collaborating with the China Philanthropy Research Institute of Beijing Normal University, it strives to provide overall solutions of sustainable services for the elderly and children based on their needs, facilitating the construction of high-quality communities in the new era. This project focuses on various aspects of community service, including the development of standards for constructing elderly and child-friendly communities, the creation of friendly spaces, capacity-building, and the design and implementation of service programs. These efforts aim to meet the specific needs of the elderly and children, resulting in the establishment of safe, healthy, cultured, and self-governing communities. It gradually establishes a community public welfare model led by the community and supported by socialized professional services, with active participation of residents, to effectively improve the quality of life of the elderly and children in the community.

As of the end of the Reporting Period, the "One Elder and One Child" friendly community project has been implemented in 89 communities in Beijing, Chongqing, and Shenzhen, providing over 1,500 community services and benefiting 83,000 residents.

¹¹ For more details, please visit <https://www.longforfoundation.com/hgjh/index.htm>

¹² For more details, please visit <https://www.longforfoundation.com/gxzc/index.htm>

The Co-construction Project for a Wonderful Home Supported by Longfor Foundation Assisted in the Renovation of Xiangmihu Subdistrict

On September 12, 2024, the "Warm Home" community (village) micro-renovation project, a renovation project of Xiangmihu Subdistrict, was completed, which is a sub-project of the Co-construction Project for a Wonderful Home launched by Longfor Foundation, in collaboration with other social forces and charitable resources including the Better Life Development Fund of Shenzhen Charity Federation. It revitalized the homes of 15,000 residents. The "Warm Home" community (village) micro-renovation project focuses on renovating public spaces in old residential areas and creating leisure spaces that are suitable for children and the elderly. The project has designed three major functional scenarios: community activities, health and fitness, and quiet leisure, and designed 34 humanized care details through menu-based configuration of product modules. Based on the characteristics of the site and residents' actual needs, the project flexibly put in place playground facilities for children and health and fitness facilities for the elderly, and renovated basketball courts, stages for activities, tiered stands, drainage systems, etc. It also optimized the environment and functions of the renovated site to the maximum extent through some designed humanized details, including the design of accessible entrances, anti-slip design of the floor, and the leisure zones under trees.

The renovated square has received much praise from the residents for its greatly improved environment and upgraded zoning. Its layout is more reasonable with more comprehensive functions, taking into account the needs of the elderly and children while also providing great convenience for residents' leisure life.



The Plaque Unveiling Ceremony of the "Warm Home" Project



Renovated Playground

"Accompany with The Elderly" Offline Joint Action Under the Friendly Community Building Project

From October to December 2024, the "One Elder and One Child" Friendly Community Building project launched an offline joint action called "Accompany with The Elderly" nationwide. This event was jointly initiated by Longfor Foundation and China Philanthropy Research Institute of Beijing Normal University, recruiting communities nationwide. 31 communities in 28 cities across 14 provinces in China jointly carried out 93 service activities around the three major community needs, namely health, safety, and culture, with a total of 1,065 participants.

This joint action provided effective assistance for the community to carry out elderly care services with the participation of multi-parties through the release of professional service guidance manuals and tools. It also mobilized children to participate in the elderly care services, effectively enhancing children's social abilities. It also mobilized more charitable resources in the community, and enhanced the friendliness between the elderly and children in the community.



"Accompany with The Elderly" Offline Activity

Facilitating Education

Longfor Group firmly believes that education and culture are the cornerstones of national development and always regards it as its important social responsibilities to support education and advocate traditional culture. Over the years, the Group has been supporting the career development of young people through school-enterprise partnerships. It also provides long-term support for the preservation and promotion of excellent traditional Chinese culture through the Longfor-Palace Museum Cultural Fund. Moreover, it has been continuously contributing to the protection and restoration of cultural relics as well as the cultural heritage research of the Palace Museum.

The Flying-Eagle Program¹³: Facilitating Young People's Career Development

The Flying-Eagle Program was initiated in response to the *Circular of the State Council on the Implementation Plan for the Reform of National Vocational Education*. This project aims to support the personal and professional growth of individuals while maximizing the potential of secondary vocational schools by assisting students who face academic challenges in completing their compulsory education in accordance with regulations. It also focuses on providing skills training and advancing the development of secondary vocational education in line with government policies. The Flying-Eagle Program serves as a bridge between support provided during vocational school and assistance given after its completion.

As of the end of the Reporting Period, Longfor Foundation has collaborated with 8 vocational schools in Chongqing and Guizhou on the establishment of "Longfor Flying Classes", assisting 2,213 students in vocational schools in mastering vocational skills.



Accumulated number of vocational school students assisted

2,213

The 2024 Career Camp of Dianjiang Flying Class Wrapped up Its Learning Tour

From July 3rd to 5th, 2024, the 2024 Career Camp customized for the Dianjiang Flying Class by the Flying-Eagle Program of Longfor Foundation was successfully carried out in Chongqing. With the assistance of 27 Longfor volunteers, 40 students and teachers from the Flying Class went deep into Longfor's diversified business scenarios, observed the working conditions of different jobs on site, and experienced different jobs. They were assigned to four professional directions: service operation, accounting and finance, live streaming computer, and computer numerical control (CNC) machinery. They went to corresponding enterprises to personally experience their future career paths and workplace atmosphere. In the career camp, students also systematically studied some courses such as the *From Campus to Workplace* for career development and the *Fraud Prevention and Rational Investment for the Youth* for financial literacy education.

This Career Camp has provided valuable opportunities for students in the Flying Class to explore different jobs, assisting them in pursuing their dreams and moving towards a broad future.



Career Camp of Dianjiang under the Flying-Eagle Program Wrapped up Its Learning Tour

¹³ For more details, please visit <https://www.longforfoundation.com/zcjh/index.htm>

Cultural Inheritance and Preservation

Longfor Group has always been committed to the inheritance and promotion of excellent traditional Chinese culture, actively supporting cultural relics protection. In 2024, through the Longfor-Palace Museum Cultural Fund, the Group supported multiple traditional cultural exhibitions and cultural preservation education activities of the Palace Museum such as "The Forbidden City and the Palace of Versailles: China-France Cultural Encounters in the Seventeenth and Eighteenth Centuries". These measures continue to play a positive role in the protection and restoration of cultural relics, research and utilization of cultural heritage, and dissemination of excellent traditional culture, facilitating the development of the Palace Museum's cultural heritage preservation efforts. Longfor Group's public welfare actions demonstrate its sense of responsibility as a corporate citizen, contributing significantly to the promotion of excellent traditional Chinese culture by safeguarding historical treasures and inheriting cultural genes.

Longfor Foundation Supports the Exhibition of "The Forbidden City and the Palace of Versailles: China-France Cultural Encounters in the Seventeenth and Eighteenth Centuries"



On April 1, 2024, the opening ceremony of the exhibition "The Forbidden City and the Palace of Versailles: China-France Cultural Encounters in the Seventeenth and Eighteenth Centuries" was held at the Palace Museum. The exhibition is jointly organized by the Palace Museum and the Palace of Versailles, with support provided by the Longfor Foundation. The exhibition is themed around diplomatic, cultural, and artistic exchanges between China and France. Through approximately 200 exquisite cultural relics collected by the Palace Museum, the Palace of Versailles, and other institutions, it showcases the political exchange history of mutual respect and appreciation between the two countries over the past century, as well as the cultural exchange history of mutual learning and reference. The exhibition was open to the public from April 1 to June 30, 2024, in the exhibition hall of Wenhua Hall at the Palace Museum.

This exhibition has provided a unique window for the public to gain a deeper understanding of the history and culture of China and France, and also demonstrates Longfor Foundation's commitment to cultural inheritance and international exchange.



The Exhibition of "The Forbidden City and the Palace of Versailles: China-France Cultural Encounters in the Seventeenth and Eighteenth Centuries"

Longfor Group Supported the Successful Holding of the IIC-ITCC Training Workshop (VI)



From July 24th to August 4th, 2024, the IIC-International Training Centre for Conservation (IIC-ITCC) Training Workshop (VI), jointly organized by the International Institute for Conservation of Historic and Artistic Works (IIC) and the Palace Museum, was held at the Palace Museum. Longfor Group played a supporting role in organizing the event as a public welfare supporter. The theme of this training workshop is "the conservation and restoration of metals". The training workshop is aimed at strengthening the exchange of conservation and restoration theories and scientific practices between China and the West, and promoting cooperation and improvement of cultural relic conservation and restoration theories and technologies in and out of China.

At the opening ceremony, Director Wang Xudong and President Julian Bickersteth signed a cooperation agreement on behalf of the Palace Museum and IIC respectively, and jointly presented a thank-you letter to Longfor Group, the public welfare supporter of this training workshop, to express their gratitude for Longfor Group's support. This event not only demonstrates the practical actions taken by Longfor Group to safeguard the historical context, but also embodies Longfor Group's public welfare philosophy of promoting cultural exchange.



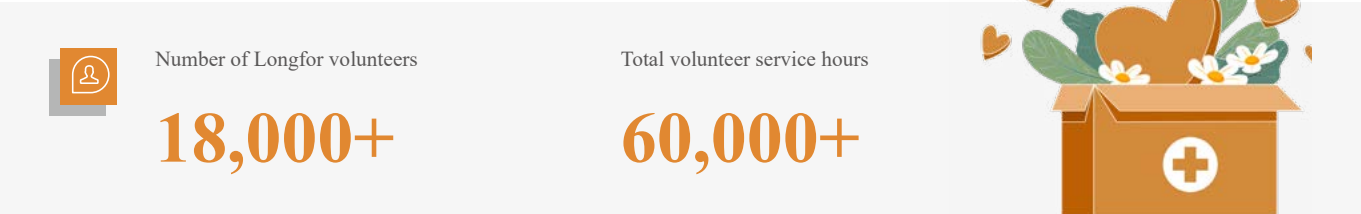
The Opening Ceremony of the IIC-ITCC Training Workshop (VI)

Volunteer Service

Leveraging its resource advantages, Longfor Group actively engages in diverse public welfare activities, and encourages the participation of its employees, owners, and customers in volunteer initiatives. Through the positive impact of charitable endeavors, Longfor Group contributes to societal development. In August 2024, the Longfor Volunteer Platform was optimized and upgraded so that external members can easily participate in various volunteer activities through the platform. Users can obtain activity information in a timely manner and register to participate in activities by following the official account of the "Longfor Foundation". In addition, the platform has established a "public welfare file" for each volunteer to record their specific participation in volunteer activities, so that it can deliver better management of volunteers and motivate them to participate in public welfare undertakings.

As of the end of the Reporting Period, Longfor Group boasts a volunteer force of over 18,000 individuals who have collectively devoted more than 60,000 hours to volunteering.

As of the end of the Reporting Period



Volunteer Activities

Longfor volunteers adhere to the philosophy of "Actions make public welfare simple". They actively participate in various public welfare projects, and spread warmth to every corner. Since the establishment of Longfor Foundation in 2020, volunteers have integrated public welfare actions into their daily lives through diverse volunteer activities, attracting more social forces to join them.

Volunteer Activities in 2024

Longfor Public Welfare Day on November 20

From November 20 to December 20, 2024, Longfor Group organized a month-long "1120 Longfor Public Welfare Day" nationwide. During the event, themed "Act Towards Goodness, and Small Deeds Carry Great Love", over 400 public welfare activities were held in more than 40 cities across the country, covering sales offices, Paradise Walk, Goyoo, communities, and other scenes. Over 4,000 employee volunteers participated in the event and over 12,000 members of the public got involved. Over 4,000 hours of volunteering effort were accumulated, spreading warmth together.

Public Welfare Bazaars

In November 2024, the Public Welfare Bazaars were launched in office buildings, Paradise Walk, and communities in more than 30 cities across the country. Meanwhile, Longfor Foundation and Ai You Foundation jointly launched an online charity auction activity. Thanks to these endeavors, it allowed caring netizens to obtain their desired products while contributing to public welfare by making a donation. As of the end of December 2024, Longfor Public Welfare Bazaars had attracted over 2,000 donors, with a total donation of over RMB 110,000. All funds raised were used to support the Longfor Smiley Bud Program to care for children with major illnesses.

2024 Longfor Campaign of Step-Donation for Public Welfare

On June 6, 2024, the 27-day 2024 Longfor Campaign of Step-Donation for Public Welfare came to a successful conclusion. The theme of this event is "Helping Children Gain a New Life with Good Deeds", calling on our customer groups within the business ecosystem such as Longfor employees, homeowners, tenants, consumers, and partners to participate together. During the campaign, Longfor Group promoted full-channel linkage in Chongqing, Chengdu, Beijing, Suzhou, and other places. The campaign attracted over 21,000 caring participants, with a total donation of 1 billion steps, unlocking Longfor Foundation's matching donation quota of RMB 1 million. All donations were subsequently used to support the Longfor Smiley Bud Program to assist in the rehabilitation of children with major illnesses.

Longfor Paradise Walk Public Welfare Campaign for International Children's Day

On International Children's Day 2024, the Commercial Department, in collaboration with Longfor Foundation's Lake-Light Program, launched a special project named "Celebrating International Children's Day Together". Special photography exhibitions were held in 8 shopping malls, presenting the real stories of children from the mountainous areas. Brands and KOLs worked together to explore public welfare stories, and our original public welfare videos were played for over 100,000 times, promoting public-welfare-oriented and loving initiatives among the public. 21 shopping malls promoted the campaign and raised materials simultaneously. We had the support of 34 high-quality brands and raised more than 7,000 pieces of donated materials, including clothing, books, hair and body care products and tools, art materials, and blankets, with a total value of over RMB 300,000. Volunteers and representatives of merchants were organized to celebrate the International Children's Day with the children of Jinxin Primary School. They brought "Paradise Bazaar" activities, including gift packages, artistic and cultural shows, joyful fair, creative science shows and other novel experiences, which have brought children unforgettable joyful memories of International Children's Day.

"Together for Charity" Growth Volunteer Project

Longfor Group's Digital Technology volunteers innovatively created the "Together for Charity" Growth online platform for urban and rural children, breaking down distance barriers and building a platform for remote communication between volunteers and rural children. And children from two regions were organized to participate in the "Baby Dragon" public welfare summer camp together. They formed a project loop consisting of system development for activities, interactive communication online, and offline summer camps, assisting rural children in their comprehensive development and providing volunteers with new experiences. The "Together for Charity" Growth online platform in 2024 has supported two major themed activities: Lake-Light Reading and "Together for Charity" Sports, with over 250 participants. It has become a signature project of Longfor volunteer activities and has also propelled the innovation in the forms of volunteer services in the industry.

Volunteer Service Project of "Children Creators" Nourishing Children's Souls with Art Education

In 2024, Zhao Tianjiao, a "public welfare officer" from Longfor Group, came to Pingshan Primary School in Dianjiang County and launched a three-day art education workshop and a two-month online art classroom. She provided art enlightenment for children, from basic painting skills to co-creation of picture books and story design, gradually opening up their artistic ways of expression. Guided by her, 40 teachers and students in the school jointly created four children's picture books of Dianjiang rural culture series in two months around four themes: Dianjiang history and culture, natural scenery, hometown cuisine, and hometown future. These picture books were publicly exhibited on Chongqing Jinsha Paradise Walk, Beijing Beiyuan Paradise Walk, and Shanghai Hongqiao Paradise Walk during the Longfor Public Welfare Day campaign in 2024, and received universal praise from the public.

The Public Welfare Investments of Longfor Public Welfare Foundation in 2024¹⁴

"One Elder and One Child" Friendly Community Building	Evergreen Program	Supporting Universities	Flying-Eagle Program
RMB 2.64 million	RMB 7.52 million	RMB 1.42 million	RMB 0.25 million
Lake-Light Program	Smiley Bud Program	Guangcai Special Fund for Education Poverty Alleviation	
RMB 2.5 million	RMB 0.5 million	RMB 3 million	

¹⁴ Excluding external public welfare donations from Longfor Group.

03 | Quality First

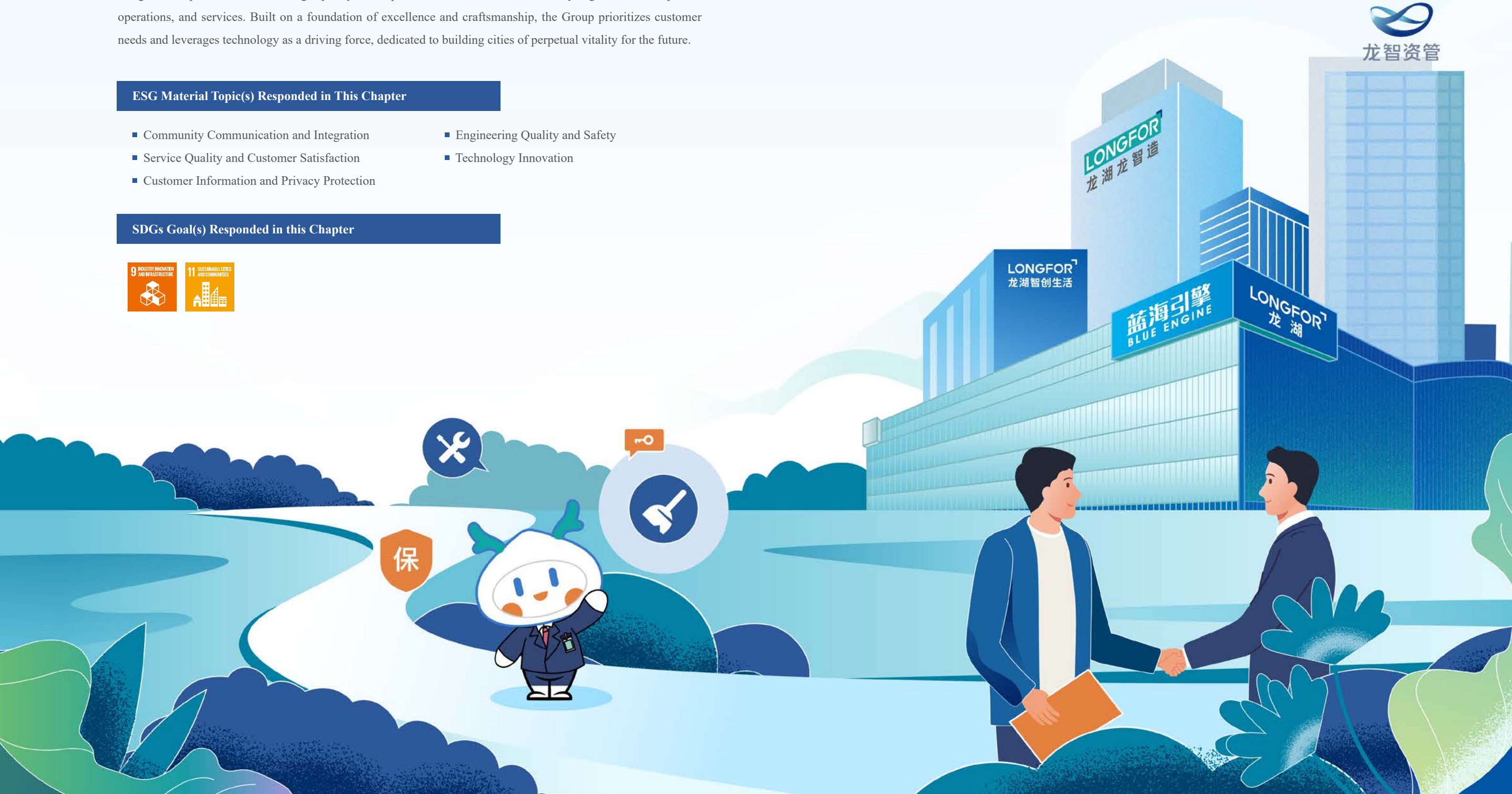
Longfor Group has established a high-quality development model centered on three key segments: development, operations, and services. Built on a foundation of excellence and craftsmanship, the Group prioritizes customer needs and leverages technology as a driving force, dedicated to building cities of perpetual vitality for the future.



ESG Material Topic(s) Responded in This Chapter

- Community Communication and Integration
- Service Quality and Customer Satisfaction
- Customer Information and Privacy Protection
- Engineering Quality and Safety
- Technology Innovation

SDGs Goal(s) Responded in this Chapter



Product Quality and Safety

Longfor Group's commitment to craftsmanship is prominently reflected in product quality and safety. We have implemented a sound product quality management system, with standardized processes and mechanisms in key areas such as design and construction to ensure customer expectations are fully met. Additionally, we have introduced cutting-edge intelligent technologies to consistently improve construction efficiency and precision.

Improving Product Quality Management System

Longfor Group prioritizes product quality and complies with the *Construction Law of the People's Republic of China*, the *Product Quality Law of the People's Republic of China*, the *Regulations on Construction Project Quality Management*, the *Unified Standard for Constructional Quality Acceptance of Building Engineering (GB 50300-2013)*, and other relevant laws and regulations. We have also established internal policies and systems such as the *Longfor Rework Management System for Completed Housing Projects*, the *Longfor Property Unit-Specific Inspection Management System* and the *Longfor Regulations on Concrete Quality Management*. In 2024, Longfor Group introduced the *Management System for Third Party Inspection of Real Estate Headquarters Projects* and the further strengthening quality management systems.

Longfor adheres to strict product standards, integrating quality managements throughout the entire lifecycle of real estate development, from material selection to construction and building, solidifying the foundation of product quality. We have established a three-tier quality control system at "Group-Region-Project" levels, to ensure comprehensive construction oversight from project initiation to delivery. In addition, we maintain a verification file for each unit and conduct hundreds of specialized review meetings at various levels before delivery, to ensure that every detail meets the highest standards for the sake of our homeowners. Furthermore, we have established a cloud-based inspection team and system at the group level and consistently conduct quality and service supervisioin through a well-structured top-level design to complete the business inspection loop.

As of the end of the reporting period, we had had successfully implemented 91 precision workmanship methods, further enhancing the Group's quality management standards and system capabilities.

Quality Management Requirements for Each Process Stage

> Selection of materials

- Preferred brand:** Placing emphasis on globally recognized and domestic leading brands.
- Centralized purchasing:** Selecting over 128 building material categories and engaging with more than 352 brand suppliers.
- Irregular sampling:** Engage third-party testing agencies to perform periodic random sampling of centralized procurement materials.

> Construction

- Precision workmanship:** Employing 67 above-ground and 24 underground structures along homeward bound routes.
- Construction technology:** Applying new techniques and materials, with full coverage of 74 technologies.
- Construction system:** Contains all professional summary of enhancement techniques, with 74 technologies covering civil engineering, mechanical and electrical category, decoration, to fully ensure the quality of construction

> Techniques

- The leakage control system:** 7 key management actions and 220 anti-leakage construction nodes make the product more reliable, more comprehensive, more durable and more effective.
- The hollowness and cracking prevention system:** Extensively use lightweight plaster as the indoor plastering material, with the goal of achieving "zero hollowness and zero cracking" for green, environmentally friendly, and aesthetically pleasing outcomes.
- Home decoration project refinement system:** Formulate 26 process standards, and reinforce 1,008 decoration finishing nodes to ensure standardized decoration management and high-quality acceptance and presentation.

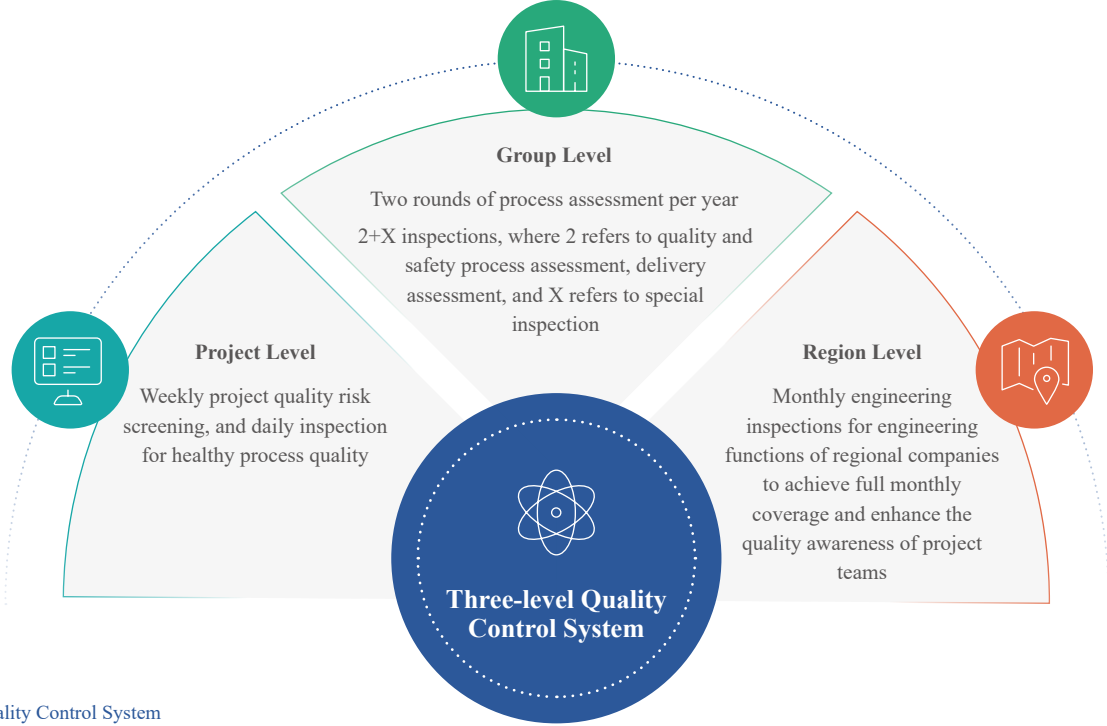
> Acceptance

The three-level quality control system:

- Conducting four types of process assessments, along with one delivery assessment.
- Conducting special inspections for key operations.
- Full-cycle process control encompassing 300+ quality details.

The unit-specific final quality inspection:

- Conducting delivery inspections from three dimensions, 10 sub-sections, incorporating 748 inspection subjects, 1,222 key points, and organizing over 100 inspection symposiums.
- House quality checking from the customer's perspective 6 months before delivery.



Three-level Quality Control System

Meanwhile, the Group has fully implemented the quality management system and certification. As of the end of 2024, 24 property management subsidiaries had passed the ISO 9001 quality management system certification, further promoting quality management improvement.

2024 Product Quality Honors for Longfor Group

Chongqing Central Park North Island Project
Tien-yow Jeme Civil Engineering Prize

Changchun Shunshanfu Project
Jilin Province Quality Engineering Award

Beijing Wangquansi Yuhu Jing Project
Beijing Structural Great Wall Cup Award

Hefei Longfor Guangnian Project
Hefei City Quality Engineering Award

Quanzhou Xuexiangfu Project
Quanzhou City Quality Engineering Award

Zhanjiang Nandiao River Project
Zhanjiang City Quality Engineering Award

Improving the Product Delivery System

Longfor Group is dedicated to product excellence and craftsmanship in space creation, focusing on urban needs to establish an industry-leading product delivery system. With a meticulous focus on quality and details, we deliver high-quality living experiences for customers.

 In 2024

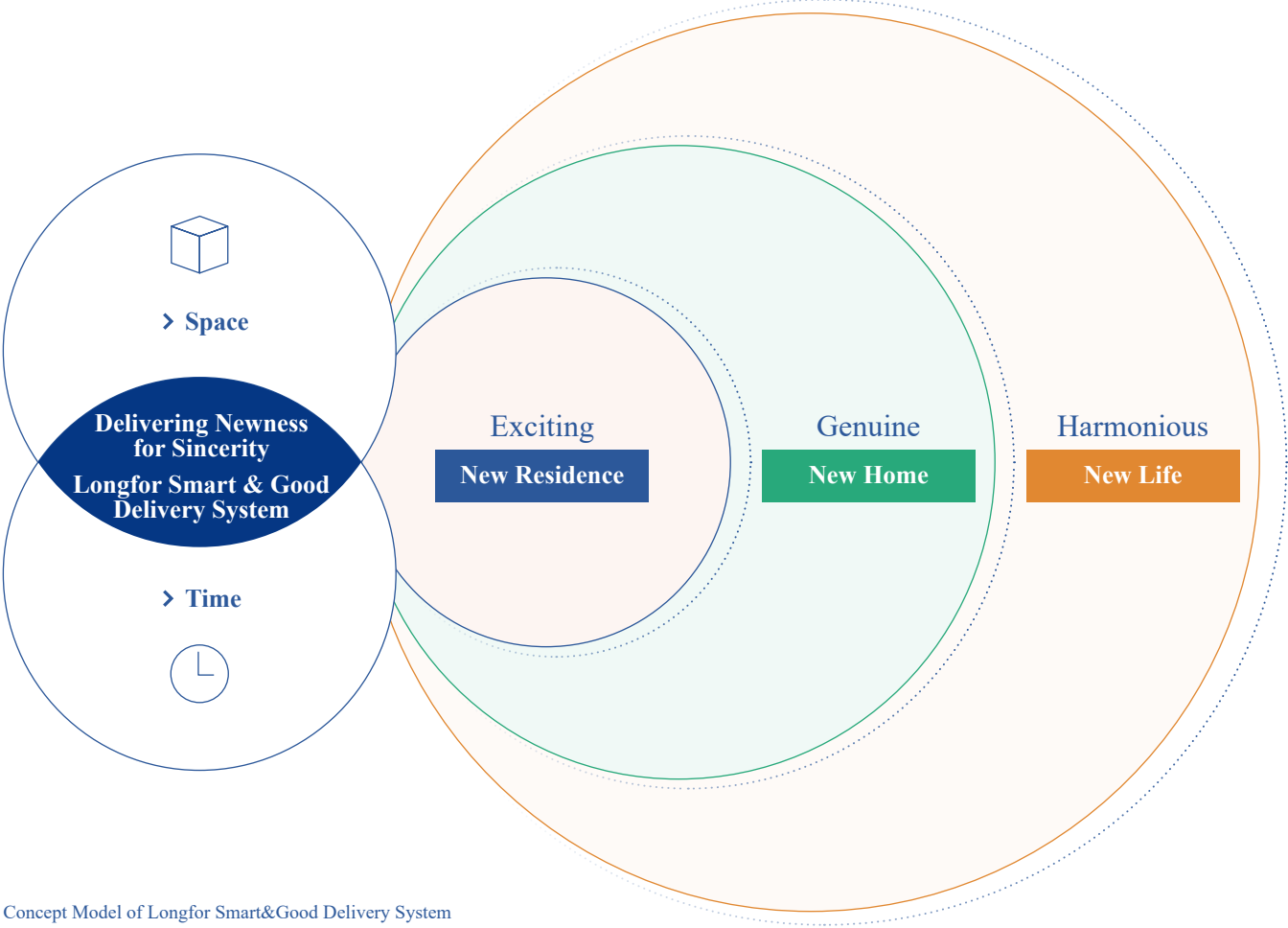
Longfor Group was recognized as one of the "Top 10 Real Estate Developers in China" for the **12th** consecutive year. Throughout the year, we have delivered more than **120** projects across **43** cities nationwide, totaling approximately **100,000** housing units, with **20%** of these projects completed ahead of schedule.

 By the end of the reporting period

The Group had developed over **1,300** projects, covering more than **230** million square meters, and delivered over **1** million housing units. The overall customer satisfaction rate was **90%**.

Longfor Smart & Good Delivery System

In 2024, our efforts persisted in refining the Longfor Smart & Good Delivery system, adhering to the principle of "deliver newness for sincerity" to better understand customers' aspirations for a high-quality life. By focusing on three key value areas, "New Residence," "New Home," and "New Life", we shifted from simply delivering a house to providing a "quality home"¹⁴ to offer comprehensive products and services throughout the entire lifecycle.



Concept Model of Longfor Smart&Good Delivery System

¹⁵ An introduction to the full lifecycle services of the Longfor Smart&Good Delivery System can be found in Longfor Sustainability Report 2022.

Longfor's High Quality Delivery Cases in 2024

> Hangzhou Binkang Tianyao City

Beautifully integrating modern art, the project showcases Longfor Group's commitment to "thoughtful design, carefully selected materials, and meticulous craftsmanship." It features eight themed stilt floors designed to cater to a variety of needs, including leisure, socializing, sports, and children's play, creating a functional, aesthetically pleasing, and comfortable living space for residents.



Hangzhou Binkang Tianyao City



> Chengdu Yixin Yuhu Jing

The project honors the Longfor Group's commitment to excellence with a focus on quality materials, craftsmanship, and landscaping. A 250-meter covered walkway ensures a pedestrian-friendly environment, connecting the community's key areas while blending seamlessly with the natural beauty of Yixin Lake. It offers residents an ideal lakeside living experience.



Chengdu Yixin Yuhu Jing

> Changsha Chunjiang Tianyao Phase II

The project skillfully marries nature with cultural artistry by incorporating themed tree belts, such as Chinese tallow trees and ginkgo forests, along with cascading waterfalls, colorful foliage, flowers, and fragrant plants. It enhances both the ecological and aesthetic value of the community, providing residents with a living experience that feels lively yet serene.



Changsha Chunjiang Tianyao Phase II

Product Quality and Safety Training

Longfor Group conducts various product quality and safety training sessions every year for all employees and suppliers, aiming to deepen everyone's awareness of quality and safety. We hold two regular engineering function quality and safety review meetings annually, focusing on quality and safety issues as well as identifying areas for improvement, consistently enhancing the Group's quality and safety management standards. Additionally, regional subsidiaries hold irregular product quality and safety case-sharing sessions and technical training sessions to implement the Group's product quality and safety management requirements.

In 2024, the Group conducted over 90 quality and safety training sessions for employees and suppliers, including three engineering all-staff meetings, seven online sharing sessions, and more than 80 specialized empowerment sessions. During the reporting period, the Group achieved 100% coverage in quality control or product safety-related training for suppliers.

Customer Service

Longfor Group embraces the core value of "for you forever," prioritizing high-quality service and innovative customer experiences. We focus on understanding customers' needs and consistently improving service system across five key areas. By leveraging scientific management and intelligent technologies, we expand service channels, streamline service processes, and enhance service quality, fostering long-term, mutually beneficial relationships between customers and the Group.

Optimizing the Service System

Longfor Group has developed internal systems, including the *Management Measures for House Delivery Evaluation*, to consistently enhance customer service system. In 2024, the Group updated policies such as the *Management System for Customer Satisfaction* and the *Management Measures for House Delivery Evaluation*, optimizing the entire service experience and improving customer satisfaction.

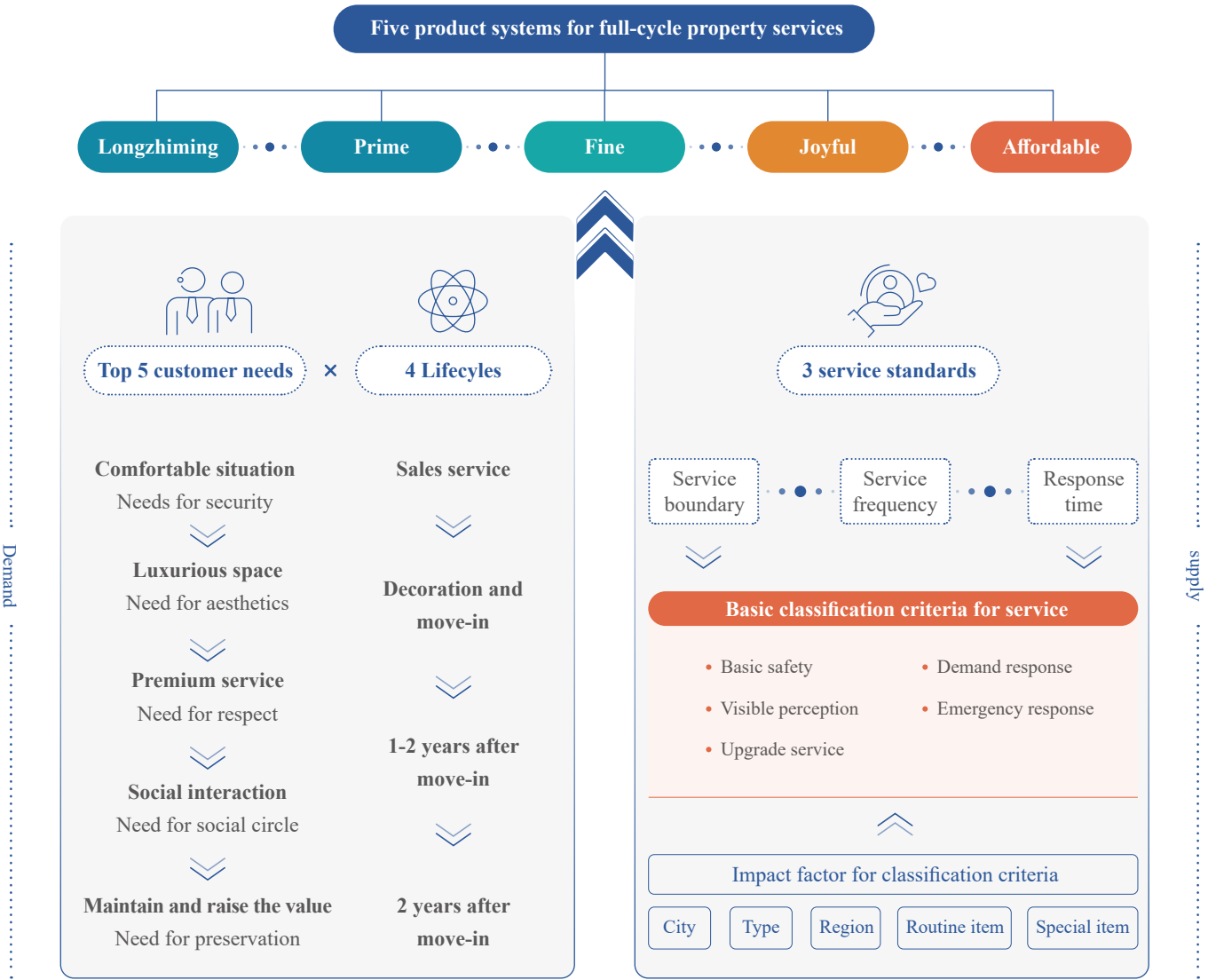
The Group has established a sophisticated service system epitomizing the Longfor brand's attributes through the three core dimensions of "customer classification," "product classification," and "service design," aiming to address the diverse needs of customers. Moreover, the Group consistently enhances services by considering customers' basic, aspirational, and excitement-driven needs, thereby building stronger connections with customers and boosting customer loyalty.

Additionally, seizing innovation opportunities, Longfor Intelligent Living team deeply integrates AI technology with customer service, resulting in the creation of an intelligent customer service platform. This platform undergoes constant upgrades in response to user needs, thus delivering a more efficient and smarter customer service experience. With features like code-scanning consultation, improved display format, and more offline consultation locations, the smart customer service system ensures seamless online and offline integration, providing timely responses to customer requests anytime and anywhere.

We also carefully consider the needs of different customer groups. Specifically tailored to meet the needs of elders who are not yet accustomed to smartphones, in our retirement community Ever Spring, the Company provides round-the-clock, personalized customer service, and have established a comprehensive service system, including medical and dining services, ensuring that elderly customers can always access professional and patient assistance when needed. In 2024, customer satisfaction rate of elderly care Ever Spring was 97%.

Elderly Customer Services
Standardized Nursing Process: Follow the 16 nursing procedures required in caregiver training.
Standardized Medical Risk Management: Conduct ward rounds and assessments based on medical staff guidelines.
Standardized Catering Satisfaction Management: Conduct random surveys on daily catering satisfaction and hold weekly reviews of feedback.
Basic Information and Lifestyle Management: Understand the elderly customer's medical history, conditions, and lifestyle habits.
Regular Communication: Maintain regular communication with family members about the elderly customer's daily living and health status.

We have developed four product modules for full-cycle property services, designed to understand and meet the five key needs of customers. Additionally, we have set up three service standards for various stages of customer service to ensure we provide customers with five level quality experiences, namely "longzhiming, prime, fine, joyful and affordable" experiences.



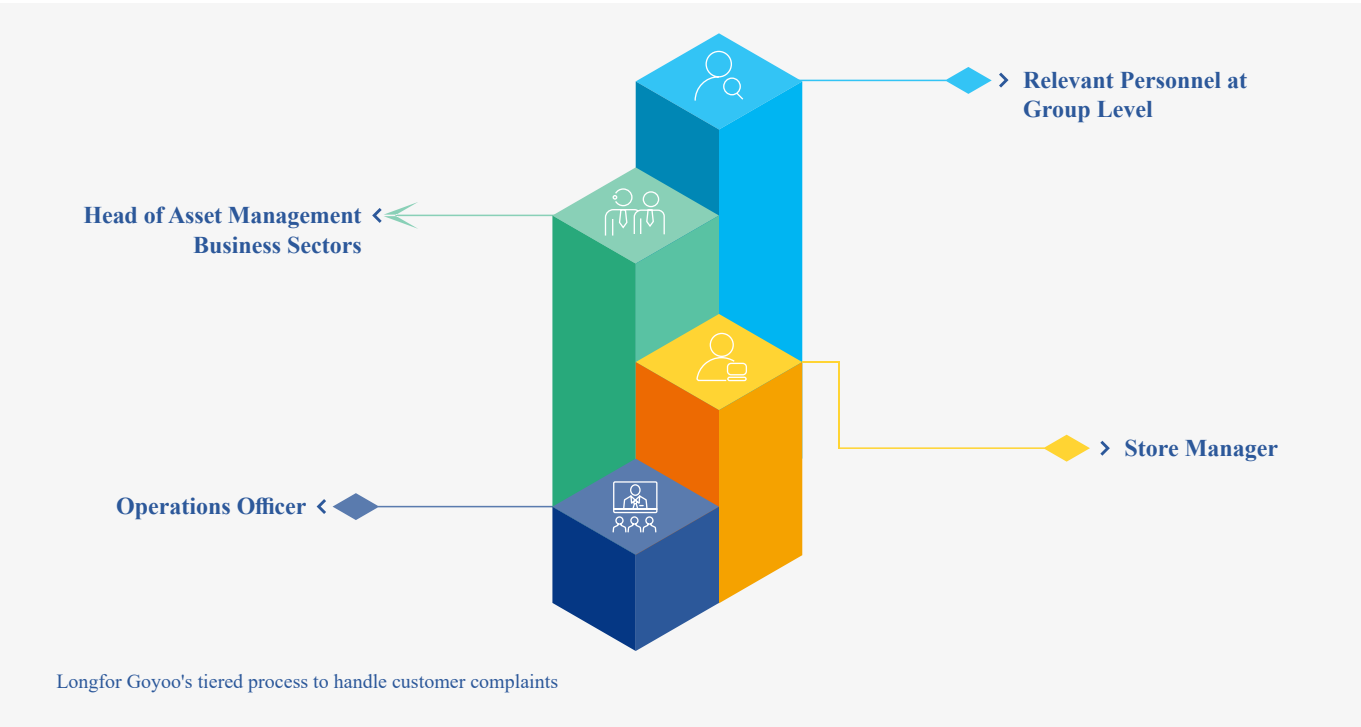
Property Service Product System of the Longfor Group



Customer Complaint Management

Longfor Group optimizes the customer complaint handling mechanism and has released several regulations and guidelines, such as the *Longfor Property Management Complaint Management Procedures*, and the *Real Estate Headquarters Customer Complaint Management System*, ensuring standardized and efficient compliant processing.

We have established a tiered handling process based on the nature of different compliants, ensuring that all issues are addressed promptly and effectively. This method mandates all staff to handle complaints using a six-step process involving polite greetings, record-keeping, apologies, timely resolution, and documentation. This ensures that each step is handled efficiently and thoughtfully, enhancing the overall customer experience and satisfaction.



The Group has created multiple channels for customers to easily provide feedback and file complaints, including the U Xiangjia service account, the service quality supervision hotline (95), the Group's official website, reporting email, and the Longfor U Xiangjia App. These diverse channels offer customers flexible options, ensuring their feedback is quickly collected and passed on to the relevant departments. This approach not only improves the efficiency of complaint handling but also gives the Group a deeper understanding of customer needs and concerns.

In handling customer complaints, the Group consistently upholds the principles of "timeliness, integrity, and professionalism." We take targeted measures for different types of complaints, consistently improving customer satisfaction and striving to exceed expectations. Each business division within the Group collaborate closely, incorporating customer feedback into the entire service improvement process to identify areas for enhancement and effectively resolve each issue.

In 2024, the Group shortened response times and resolution cycles for compliants, improving the overall customer service experience. Over the year, we handled 41,500 customer complaints, a decrease of 12,000 compared to 2023. The complaint completion rate rose to 71%.

Customer Satisfaction of Longfor Group in 2024

Overall customer satisfaction rate

90%

High-net-worth client satisfaction rate

91.2%

Measures of Customer Satisfaction Improvement

> High-quality products and services

- Ensure the quality of products and services meets or exceeds customer expectations, continuously improve and innovate to meet the constantly changing customer needs.

> Good customer experiences

- Think from the customer's perspective and optimize business processes to ensure that customers can have good experiences at every stage of interaction with the enterprise.
- Provide adaptation care for new residents through initiatives such as activity invitations and phone feedback at key stages of their move-in process.

> Continuous improvement

- Regularly evaluate customer satisfaction, analyze customer feedback, identify areas for improvement, and continuously optimize products and services.
- Maintain dedicated feedback channels to regularly gather customer opinions on product quality and quickly address any needs that arise.

> Personalized services

- Provide personalized products and services based on individual differences of customers, allowing them to feel the care and respect from the Company.
- Set up a special handover mechanism for elderly customers to ensure that their feedback is promptly communicated and addressed.

> Employee training

- Strengthen the training of property management staff, and enhance their awareness of service and professional skills, in order to provide better customer service.

Improving Customer Satisfaction During the Delivery of Shanghai Yuhujing Project

During the delivery phase of Shanghai Yuhujing Project, the Group regularly updated customers with progress reports and held site open days to better understand their needs and concerns. Through cross-department collaboration, we developed a task list to address customer issues, assigning clear responsibilities to ensure prompt resolution.

In addition, we created personalized maintenance plans for each homeowner to address their specific concerns effectively. As a result of these efforts, customer satisfaction for the project steadily increased from 78% during the initial site open phase to 89% at the delivery stage.

Shanghai Yuhujing Project

Customer Health and Well-Being

The Group prioritizes customer health and well-being, deeply understands their needs, and thoughtfully designs living spaces and community environments that cater to these needs. We regularly gather and analyze customer feedback through surveys to consistently improve services and facilities, ensuring that every customer enjoys a caring and comfortable living experience.

During the architectural design phase, we focus on factors such as room temperature and acoustic comfort. By utilizing advanced Building Information Modeling (BIM) technology and intelligent design tools, we can accurately simulate a building's thermal performance, ventilation effects, and acoustic environment. This allows us to optimize building layouts, envelope designs, and material choices. For example, we adjust temperature controls based on customer needs to ensure a healthy living environment. In terms of acoustics, we create a quiet, comfortable living space through thoughtful space planning, multi-layer glass, and noise source isolation.

During the renovation and operational phase, we offer professional indoor air quality management services, using a three-step approach: "identifying key pollution sources, addressing targeted pollutants, and comprehensive re-treatment." This helps reduce formaldehyde levels from various sources, including new home construction materials, old home renovation panels, and newly purchased furniture, ensuring air quality meets safety standards.

In terms of community services, we regularly organize public welfare activities such as free health check-ups, inviting professional medical teams to provide residents with free health screenings and consultations. In 2024, we offered medical services including eye care, dental care, and chronic disease management for the elderly in cities like Chongqing, Chengdu, Tianjin, and Shijiazhuang, all with the goal of creating a healthy, harmonious, and caring community.

Health Check-ups for Children and the Elderly

From April to June 2024, Longfor's Chongqing region, in collaboration with You You Baobei Women's and Children's Hospital, organized a free health check-up for children in the community. The event offered various screenings, including height assessments, bone age screening, eye examination, and ENT examinations. A total of 861 families participated, with services reaching 1,700 individuals.

In April and May 2024, Longfor's Chengdu region collaborated with the Sichuan Elderly-Care Service Development Association to organize a free health check-up for elderly residents, focusing on arteriosclerosis and chronic disease screening. Over 500 senior residents participated.



Free Health Screening for Children




Free Chronic Disease Screening for the Elderly

For elderly customers in our retirement community Ever Spring, we protect their health by addressing factors such as temperature, acoustic comfort, and senior-friendly diets. Additionally, we have implemented various safety measures to ensure their well-being. In 2024, the Chengdu Fancheng Yinian Apartment was awarded the "Four-Star Elderly Care Institution."

Health Protection Measures for Elderly Customers


Temperature

- Adjust air conditioning or heating to comfortable levels for seniors, ensuring a healthy living environment.




Acoustic Comfort

- Use multi-layered glass windows to minimize external noise disturbance.



Elderly Diet


- Offer a variety of meal options tailored to individual needs, including soft foods, chopped foods, pureed foods, liquids, semi-liquids, tube feeding, and vegetarian options, to ensure balanced and healthy nutrition.



Safety Protection Measures for Elderly Customers


Anti-Slip Measures

- Install anti-slip mats and shower chairs in bathrooms to reduce the risk of falls while bathing.




Fall Prevention Measures

- Assess seniors' physical condition and work with families to adjust walking aids or choose non-slip shoes.
- Select anti-slip and wear-resistant materials for floor corridors and room floors, and contact the supplier for immediate repair if there is curling.
- Conduct fall and bed-fall risk assessments during move-in and regular check-ups.



Bed Fall Prevention Measures

- Based on assessments and for the sake of clients, replace beds with safety rails or add rails to self-care beds to prevent falls.



Building a Friendly Community

The Group underscores residents' quality of life, organizing community activities like the "Beauty Life Plan," "Longmin Festival," and "Longfor Games" to enhance residents' happiness and sense of belonging.

Longfor Group Community Service Programs

> "Beauty Life Plan"

The "Beauty Life Plan" includes two key initiatives: "Household Renewal" and "Community Maintenance."

- "Community Maintenance" focuses on consistent improvement of the community's environment, such as caring for plants and upgrading leisure facilities, so as to ensure fresh and vibrant outdoor spaces.
- "Household Renewal" enhances residents' living experiences by optimizing indoor facilities, from wall repairs to plumbing maintenance, so as to ensure a warm and comfortable home.

In 2024, we expanded the "Beauty Life Plan" by using short videos and live streams to show how it improves residents' environments, allowing longmin to experience quality living in various ways.



Longfor Group Community Service Programs

Longmin Festival

The "Longfor Community Festival" is a special holiday established by Longfor Group to thank homeowners for their long-standing support and trust. Through cultural performances, neighborhood dinners, and other celebratory events, the festival fosters greater understanding among residents and creates a warm and harmonious community atmosphere.

In 2024, during the Mid-Autumn Festival, we organized a variety of activities across nine regional divisions, including "Longfor Family Banquet," "Lawn Party," and "Moonlit Garden Party." These events beautifully blended traditional festivals with modern community culture, providing every member of the Longfor community with an unforgettable experience.



Longfor Family Feast in Longfor's Chengdu Regional Division



"Lawn Party" in Longfor's Chengdu Regional Division



"Moonlit Garden Party" at Northwest Regional Division

Longfor Games

On June 19, 2024, the 40-day Fourth "Longfor Games" of Longfor Group concluded successfully. In 2024, Longfor Games was carried out in nearly 300 projects across more than 40 cities nationwide. It created a simple and relaxing atmosphere for a large number of Longfor residents and customers through various activities such as community competitions, commercial service competitions, city-level competitions, competitions among Longfor Paradise Walks, public welfare step donation activity, and some online benefits. It provided some moments of joy in daily life by making use of fragmented time.

During the Longfor Games, we adhered to the tradition of integrating public welfare, sports, and social interaction, and carried out the traditional activity of public-welfare step donation. Participants of the "Longfor Games" donated their steps through the online campaign "Donate Steps with Love". Longfor Foundation made a matching donation based on the actual number of donated steps, to support the Smiley Bud Program, providing assistance for children with major illnesses from financially disadvantaged families.



Suzhou



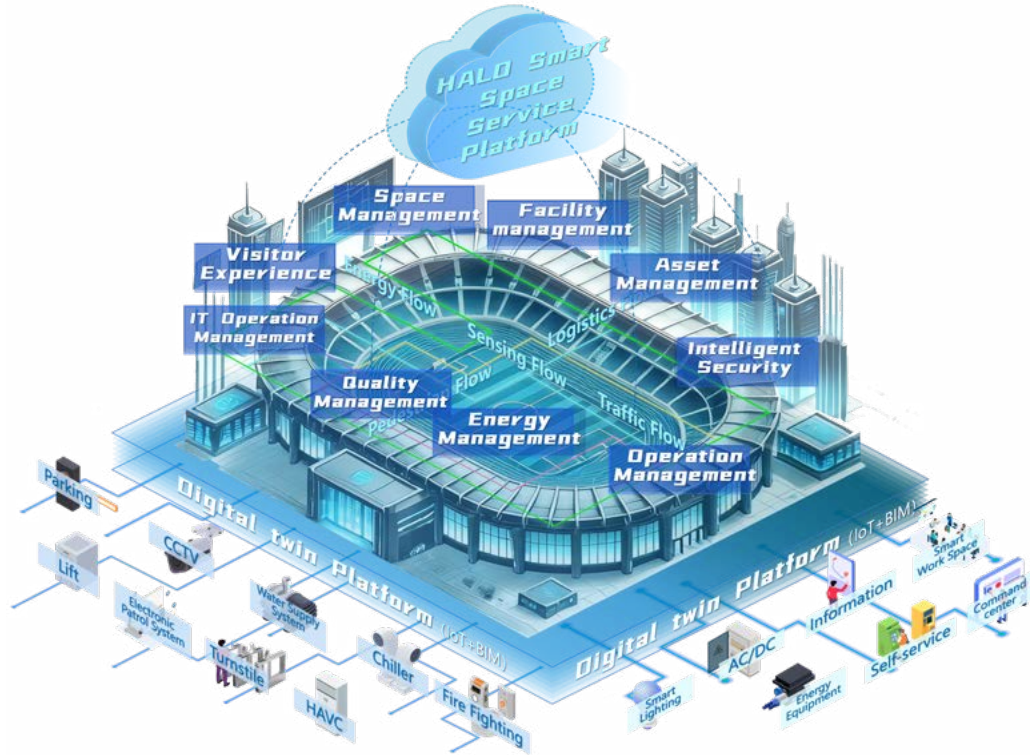
Chengdu




Shenyang

Digital and Intelligent Services

As a key driver of Longfor Group's digital transformation, Longfor Intelligent Living has evolved the Company's approach to technological innovation from early technology enhancements to the development of a comprehensive technology management platform. Longfor Intelligent Living has achieved multi-scenario intelligent management by building the "HALO Smart Space Service Platform". It establishes an open intelligent ecosystem through data aggregation, expert knowledge, and artificial intelligence, to achieve intelligent interconnection of people, equipment, and places in space, bringing about more convenient space utilization, more humanized services, and more efficient management.




Longfor Intelligent Living Digital Intelligence System

Smart Technology Platform


This platform achieves intelligent human-machine collaborative services with AIoT+big data

- Longfor Intelligent Living combines advanced technologies like smart hardware, IoT, big data, and AI to build an intelligent tech platform. It facilitates real-time end-to-end data collection and control among different devices, fully digitizing the operations of offline communities and creating a virtual "digital twin" online. This provides more efficient and accurate support for community management and services.

Efficient Operation Platform

This platform empowers high-quality and efficient spatial services through digital process operation

- The smart technology platform integrates various business systems, including intelligent property management, customer operations, and customized services, achieving deep interaction between space and services. By enhancing human-machine collaboration, operational efficiency and the precision of space management have been significantly improved. This enables us to provide efficient, personalized services to customers while optimizing overall operational quality, driving the business towards smarter and more refined development.

Customer Server

Multi-channel online services create a satisfying and surprising customer experience

- Through a variety of online service platforms, we provide one-stop solutions that meet the needs of both space users and managers, creating a customer experience that exceeds expectations and delivers both satisfaction and surprise.

Full Smart Service Process



Responsible Marketing

Longfor Group strictly adheres to laws and regulations such as the *Advertising Law of the People's Republic of China* and continuously improves internal management policies, including the *Longfor Group Responsible Marketing Policy*¹⁶ and the *Marketing Red Line Behavior Commitment*. These policies clearly define and regulate marketing behaviors, content, and methods. The Group also prohibits any false or misleading content in its marketing communications, ensuring that marketing activities do not include exaggerations or information that could mislead consumers. In 2024, we updated the *Marketing Planning Incentive and Penalty Measures* and the *Marketing Alert Book library*, specifying penalties for advertising violations, and expanded the library to 57 items.

The Group regularly conducts specialized audits of responsible marketing to self-assess and rectify any non-compliant marketing practices, disclosing the results of these audits. We have established a systematic process for identifying marketing risks and developed marketing risk control models, conducting monthly audits of responsible marketing activities. We publicly announce the objectives, scope, content, and control recommendations of these self-assessments to help the Group reduce marketing risks. In 2024, a total of 152 business self-inspections were completed across the Group, with a correction rate of 95%.

To ensure strict adherence to the Group's responsible marketing requirements by regional companies, a inspection mechanism is established to assess marketing standardization and compliance. Throughout 2024, the Company continued its monthly inspections, covering 278 projects and promoting the standardized management of marketing activities.

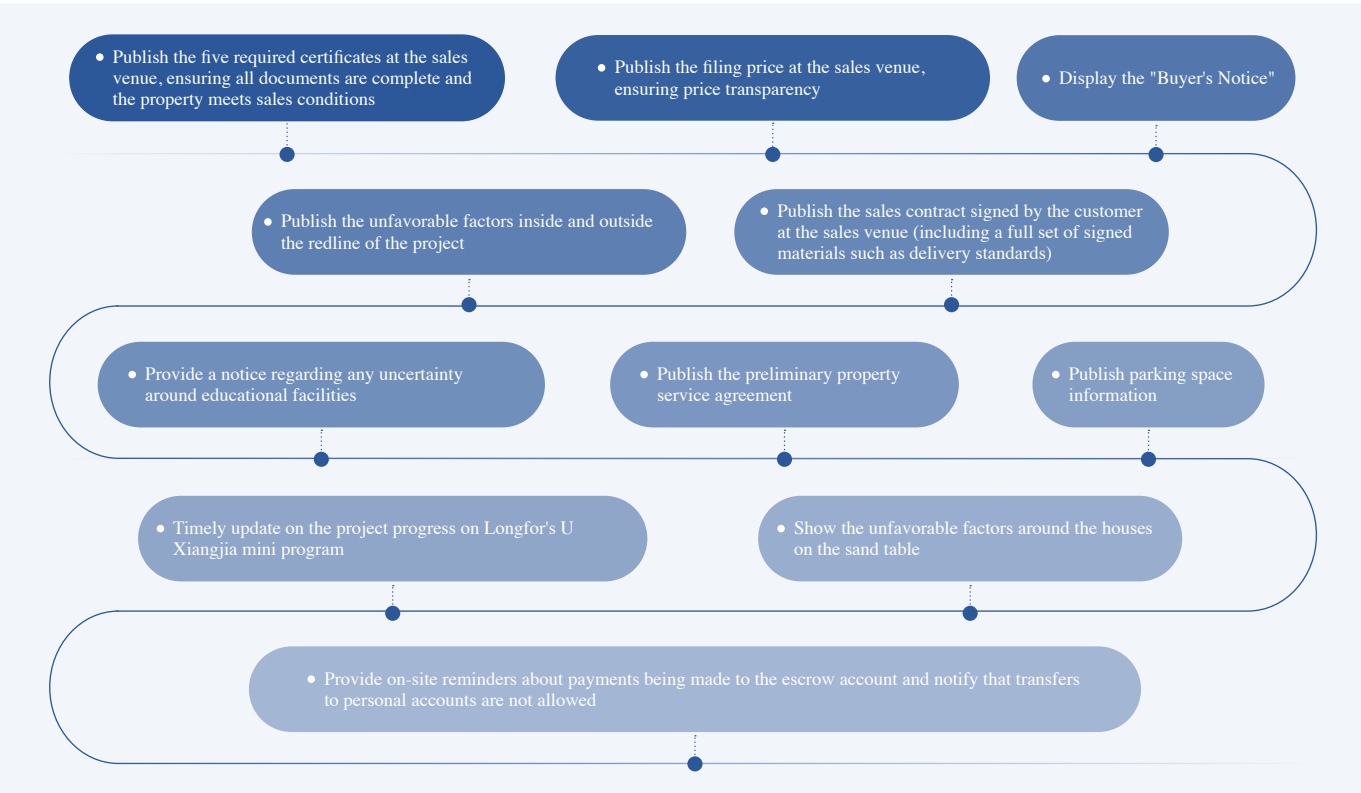


¹⁶ <https://www.longfor.com/upload/file/2023-04-27/d75728d7-1a0b-4c70-a548-8203fb6acc80.pdf>

In addition, we are committed to creating an open, transparent, and fair work environment. We have set up both internal and external reporting channels. It continuously monitors employees' non-compliant behaviors in marketing activities through hotlines, mailboxes, and other online platforms. Employees are able to anonymously report any violations of the *Marketing Red-Line Behavior Commitment* through the Lafeng online platform. We carefully verify the reporting content and rigorously protect the privacy of reporters to ensure a fair and transparent reporting process.

In marketing processes, we consistently protect customers' right to information and promote a fair and transparent sales process. We provide necessary disclosures at each stage of the sales process and have established external reporting channels. Customers can anonymously report any violations, such as improper commitments, acceptance of gifts, or other actions that harm their interests during the home-buying process. The Group will conduct thorough investigations into all reported cases and promptly take corrective actions once the results are made public, enhancing customer engagement and trust.

Longfor Group's Initiatives to Protect Customers' Right to Information in 2024



To enhance responsible marketing awareness among all employees, Longfor Group provides comprehensive training for the entire marketing team. By combining online and offline training, we ensure that all levels and positions are covered. We also require the Group and the subsidiaries to regularly hold business-related training sessions focused on responsible marketing practices.

In 2024, the Group organized over 600 training sessions related to responsible marketing, including programs like "Sales Supervisor Bootcamp", "Risk Control Training and Case Sharing", and "New Employee Risk Management Training". These sessions covered roles such as regional marketing managers, supervisors, planners, and risk control staff, with a total of over 50,000 participants. These efforts helped strengthen employees' understanding of responsible marketing and enhanced their marketing skills.

In 2024



The number of training sessions related to responsible marketing organized by the Group

over 600

Total participants

over 50,000

Information Security and Privacy Protection

The Group strictly abides by the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and the *Personal Information Protection Law of the People's Republic of China*. We have formulated internal policies such as the *Group Data Security Management System*, the *Group Staff Information Security Code of Conduct*, the *Personal Information Protection and Management System*, and the *Security Audit Management Measures*. In 2024, we updated the *Platform Empowerment Employee Information Security Guidelines* to further set specific security behavior requirements for employees in digital technology roles.

Information Security Management System

We have established a cybersecurity leadership team, led by the CEO, which serves as the highest authority overseeing the Group's information security management. In 2024, the Group experienced no incidents of information security or privacy breaches.

Longfor Group Information Security Management Structure

Cybersecurity Leadership Team

CEO as the leader
Members including
heads of business units,
the information security
officer, and the head of the
audit department

- Lead and make decisions on the Group's cybersecurity initiatives, formulating information security strategies and policies
- Approve information security management systems and standards, ensuring they align with the Group's overall strategy
- Regularly review information security reports, assess risks, and decide on responses to major security incidents

Cybersecurity Management Department

Department head
and dedicated
cybersecurity staff

- Implement decisions made by the Cybersecurity Leadership Team and oversee the Group's information security management
- Develop and refine information security management systems, processes, and technical standards, and lead security risk assessments and classification protection
- Oversee the implementation of information security practices across departments, identify any issues, and provide recommendations for improvement, ensuring they are promptly addressed
- Build and maintain the information security defense system, including the deployment, management, and updating of cybersecurity devices, as well as monitoring and addressing security vulnerabilities
- Organize training and awareness programs to improve employees' information security awareness and skills
- Establish an emergency response plan for security incidents, conduct drills, and coordinate responses to any security breaches

The Cybersecurity Management Department regularly updates the Cybersecurity Leadership Team on information security matters, including progress, risk assessment results, issues, and corrective actions. At the end of each year, the department conducts a full review of the year's information security efforts, assesses the overall security status, and sets priorities and improvement measures for the next year.

Longfor Group has received several certifications in information security. Specifically, both the Company's information systems, Qding Net and the HIS system of the Internet Hospital of Youyou Baby Maternity Hospital have successfully achieved a Level 3 rating in the National Information System Security Level Protection Assessment

Information Security Management Mechanism

We have established a comprehensive information security management process. During product development, we follow self-inspection procedures to manage information security risks and vulnerabilities. When launching new products, we conduct security penetration tests to identify and fix potential security flaws. We also perform regular security spot checks to assess risks and reinforce our security defenses. We have a well-established emergency management mechanism in place. In the event of a significant information security incident, the responsible department or personnel will immediately report it to the Cybersecurity Management Department. After verifying the situation, the department will promptly inform the Cybersecurity Leadership Team and follow the emergency response procedures to resolve the issue.

To ensure business continuity, we conduct security penetration tests whenever there are product changes. The product development team also carries out comprehensive security self-inspections based on a detailed checklist. In 2024, we completed two full-scale product tests, one comprehensive security self-inspection, and scheduled risk mitigation and issue resolution. Additionally, based on ongoing security assessments, our security team performs spot checks on key products. We also conducted vulnerability scans and analysis on the Group's systems to ensure the security of the Group's information.

We regularly conduct security awareness drills, including a simulated hacker test performed by an external security agency, to comprehensively enhance employees' ability to handle security threats. Furthermore, we have established the Longfor Security Emergency Response Center¹⁷, where security experts are invited to provide feedback on potential vulnerabilities in Longfor Group's digital products and services, working together to protect the security of our users.

Longfor Group Information Security Protection Initiatives by Processes



¹⁷ <https://security.longfor.com/#/home>

Information Security Training

We actively foster a culture of information security. By offering a security competency curriculum, we have provided data security building and governance, secure software development, and the Security Development Lifecycle (SDL)¹⁸ training and assessments for all employees within the Group's digital and smart engine departments. At the same time, we promote the safety awareness of all employees and arrange the safety awareness test for all employees, the coverage rate reaches 100%. More than 20,000 employees have passed the information security awareness test in 2024.

Customer Privacy Protection

Longfor Group places a strong emphasis on customer privacy protection. We have developed and published the *Longfor U Xiangjia Privacy Policy*¹⁹, which standardizes the entire data management lifecycle. This policy clearly outlines how customer personal information is collected, stored, used, managed, and deleted, creating a solid foundation for data privacy protection.

We have fully integrated customer digital information into the Group's management system and have improved record-keeping procedures. These measures clearly define the confidentiality of customer information and the requirements for record storage management, eliminating the risk of information leakage.

For elderly customer management, we have established an efficient dual-track communication mechanism to ensure real-time updates on their health status and timely notification to their family members. Through a dual-confirmation process with WeChat notifications and information letters, we have achieved a closed-loop management system for information delivery, effectively reducing risks that may arise from information asymmetry. Additionally, we have fully upgraded privacy protection mechanism on the elderly care operations platform, implementing dual safeguards through both technical encryption and management processes to ensure the security and confidentiality of customer information.



¹⁸ SDL: Security Development Lifecycle

¹⁹ <https://u.longfor.com/home/privacyAgreement>

04 | Thriving Together with the Industry

Longfor Group actively practices sustainable procurement, striving to build a green and responsible supply chain. We continuously strengthen ESG management across the supply chain, enhance suppliers' sustainability performance, and improve supply chain resilience, ensuring the healthy and sustainable development of the industry and value chain. Furthermore, we strengthen intellectual property and patent protection, drive industry development, and contribute to the construction of sustainable cities and communities, creating greater value for society.

ESG Material Topic(s) Responded in This Chapter

- Supply Chain Management
- Intellectual Property Protection

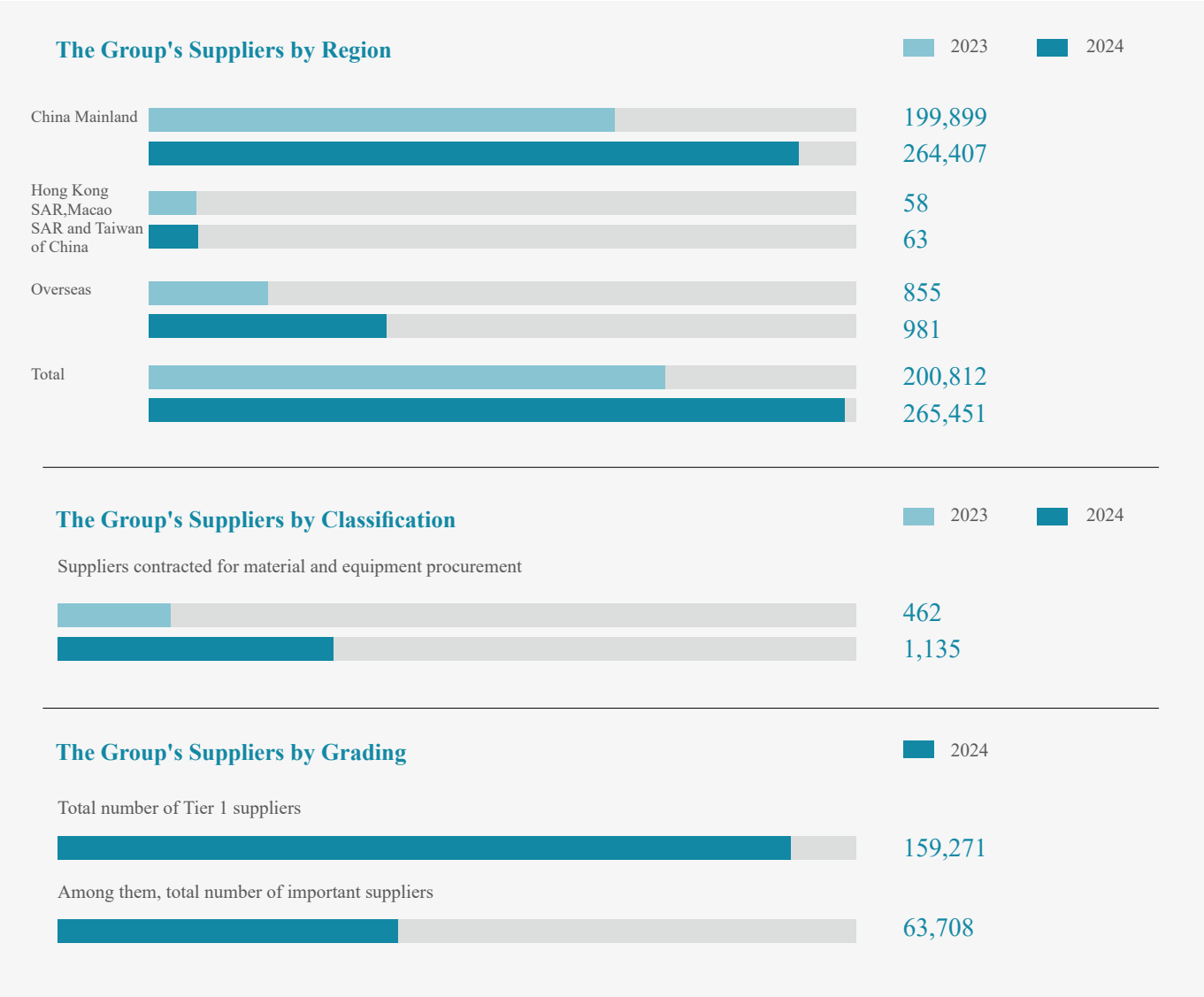
SDGs Goal(s) Responded in This Chapter



Supplier ESG Management

Longfor Group abides by the *Government Procurement Law of the People's Republic of China*, the *Bidding Law of the People's Republic of China*, and other relevant laws and regulations. We develop the *Longfor Supplier Code of Conduct*²⁰, the *Longfor Group Supply Chain Function Assessment Methods*, the *Real Estate Headquarters Cost Management System*, the *Real Estate Headquarters Construction Resource Management System* and other internal management systems as guidelines to specify all management requirements for suppliers and manage suppliers hierarchically. These policies encompass supplier entry, assessment, communication and exit, as well as supplier grading and reviews for supplier sustainable development. The Group consistently optimizes supplier management system to effectively identify supply chain risks and devise corresponding responses, thereby building a sustainable supply chain.

As of the end of the Reporting Period, Longfor had a total of 265,451 suppliers. The percentage of suppliers contracted for material and equipment procurement that obtained ISO 9001 and ISO 14001 was 95%.



²⁰ <https://www.longfor.com/upload/file/2022-05-13/f292568d-176a-4272-9eae-86290fa023b6.pdf>

The Group continually enhances the entire supplier life cycle management process, fortifies risk identification and management and promotes responsible purchasing to strengthen the resilience of the supply chain.

Comprehensive Supplier Life-Cycle Management System

Supplier Entry

- Candidates must independently register on the Supplier Management Portal and submit their certification status for ISO 9001, ISO 45001, ISO 14001, and other standards.
- Give priority to suppliers, contractors, and subcontractors with ISO certification. By the end of 2024, the Group has selected 23,486 suppliers based on certification criteria (such as labor guidelines, product service, quality and safety, and other requirements).

Supplier Classification

- We would classify suppliers from dimensions such as supply category, willingness to cooperate, product quality, and service conditions.

Supplier Evaluation

- We routinely conduct supplier performance evaluation and grading to assess suppliers' product quality and service capability from an entire life-cycle perspective.
- We carry out random flight inspections of suppliers every year, and at least one inspection per year for major suppliers, mainly checking dimensions such as product quality, production management, occupational health, and social responsibility.
- Evaluate suppliers from environmental dimensions such as carbon emissions, use of renewable energy, and purification of hazardous gases or substances prior to the release of the products produced by the supplier.
- We implement half-yearly and annual evaluations and graded management for major suppliers and contractors. We will cancel the performance qualification for suppliers whose evaluation is below the threshold, reward excellent suppliers, and rule out unqualified suppliers.

Supply Chain Risk Management

- The Group assesses explicitly suppliers' information such as workplace safety licenses, certificates of products selected for green building, certificates of environmental protection building materials, governance management system certification, and other system certification documents. We strictly inspect the environmental protection level and workplace safety management system of suppliers' factories and would prioritize the selection of companies with good ESG performance and green products to reduce ESG risks.
- Through internal audits and third-party testing, we identify the quality, health, and environmental risks of our key suppliers' raw materials, formulate ESG risk grading and determination criteria for suppliers and classify and manage suppliers' ESG risks.
- We conduct flight inspections to manage the ESG risks of our suppliers. The examination includes the use of environmentally friendly raw materials, labor protection for production workers, identification of hazardous sources, illegal child labor, production management, and quality control. The inspected suppliers with pertinent issues must make corrections, pay fines by the deadline, and implement preventive measures.
- We encourage our suppliers to actively engage in environmental protection activities to reduce their environmental footprints.

Supplier Exit

- We will phase out unqualified suppliers which fail to meet standards by the deadline of rectification. We are gradually ruling out suppliers with relatively outdated processes, equipment, and production capacity to accelerate the industrial upgrading of our supply chain.

Supplier Quality Management

The Group underscores the quality of products provided by suppliers. To ensure quality products, we implement tiered management and continuously refine the review and evaluation framework for suppliers.

Tier 1 Suppliers (Direct Suppliers)

We conduct periodic quality assessments of Tier 1 suppliers annually and rigorously scrutinize their qualifications. We would seek Tier 1 suppliers who have obtained third-party quality management system certification to ensure their products and services meet both our quality criteria and contractual obligations.

Tier 2 Suppliers (Indirect Suppliers)

We conduct periodic quality assessments of Tier 2 suppliers annually and rigorously scrutinize their qualifications. We would seek Tier 2 suppliers who have obtained third-party quality management system certification to ensure their products and services meet both our quality criteria and contractual obligations.

Tier 3 Suppliers (Raw material Suppliers)

We have established specific quality requirements for raw material suppliers within "Supplier Engineering Technology Requirements." Moreover, we conduct periodic quality inspections and third-party audits to ensure that the quality, environmental, and safety standards of incoming project materials are met. We carefully select high-quality raw material suppliers to safeguard product integrity. In 2024, the Group performed 260 third-party random inspections of material and equipment suppliers, with 256 tests passing -- achieving a compliance rate of 98.5%.

The Group regularly organize quality training for suppliers and conduct special quality training for all suppliers at least once a year to impress on them the significance of production, construction, and product quality, educate them on the latest quality-related laws, regulations, and regulatory requirements, and specify common quality risks and solutions to strengthen their quality control capabilities. Through this way, the Group partners with suppliers to deliver quality products and services.

Green Procurement

The Group actively advances green procurement practices and has developed and released the *Green Procurement Policy*²¹, which establishes environmental performance as a key criterion in supplier assessment and evaluation. Priority is given to suppliers that excel in energy efficiency, emissions reduction, resource recycling, and pollution prevention. Suppliers are explicitly required to prioritize the procurement of low-carbon and environmentally friendly materials. Additionally, the Group consistently monitors the environmental impact of suppliers across all aspects of production and integrates green procurement into performance evaluations. During the supplier inspection and certification process, we focus on environmental management, product carbon footprint, hazardous gas emissions, renewable energy utilization, and pollutant pre-treatment. Through comprehensive policies and rigorous control measures, we work hand in hand with partners to drive environmental improvements and contribute to sustainable development.

In 2024, the Group bolstered its collaboration with suppliers to advance waste recycling and enhanced its commitment to exploring new energy solutions by spearheading research, testing, and piloting photovoltaic technologies. Concurrently, we conducted focused research on novel materials such as low-carbon and environmental-friendly options, and piloted technologies including energy-efficient adhesive film for curtain walls and skylights, low-energy airconditioning, and ultra-low-energy ventilators, in order to augment the Company's core competitiveness in low carbon.

²¹ <https://www.longfor.com/upload/file/2022-05-27/a0542863-0cba-47b1-bb46-130fd26f7b94.pdf>



- We include the supplier plants' energy consumption and pollution emission performance as a requirement for participating in the bidding process. We also inspect the supplier's energy-saving and emission-purification equipment during prequalification.
- We strengthen the inspection of raw materials, requiring material suppliers to ensure that their products meet environmental standards while limiting emissions of formaldehyde, volatile organic compounds (VOC), and other hazardous substances.
- We focus on purchasing materials made from renewable resources, such as gypsum plaster.
- For new expansion projects, we encourage using materials with low VOC and lead, with a preference for wood certified by the Forest Stewardship Council or its equivalent, such as FSC-certified wood.
- We apply steel wood entry doors and interior doors with synthetic wood veneer to decrease the use of natural wood veneer.
- We apply artificial stone to reduce natural stone consumption.
- We require our suppliers to use a chromium-free passivation process to produce aluminum alloy materials, which controls the presence of chromium ions at the source, enables manufacturers to achieve the goal of clean production using new products, and ensures that the final product complies with environmental regulations and does not contain toxic chromium.
- We include the star requirement of green building materials to drive upstream suppliers' green and sustainable development when purchasing interior wall paints, such as stricter requirements for formaldehyde, VOC, heavy metals, etc.

Green Procurement Highlights of Longfor Group in 2024

Moso Board New Material

A new-generation panel featuring A-class fire resistance, ENF-grade environmental protection, and moisture resistance. It serves as a sustainable alternative to traditional decorative wall panels made of liquid metal, solid wood, leather, and wood grain finishes.

High-Efficiency Variable Frequency Cooling Tower

The newly introduced second-generation variable frequency cooling tower, procured through centralized sourcing, enhances energy efficiency by over 40% compared to previous models.

Supplier Integrity Management

Longfor Group upholds the ethical baseline of integrity in business operations, educating suppliers the importance of adhering to fundamental commercial ethics. We also set expectations and requirements for suppliers in environment, society, and governance (ESG) practices. We have signed the *Integrity Cooperation Commitment* with all suppliers and require strict compliance with the integrity compliance provisions outlined in the *Code of Longfor Business Conduct*. Notably, in 2024, the Group recorded no instances of corruption involving its suppliers.

Supplier ESG Capability Development

The Group underscores the development of suppliers' ESG capabilities. Through systematic ESG training and awareness campaigns, we educate suppliers on environmental, social, and governance standards and requirements, enhancing their understanding and practical ability regarding sustainability. The training covers areas such as environmental regulations, social responsibility, supply chain transparency, and green procurement policies, aiming to help suppliers better integrate into the Company's sustainable development strategy. This will drive the green transformation and high-quality development of the entire supply chain.

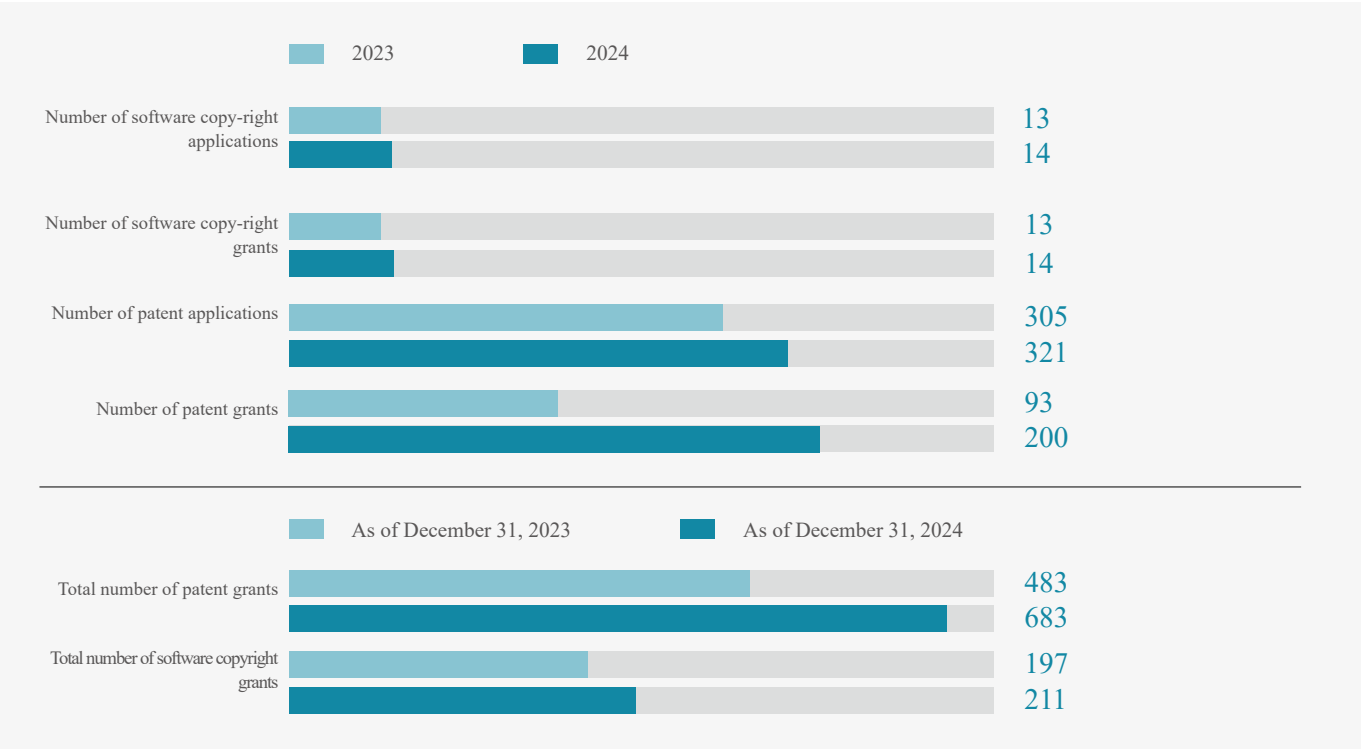
Shared Prosperity
with the Industry

We place a premium on innovative development and the protection and application of technological achievements. We actively engage in industry exchanges and collaborations to acquire new technologies and management expertise. By expanding into new realms of science and innovation, we contribute to the shared progress of the industry. We also focus on technological innovation and green development, integrate value chain resources, and promote industry cooperation, thereby creating a better life for clients.

Intellectual Property Protection

Longfor Group strictly abides by the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*. We have formulated internal management regulations, such as the *Group Guidelines for Patent Classification* and the *Group Guidelines for Patent Agent Assessment*. We actively build an intellectual property management system and systematically manage intellectual property rights in terms of trademarks, patents, copyrights, and domain names, ensuring that while safeguarding our own legal rights and interests, we fully respect the intellectual property of others.

In 2024, the Group's patent applications were concentrated in cutting-edge technologies and core business areas, including artificial intelligence, big data, the Internet of Things, smart construction, decoration and renovation, and intelligent design. The number of patents granted increased significantly by 115% compared to 2023. The authorization rate for invention patents reached 80%, while the authorization rates for utility models and industrial designs remained consistently at 100%.



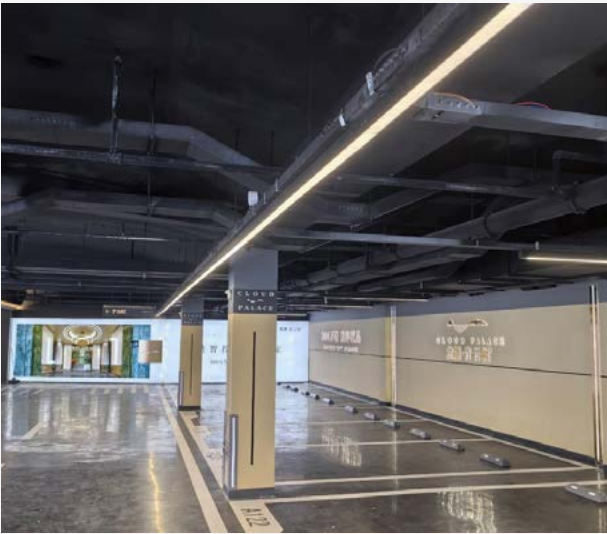
In 2024, we continued to protect our well-known trademarks, "Longfor" and "Paradise Walk," through measures such as opposition and invalidation with the Trademark Office to combat malicious trademark squatting. We actively safeguarded the distinctiveness of these well-known trademarks from being weakened.


Overview of Patent Research and Thematic Studies

The Group conducts extensive product development, including patent applications and thematic studies, focusing on energy saving and consumption reduction, and technological innovation in the supply chain. In 2024, we made strides in thematic studies, conducting studies on intelligent lighting in basements. These efforts have significantly reduced energy consumption and material usage across projects, boosting the sustainability of the entire value chain with a focus on the supply chain.

Intelligent Lighting in Basements

Using the IBMS²² energy consumption model, we analyze garage lighting energy use to optimize the placement of lighting devices and their operating time. We have also introduced smart T8 lamps, smart linear lights, and smart integrated bracket lights, all powered by Bluetooth MESH technology to enable intelligent lighting in the basement. These improvements have led to an energy savings rate of 32.4%.





Pilot Site for Longfor Qingyunque Linear Lights in Changsha

To improve intellectual property management system, the Group has established a regular communication mechanism with designated intellectual property contacts, expanding communication channels and enhancing communication efficiency. We also set up specialized coordination systems tailored to the needs of each project team.

By the end of 2024, the Group had 11 high-tech enterprises and 4 small and medium-sized enterprises (SMEs) that use specialized and sophisticated technologies, spreading across various business sectors. This has effectively enabled technological empowerment, fostering continuous innovation and prosperous development for the company.

In line with both internal and external intellectual property management standards, we actively organize training and awareness-raising programs to help employees understand the importance of intellectual property. In 2024, the Group held four training sessions covering topics such as trademarks, copyrights, and patents, further strengthening our intellectual property protection awareness.

²² IBMS refers to Intelligent Building Management System.

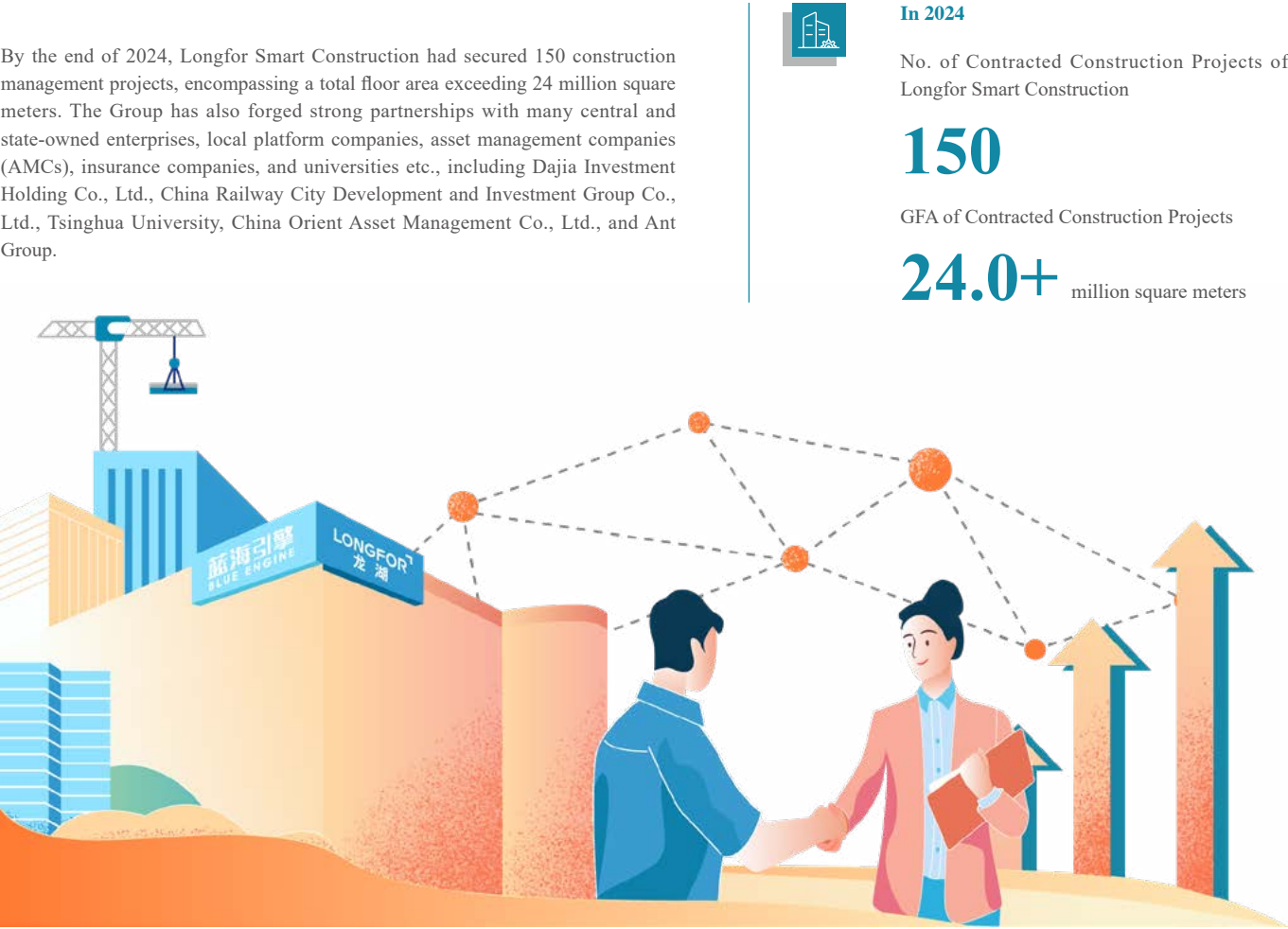
Advancing with the Industry

Longfor Group is actively involved in industry collaborations and exchanges, participating in the development of standards in areas such as green building, with a focus on driving common progress within the industry. In 2024, Longfor Smart Construction contributed to the development of a series of standards, including the *Technical Standard for Prefabricated Interior Decoration of Xiongan New Area (DB1331/T 085-2024)*, and strengthened its partnerships with academic, industry, and research institutions to support the commercialization of technological achievements, while leveraging its influence in sustainability.

Contribution to the Development of the *Technical Standard for Prefabricated Interior Decoration of Xiong'an New Area*

In 2024, Longfor Smart Construction participated in the formulation of a local standard *Technical Standard for Prefabricated Interior Decoration of Xiong'an New Area* (now implemented). This standard covers the entire process, from design, production and transportation to construction, installation, quality acceptance, and maintenance. It meets the requirements for standardized design, factory production, and assembly construction, aiming to improve project quality and safety while advancing the development of prefabricated interior decoration technology.

By the end of 2024, Longfor Smart Construction had secured 150 construction management projects, encompassing a total floor area exceeding 24 million square meters. The Group has also forged strong partnerships with many central and state-owned enterprises, local platform companies, asset management companies (AMCs), insurance companies, and universities etc., including Dajia Investment Holding Co., Ltd., China Railway City Development and Investment Group Co., Ltd., Tsinghua University, China Orient Asset Management Co., Ltd., and Ant Group.



Sustainable Cities and Communities

Longfor Group is committed to creating green, livable cities and communities. Through diverse initiatives such as urban renewal, green communities, green leasing, and affordable housing, we enhance the livability and inclusivity of cities, creating sustainable environmental, social, and economic benefits for society.

Urban Renewal

Longfor Group actively responds to the *Notice on Carrying Out Urban Renewal Demonstration Work* issued by the Ministry of Finance and the State Council's call to "renovate old urban residential compounds, neighborhoods, and communities." We drive urban structural optimization, functional improvement, and quality enhancement, contributing to livable, resilient, and smart cities.

Renovation and Upgrading of Longfor Chongqing Xinyi Street Crossroad

To further increase the vitality and popularity of the neighborhood, Longfor Group launched the "Xinyi Street" urban renewal project, positioning it as an "Urban Island Experience × Coastal Charm and Nightlife," with a focus on creating a brand-new district.

With the core theme of "Urban Coastal Living Hub," Longfor Group incorporated local characteristics and diverse needs to systematically renovate the public spaces. This included landscape optimization, upgraded pedestrian experiences, the introduction of diverse business formats, and strengthened community interaction. This renewal not only enhanced the accessibility and livability of the urban space but also promoted local economic development and improved merchant resilience.



Before Renovation

After Renovation

Renovation of Caihong Factory in Xianyang



The Caihong Factory, which was once a significant symbol of industrial development in the thousand-year-old city of Xianyang, embodies the hard work and memories of multiple generations. However, due to the city's evolving functions and industrial modernization, the factory became neglected and fell into disrepair due to its outdated facilities. We have incorporated the legacy of the old factory into the district revitalization, integrating design elements that preserve its historical essence.

The renovation of the new factory centers around landscape-oriented commerce, creating a multi-dimensional, immersive commercial experience. The overall plan includes high-end residential units, integrated commercial districts, an urban green corridor, and ample parking to meet diverse lifestyle needs. Through a "three-street alley" layout and strategic node design, the project incorporates trendy rooftop terraces, night markets, and other amenities to create a vibrant urban living atmosphere.



Renovation of the Industrial Heritage Site of the Lathe Plant in Hefei



The Lathe Plant, located in Hefei and constructed in the 1950s and 1960s by Soviet experts, stands as a symbol and epitome of Hefei's industrial culture, holding significant historical value for preservation. Our approach follows the cultural lineage of the land while adhering to local government requirements, respecting the site's original industrial characteristics as much as possible, and renewing it through artistic means.

We follow the principles of historic building preservation, using a variety of restoration techniques and red brick materials to retain the industrial heritage to the greatest extent, while integrating modern design to create a space rich in light and shadow. The project emphasizes harmony with the surrounding environment, transforming the site into a garden-style community space that enhances cultural diversity and inclusiveness in the area. Through ecological measures such as soil remediation, the environment has been significantly improved, breathing new life and function into the old industrial site.



Green Communities

Longfor Group is dedicated to building green, low-carbon, smart, and livable communities. The Group has established the *Community Management Policy*²³, integrating community management into the full lifecycle planning of project development.

Community Impact Monitoring

- We extensively exam the surrounding environmental factors prior to the commencement of project development, formulate environmental monitoring plan to cover the entire project lifecycle, including monitoring and in-depth analysis at all stages of the project.

Community Impact Assessment and Mitigation

- To minimize adverse impacts on the local community, we conduct regular assessments of potential environmental impacts, including risk level analyses for factors such as increased noise and traffic congestion.
- We develop and implement mitigation plans based on the identified environmental risks.

Community Communication

- Throughout the construction and operation phases of the project, we open multiple online communication channels. Our internal systems, such as the sonar warning mechanism, are leveraged to ensure seamless community communication to quickly respond to community and stakeholder needs.
- Regular feedback and suggestions from the community are collected, and in-depth research is conducted to address and prevent environmental issues.

During the reporting period, the Group formulated and issued the *Three Shutdowns and One Closure Management System*, the *Commercial Outdoor Display Management System*, and the *Residential Management Department Renovation Management System*. These systems aim to foster a more community-friendly ecosystem by addressing key aspects such as community safety, environmental protection, and residents' health and well-being.

Three Shutdowns and One Closure Management System

- Regulate the management of the "Three Shutdowns and One Closure" for each vendor (shut down electrical devices, gas valves, water valves, and ensure door closure) to ensure safety and reduce resource waste.
- Project managers, along with personnel from relevant inspection departments, conduct daily inspections and evaluations. Any issues identified during inspections must be promptly corrected and followed up on.

Commercial Outdoor Display Management System

- Set requirements for vendors regarding the outdoor display area application, materials, safety, and other aspects, with daily inspections focusing on safety issues.
- Further standardize and improve the quality and image of the vendors' outdoor display areas, reduce pollution, and create a positive commercial atmosphere.

Residential Management Department Renovation Management System

- The renovation process is clearly outlined, covering pre-renovation inspections and notifications, construction commencement, renovation management, and final inspection, to reduce the risk of illegal construction.
- Maintain a unified, aesthetically pleasing image for the park and ensure the safety and integrity of the building structure and supporting facilities.
- Ensure a compliant process for the entire renovation management, providing all home-owners with a high-quality, full-process renovation service experience.

²³ <https://www.longfor.com/upload/file/2022-06-17/3930def8-4359-4fd2-a391-b76b8dfc1f66.pdf>

Green Leasing

Longfor Group is committed to green practices and sustainable development, encouraging all partners to incorporate "green leasing" into their commercial real estate agreements. We require both landlords and tenants to jointly uphold environmental and energy-saving responsibilities throughout the lease term. By the end of the reporting period, over 96% of the contracts signed by Longfor Commercial included green clauses.



As of the end of the Reporting Period

The percent of Longfor's commercial property tenants who signed contracts including green clauses

96%+

Green Leasing Commitments

Landlords' Green Leasing Commitments

- Regularly inspect and maintain public facilities and equipment to consistently improve the environmental performance of both the mall and its facilities.
- Provide green guidance for tenants and other merchants' renovations and improvements, helping them enhance operational efficiency and minimize environmental impact.
- Oversee and review tenants' renovations and operations, offering suggestions on environmental protection and ensuring proper management.

Tenants' Green Leasing Commitments

- All renovations must comply with national and local standards and environmental policies, using materials and equipment that meet relevant environmental criteria.
- Cooperate with landlords in managing energy-saving and environmental protection initiatives for the mall and tenants, strictly following the landlords' requirements for indoor environmental quality, prioritizing the selection and use of low-energy, eco-friendly equipment, and ensuring that all equipment remains in good working condition.
- Promote energy-saving concept and support landlords in raising awareness of environmental protection and green leasing, ensuring that employees and suppliers follow environmental standards through strict management.

Affordable Housing

As a responsible urban operator, Longfor Goyoo aligns with national policies and respond to the trend of encouraging both housing purchase and renting, focusing on the development and promotion of high-quality rental housing projects. By 2024, Longfor Goyoo had opened 124,000 rooms and maintained its position as a leading brand in the industry for three consecutive years.

With the aim of creating warm and bright hubs for urban youth, Longfor Goyoo advances the construction of affordable housing. To cater to the diverse needs of different tenant groups, we have upgraded the product to version 4.0. Moreover, we have pioneered a novel construction model focused on converting disused office buildings into long-term rental apartments, breathing new life into older properties.

Affordable rental housing by Longfor Goyoo is now available in over 20 cities, including Beijing, Chongqing, and Tianjin, with a cumulative total of nearly 66,000 opened rooms. This provides affordable housing options for low-income individuals, seniors, and young people. In 2024, Longfor's new inclusion in government-recognized affordable rental housing projects amounted to 8, comprising 3,533 rooms, contributing significantly to easing housing pressure and improving residents' living conditions. As of the end of 2024, Longfor Goyoo had achieved an overall occupancy rate of 95.3%. Among properties that have been operating for over six months, the occupancy rate stood at 95.6%. Additionally, the tenant satisfaction rate was recorded at 96.9%.

Affordable Rental Housing Projects at Longfor in 2024

Longfor Goyoo at Xiushan Metro Station, Fuzhou

The project leverages the latest digital technologies, implementing a new digital operations model with features like digital construction, online space booking, online leasing, and VR property selection. The modern design has drawn many recent graduates, with over 70% of tenants being under 30. Since many tenants are preparing for exams like the postgraduate entrance or civil service exams, the property has provided a quiet study room in the common area.



Study Room at Longfor Goyoo at Xiushan Metro Station, Fuzhou



Longfor Goyoo at Guogongzhuang Metro Station, Beijing

Longfor Goyoo at Guogongzhuang Metro Station, Beijing

This project marks the first opening in Beijing after the design and reconstruction assessment under the *Guide for the Construction of Affordable Rental Housing in Beijing*. It is also the inaugural instance of a non-residential building in Beijing being transformed into a rental housing project. The Guogongzhuang project mainly consists of studio apartments. During the renovation, Longfor carefully studied the unique characteristics of each space. Based on the location and features of the building, we redesigned some distinctive areas with glass curtain walls. In total, about 700 affordable rental housing units were redesigned.

In 2024, Longfor Group continued to set high standards for rental living, striving to create ideal living spaces for all residents and receiving widespread recognition from various sectors of society.

Awards and Accolades Received by Longfor Group in Recognition of its Rental Housing Initiatives in 2024

Longfor Hsiafei Mansion
was named one of the "Top 10
High-End Apartment Product Series" by CRIC in 2024.

Longfor Goyoo
was recognized as the "2024 Leading Brand
in Housing Leasing" by the China Index
Academy.

Longfor Goyoo
was recognized as the "Top 2 Brands in
Rental Housing Communication Strength in
2024" by the Maidian Research Institute



Affordable Commercial Real Estate

Longfor Commercial has deeply fulfilled its social responsibility by providing merchants with affordable commercial real estate and actively providing business counseling and rent support. In 2024, hundreds of branded merchants were granted rent reductions or exemptions. Longfor Group successfully opened 11 new high-quality shopping malls throughout this year, continuously expanding its commercial landscape, creating more opportunities for merchants, and contributing to the economic recovery. Meanwhile, it invested hundreds of millions in marketing throughout the year, precisely empowering merchants to improve their performance and stimulating the vitality of the consumer market.

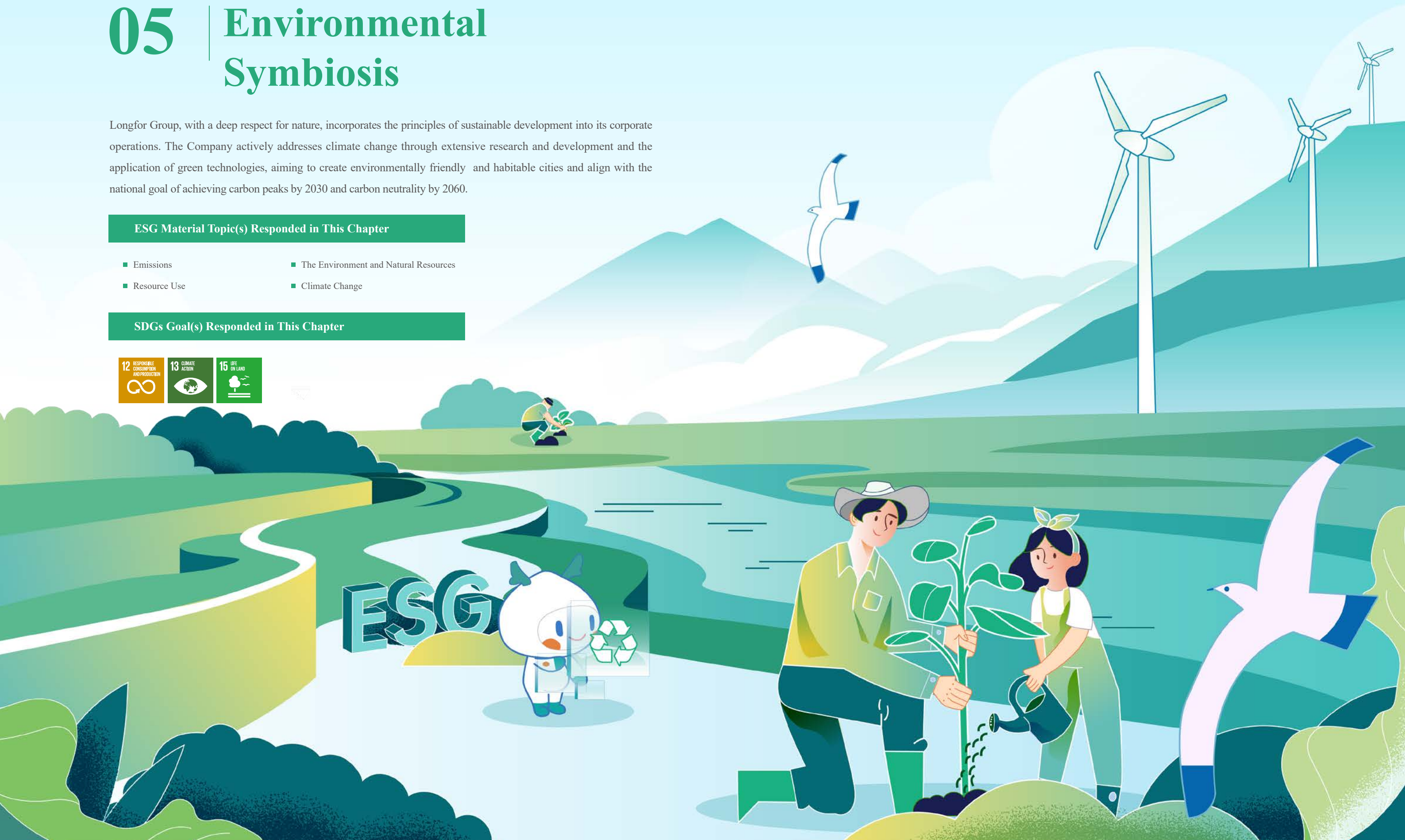
05 | Environmental Symbiosis

Longfor Group, with a deep respect for nature, incorporates the principles of sustainable development into its corporate operations. The Company actively addresses climate change through extensive research and development and the application of green technologies, aiming to create environmentally friendly and habitable cities and align with the national goal of achieving carbon peaks by 2030 and carbon neutrality by 2060.

ESG Material Topic(s) Responded in This Chapter

- Emissions
- The Environment and Natural Resources
- Resource Use
- Climate Change

SDGs Goal(s) Responded in This Chapter



Special:
Topic

Digital Empowerment
for A "Smart" Future

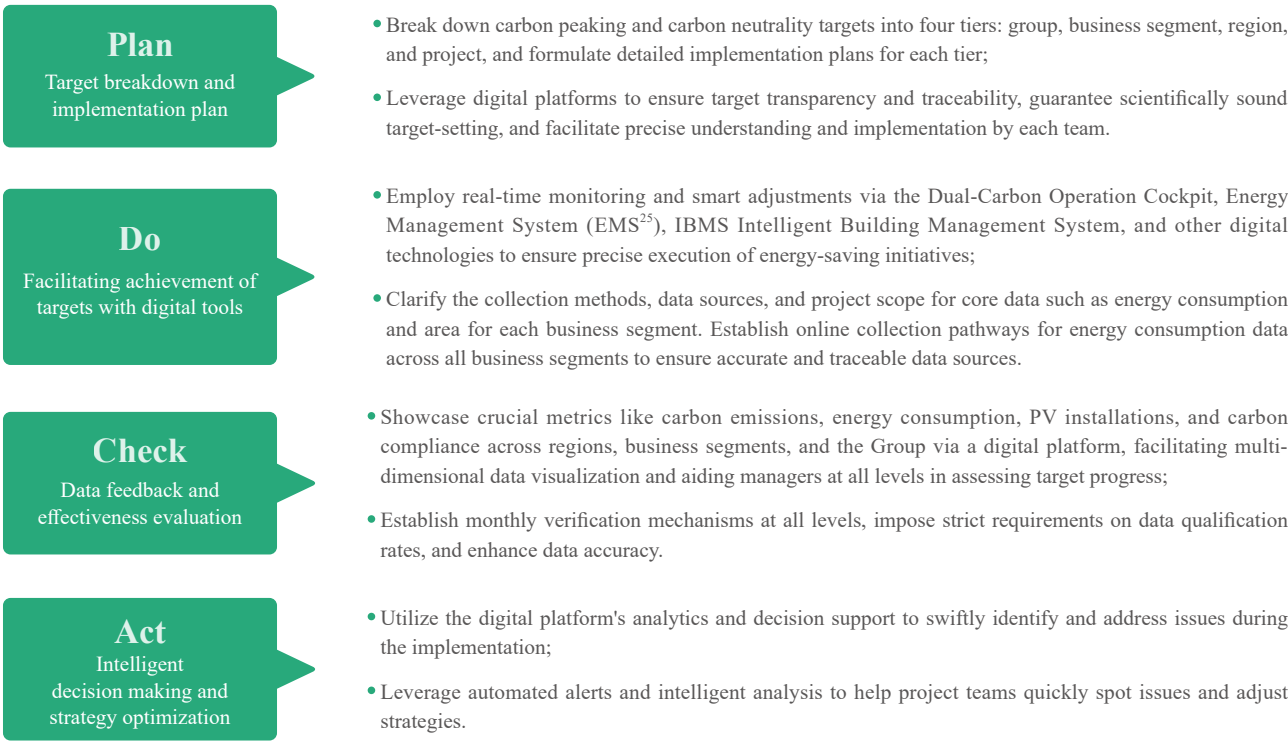
Digitization is crucial for enterprises' low-carbon transition and a key focus of the dual-carbon policy. In August 2024, the Office of the Central Cyberspace Affairs Commission, along with the National Development and Reform Commission (NDRC), the Ministry of Industry and Information Technology of the People's Republic of Chian (MIIT), the Ministry of Natural Resources, and other departments, jointly released the *Implementation Guide for the Collaborative Transformation and Development of Digitization and Greenification*, offering clear policy direction for green transformation via digital technology in the construction sector.

As a leading enterprise in China's real estate industry, Longfor Group has been committed to digital and intelligent development for over 20 years, accumulating solid experience in digital transformation and real estate technology. The Group has achieved substantial results in various key areas addressed in the *Implementation Guide for the Collaborative Transformation and Development of Digitization and Greenification*, including digitalization of architectural design, low-carbonization across the entire lifecycle of buildings, green buildings, and low-carbon communities. Detailed contents are provided in the subsections of this chapter.

The Group has set a target to reduce carbon emission intensity per unit area by 15% by 2030, with annual targets formulated accordingly. These targets are broken down into four tiers: group, business segment, region, and project, leading to specific carbon reduction goals and strategies for each project.

In pursuing the Group's carbon peaking and carbon neutrality targets, we empower our carbon peaking and carbon neutrality management system with digital technology, creating a distinct "Carbon Peaking and Carbon Neutrality Digital Management System" for Longfor. We have created a closed management loop that combines top-down target management with bottom-up practical feedback within the Group by establishing a PDCA²⁴ integrated management model, encompassing target management, strategy formulation, practical feedback, and continuous optimization and iteration of targets and strategies.

PDCA Management Model



During the Reporting Period, Longfor Group launched the Dual-Carbon Operation Cockpit, EMS, IBMS Intelligent Building Management System, and IoT Platform, achieving a holistic digital layout for dual-carbon management across management systems, energy, intelligent buildings, and IoT connectivity.

Dual-Carbon Digital Products

Dual-Carbon Operation Cockpit

Monitor and manage carbon emissions and energy consumption across various projects and regions in real-time through an integrated digital platform; support carbon compliance progress tracking, target management, and early warning and assist the Group to promptly identify deviations and make corresponding adjustments.

EMS Energy Management System

Offer comprehensive energy consumption monitoring and data analysis, enable real-time access to energy consumption data across projects, and optimize energy efficiency management strategies to minimize waste and support energy-saving goal achievement and reporting.

IBMS Intelligent Building Management System

Integrate various building systems (such as HVAC, lighting, elevators, etc.) to achieve intelligent control and optimization of energy consumption, enhance the operational efficiency of buildings, and ensure a balance between comfort and energy-saving effectiveness.

IoT Platform

Connect sensors, devices, and cloud platforms to collect real-time data on building facilities and offer remote monitoring, device management, and optimization plans to boost the intelligent management of buildings.

²⁴ PDCA refers to a continuous improvement methodology comprising four phases: Plan, Do, Check, and Act.
²⁵ EMS refers to the energy management system for monitoring, analyzing and optimizing energy management.

Special:
Topic

Digital Empowerment
for A "Smart" Future



Dual-Carbon Operation Cockpit

Longfor Dual-Carbon Operation Cockpit, a digital platform for carbon emission and energy management. It integrates core dual-carbon data to visually showcase the Group's overall and hierarchical progress in carbon emission reduction and target achievement.

As of the end of the Reporting Period, this platform has achieved real-time monitoring of dual-carbon data such as carbon emissions and energy consumption across projects, regions, business segments, and the Group level, as well as various low-carbon-related data including PV, green electricity, energy-saving technologies, and green buildings. Relying on the Dual-Carbon Operation Cockpit, the management at all levels oversees core indicators and technological initiatives, dynamically tracks the achievement of carbon peaking and carbon neutrality targets, and promptly adjusts strategies to ensure the fulfillment of dual-carbon goals at each level.



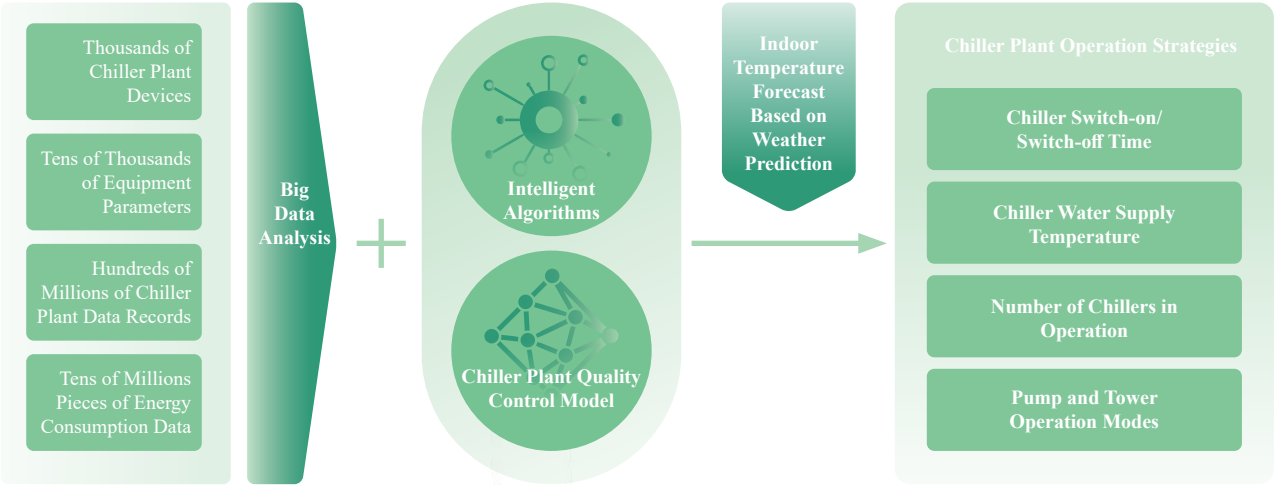
Carbon Emission Monitoring Dashboard

Note: The data displayed on the dashboard is periodic data from the project management process and does not represent any conclusions for the entire year. The annual data is detailed in the appendix.

Intelligent Control of Cooling Station

In 2024, Longfor Group optimized the algorithm of its intelligent control system of cooling stations, boosting operational efficiency significantly. This system provides real-time monitoring and feedback of operational data, fostering a continuous optimization loop for optimal equipment performance.

In 2024, Longfor Group validated its intelligent control system of cooling stations in 47 projects, achieving an average energy savings rate of about 8.6% during strategy deployment. Looking ahead, the Group intends to integrate machine learning with data training to refine performance optimization models, leveraging historical data and real-time feedback to enhance cooling station operations, thereby boosting energy efficiency and advancing intelligent management.



Responding to Climate Change

Governance

The Group has set up a climate change governance system led by the Board, facilitating climate management through clear responsibility division and cross-departmental collaboration. Our reporting mechanism of "Project - Business Segment - Group - Board" ensures regular progress updates aligned with annual objectives.



In 2024, we actively engaged in climate-related Board training and regularly attended training sessions and forums on climate and sustainability by top international rating agencies, comprehensively boosting our management's awareness and skills in climate risk response.

Strategy

Longfor Group has formulated the *Climate Change Policy*²⁶ and continuously refined its internal carbon reduction management strategies by referencing domestic and international standards, best industry practices, and its business development, to enhance the Group's carbon reduction targets.

Carbon Reduction Strategies and Achievements in Each Business Area

Property Development

- We developed energy locations, types, and operating hours on a project-by-project basis, requiring each project to strictly comply with the standards to avoid inefficient energy consumption.
- We installed smart water and electricity meters and established an energy consumption model to achieve online visualization of energy consumption data. When energy consumption exceeded the preset threshold, these system would automatically send energy-saving work orders to the project manager for timely review and correction.

Commercial Investment

- Energy-saving upgrades: We performed electromechanical system checks, installed high-efficiency cooling stations and boilers, adopted energy-efficient lighting, and improved building airtightness.
- Digital energy-savings: In 2024, we fully promoted automatic equipment operation control and AI-based intelligent control algorithms for cooling stations. These algorithms underwent continuous optimization through validation in 47 projects.
- Energy-saving management: We analyzed energy consumption data, diagnosed abnormalities, and swiftly took corrective measures.

Asset Management

- We implemented timed controls for lighting to ensure efficient "on-demand" illumination.
- Variable frequency and individual metering technologies and management measures were introduced to reduce energy consumption in air conditioning (AC) systems.
- By analyzing pedestrian flow, elevators were programmed with optimal operation times and low-energy modes and equipped with variable voltage variable frequency (VVVF) technology to adjust current based on time periods.
- Third-party inspections were included for public area AC and lighting schedule management.

Property Management

- We organized energy-saving training for property staff to enhance detailed management.
- In 2024, we replaced over 100,000 ultra-energy-efficient lighting fixtures; retrofitted 19 projects with non-negative pressure water systems, cutting pump energy consumption; and installed temperature controllers in 85% of elevator machine room ACs for auto start-stop and on-demand cooling. Nearly 180 project parks have upgraded their lighting to auto-adjust based on longitude, latitude, sunrise and sunset times.

Leveraging the "Dual-Carbon Operation Cockpit," the Group monitors carbon emissions and energy management across the Group and all business segments in real time. We have achieved precise, intelligent, and efficient energy savings and emission reductions by combining hardware like PV systems, ultra-efficient lighting, remote-reading water meters, and variable-frequency drives (VFDs) with software such as IBMS intelligent control of cooling stations and EMS.

²⁶ <https://www.longfor.com/upload/file/2022-06-17/0623e26c-d6df-4cd3-badd-444e9fbff42d.pdf>

Risk Management

We incorporate climate risks into the Group's risk management, continuously identifying, assessing, and addressing climate-related risks and opportunities. This approach aims to mitigate the climate risks in our operations and seize development opportunities arising from climate change.

Climate-Related Transition Risks

Risks	Risk description	Risk response
Policy and legal risk	As the government tightens energy-saving and emission-reduction policies, the Group's failure to keep pace may result in increased compliance costs.	<ul style="list-style-type: none">Continuously monitor changes in relevant laws, regulations, and policy documents;Enhance communication and exchange with regulatory authorities and outstanding peers, and actively respond to policy initiatives;Comprehensively deploy green and low-carbon building technologies, promote environmentally friendly construction practices, and ensure green compliance of projects.
	<ul style="list-style-type: none">In February 2024, multiple departments jointly released the <i>Green and Low-Carbon Transformation Industry Guidance Directory (2024 Edition)</i>, adding content related to intelligent construction, green rural housing renovation, operation and maintenance, and outlining clear standards for green, ultra-low energy, and prefabricated buildings.In March 2024, the General Office of the State Council forwarded the <i>Work Plan for Accelerating Development of Energy Conservation and Carbon Reduction in Construction Sector</i> issued by the National Development and Reform Commission and the Ministry of Housing and Urban-Rural Development of the People's Republic of China. This plan outlines new requirements for low-carbon construction in the industry, including the development of prefabricated buildings and modular decoration, the promotion of green building materials and energy-saving equipment, and the standardization of construction site management.In August 2024, the <i>Opinions of the CPC Central Committee and the State Council on Accelerating Comprehensive Green Transformation in Economic and Social Development</i> outlined measures to promote green urban and rural development, including green planning and construction practices, and the advancement of green and low-carbon buildings.	
Technology risk	<p>As the "Carbon Neutrality" goal progresses, stricter green building standards elevate the risk of cost hikes for the Group, stemming from the phase-out of outdated technologies and the development of new ones.</p> <ul style="list-style-type: none">In 2022, the Ministry of Housing and Urban-Rural Development of the People's Republic of China and the National Development and Reform Commission mandated that by 2025, all newly constructed urban buildings must adhere to green building standards, with over 30% achieving star ratings. All newly built government-invested public welfare and large-scale public buildings must attain at least one-star certification;In 2024, the Ministry of Housing and Urban-Rural Development of the People's Republic of China and the National Development and Reform Commission issued the <i>Work Plan for Accelerating Development of Energy Conservation and Carbon Reduction in Construction Sector</i>, mandating a rise of over 20 million square meters in new ultra-low energy and near-zero buildings compared to 2023, a 200 million square meters surge in retrofitted energy-efficient buildings, with electricity accounting for over 55% of building energy use, and renewable energy substituting 8% of urban building energy needs.	<ul style="list-style-type: none">Actively develop prefabricated buildings, TOD²⁷ complexes, and research and application of ultra-low energy consumption building technologies;Enhance green building technology and engineering practices, and actively upgrade the certification levels and coverage ratio of the Company's green building projects;Through the industry-university-research cooperation model, accelerate the research and development, of green technologies, and reduce the procurement costs for green technologies.

²⁷ TOD: Transit-Oriented-Development, an urban planning and development model oriented by public transportation.

Risks	Risk description	Risk response
Market risk	<p>Changes in market demand for green and low-carbon products will expose enterprises that fail to promptly respond to these demands to the risk of losing market share.</p> <ul style="list-style-type: none">With the industry's focus on climate transition, green and ultra-low energy buildings have emerged as key market competitors. Especially in government procurement and large-scale corporate collaborations, higher environmental standards are often demanded. Failing to align with evolving market demands may weaken the Group's competitiveness.The green consumption awareness of consumers is constantly increasing, and the demand for high-energy-efficiency buildings and environmentally friendly materials is on the rise. Enterprises that fail to effectively meet consumers' needs may face the risk of a reduction in potential consumers.	<ul style="list-style-type: none">Continuously monitor changes in market demand and comprehensively build up technical and project capabilities;Actively participate in various industry forums to jointly explore green transformation solutions.
Reputational risk	<p>Investors and consumers are increasingly focused on corporate climate and ESG performance. Lagging behind peers in these areas may hike financing costs and cut operating revenues for the Group.</p> <ul style="list-style-type: none">At the 2024 COP28 UN Climate Change Conference, institutions and organizations stepped up their efforts to tackle climate change. Businesses failing to align with climate transition demands may encounter significant financing risks;As the media continues to scrutinize climate change, firms neglecting or delaying eco-friendly actions may face media and public scrutiny, tarnishing their reputation.	<ul style="list-style-type: none">Steadily advance the Group's low-carbon transformation goals and enhance the disclosure of environmental and climate-related data;Enhance communication with investors, consumers, and media to promptly understand and respond to their concerns.



Climate-Related Physical Risks

Risks	Risk description	Risk response
Acute risk	Typhoons	<ul style="list-style-type: none">• Typhoons can potentially damage building structures, impact operational safety, and incur potential maintenance costs.• Typhoons may disrupt power and communication systems, affecting commercial and property operations. <ul style="list-style-type: none">• Fully consider wind resistance and reinforce buildings in the design of projects located in coastal areas and regions prone to typhoons;• Optimize emergency response mechanisms for commercial and property operations, ensuring timely checks and repairs.
	Heavy rainfall	<ul style="list-style-type: none">• Extreme rainfall may flood underground garages and equipment rooms, disrupting normal operations;• Extreme rainfall may trigger floods, causing damage to buildings. <ul style="list-style-type: none">• Monitor rainfall and water accumulation in real time and dynamically adjust drainage facilities accordingly.• Enhance waterproof designs for underground areas and adopt measures like rain gardens and permeable pavements.
	Extreme heat	<ul style="list-style-type: none">• Extreme heat may impact personnel health, driving up insurance premiums;• Extreme heat may result in increased expenditures for high-temperature subsidies. <ul style="list-style-type: none">• Stay informed about weather forecasts and prepare ahead for extreme heat;• Fully consider the potential impact of extreme heat during project design, construction planning, and other stages, and make reasonable arrangements for the project schedule.
	Chronic risk	<ul style="list-style-type: none">• Chronic risks such as sea level rise, temperature increase, and drought may lead to stranded assets, rising operational costs, and other associated risks;• Sea level rise may affect coastal asset valuations. <ul style="list-style-type: none">• For new projects, priority should be given to developing in areas with greater climate resilience, while existing projects should adopt protective designs.

Climate-Related Opportunities

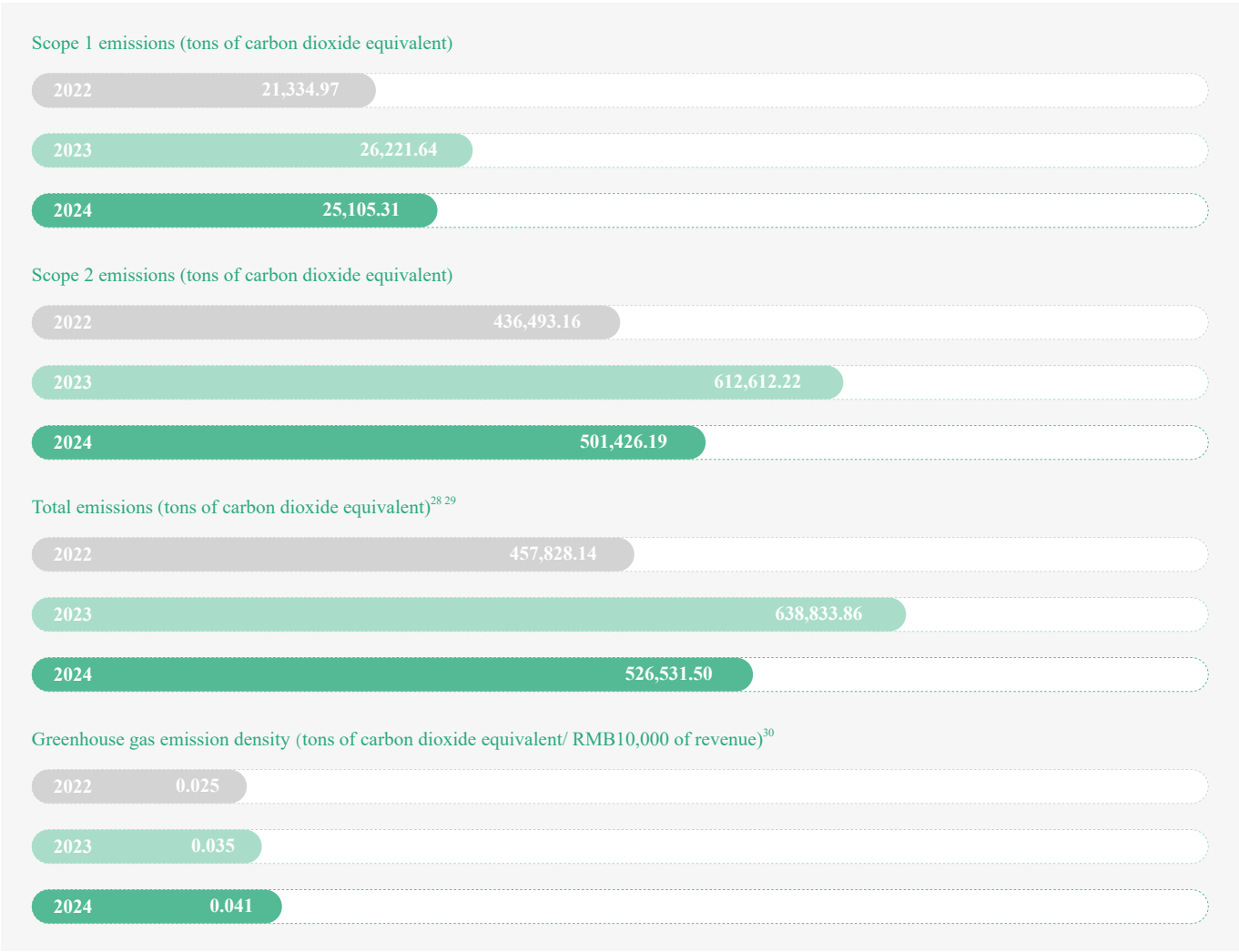
 National policies support/subsidies	 Increasing demand for green buildings
<p>Opportunity description</p> <p>National and local governments have introduced incentive policies for green buildings, including financial subsidies, priority awards, credit and financial support, and reductions or exemptions of urban infrastructure fees;</p> <p>As of the end of the Reporting Period, 31 provinces and municipalities have issued support policies for green buildings. With its technical reserve for green building technologies and set targets, the Company is expected to receive subsidies from national policies.</p> <p>Response to opportunities</p> <ul style="list-style-type: none">• Establish an incentive mechanism for green building technologies to actively enhance the certification level and coverage of our green building projects;• Stay actively informed about changes in green building policies to seize policy-related opportunities.	<p>Opportunity description</p> <p>As carbon peaking and carbon neutrality goal is pursued and green awareness rises, demand for green, ultra-low energy, and prefabricated buildings is growing. Leveraging Longfor Group's technical expertise and practical experience in these areas, aligning its strategy with market needs could boost its green building market share.</p> <p>Response to opportunities</p> <ul style="list-style-type: none">• Actively pursue R&D and application of prefabricated and ultra-low energy buildings;• Continuously monitor changes in market demand and promptly adjust corporate strategy and development direction.

Metrics and Targets

We have established group-level carbon emission intensity targets and annually break them down across our business segments. Our "Dual-Carbon Operation Cockpit" system continually oversees key indicators such as energy consumption, energy-saving and low-carbon projects, and green and low-carbon buildings. Starting from 2024, the Group included "reduction in energy intensity per unit area" in the strategic evaluation assessment (BSC), and the achievement of the indicator will directly affect the overall performance evaluation of the Group.

Apart from the carbon emission intensity target, the Group has established goals for green buildings and energy consumption, advancing its low-carbon transition across multiple fronts. Further information regarding green building targets and progress can be found in the "Green Buildings" section, while details concerning energy consumption targets and progress are available in the "Energy Management" section.

The Group's Greenhouse Gas Emissions from 2022 to 2024



²⁸ GHG emissions refer to WRI's *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHG Protocol Corporate Standard)*, covering the emissions from Scope 1 (direct emissions) and Scope 2 (indirect emissions) during Longfor Group's operational phase. Scope 1 refers to direct greenhouse gas emissions from sources owned or controlled by Longfor Group, including total gasoline, diesel fuel, and natural gas consumption; Scope 2 signifies indirect greenhouse gas emissions from purchasing or acquiring electricity generated by Longfor Group.

In 2023 and 2024, the statistics cover administrative offices, property development, commercial investment, asset management, management for the owned and developed property, and smart construction. However, data on the smart construction business in 2022 and prior years are not included. Partial data restatements were made for 2022 and 2023.

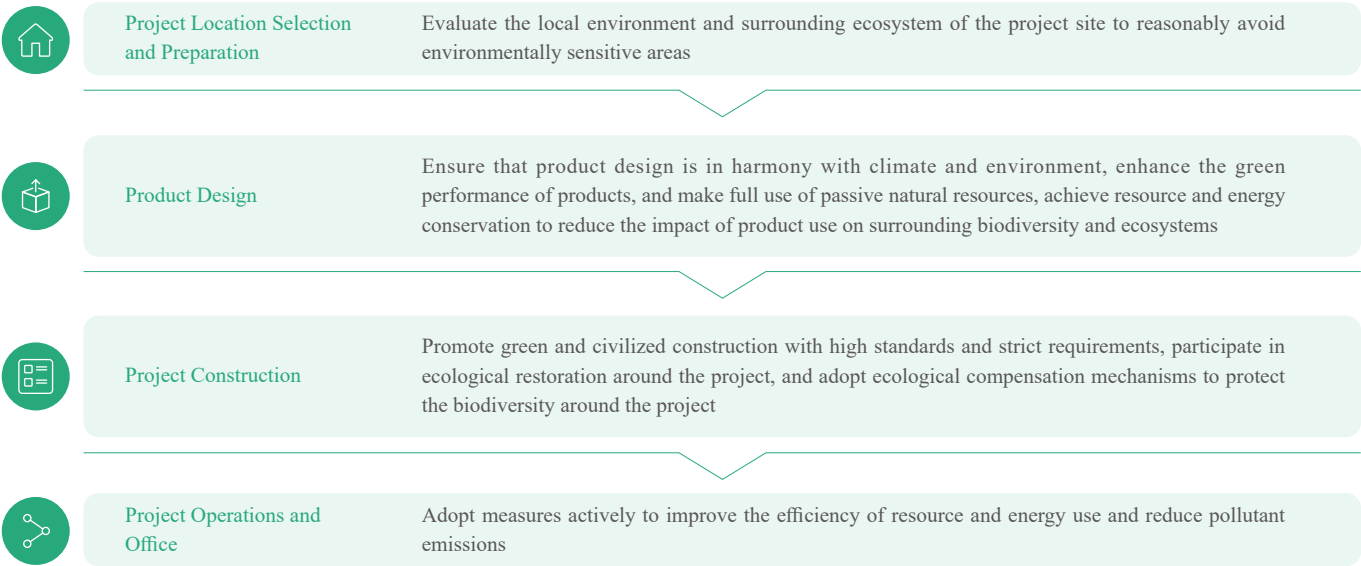
²⁹ In 2023 and 2024, Longfor Group purchases 46 million kWh and 177 million kWh of green power, respectively.

³⁰ GHG emissions intensity increase mainly due to revenue changes.

Green Building

Longfor Group integrates green and sustainable philosophies throughout project location selection, design, construction, and operation. We actively explore technologies in green building domains, including low-carbon TOD complexes, prefabricated buildings, and ultra-low energy buildings, adhering to high-standard green construction practices to achieve our green building goals.

Green and Low-Carbon Philosophy



Green Building Goals and Certification

The Group rigorously follows the *Assessment Standard for Green Building (GB/T 50378)* in implementing green building initiatives, fully incorporating requirements for energy conservation, water conservation, material efficiency, and indoor environmental quality throughout all stages of projects. We set green building targets in 2021 and disclose our progress toward them annually.

Green Building Goal:

Since 2021, all new projects of the Group must reach the national green building standard and encourage obtaining higher level certifications (including national green building two-star, three-star, American LEED³¹ certification and WELL³² certification).

100%

³¹ LEED rating system | U.S. Green Building Council (<https://www.usgbc.org/>)
³² International WELL Building Institute (<https://www.wellcertified.com/>)

Longfor Group's New Green Building in 2024

The number of the Group's new projects that had obtained Green Building Certifications

The area of the Group's new projects that had obtained Green Building Certifications reached

9

951 thousand square meters

The proportion of new projects of Longfor Group that meet the national green building standard was

Among which projects meeting the three-star green building standards account for

100%

11.1%

Projects meeting the two-star green building standards account for

Projects meeting the one-star green building standards account for

22.2%

33.3%

Longfor Group's Green Building as of December 31, 2024

The number of the accumulated projects of Longfor Group that meet national green building standards had been

590

The accumulated area of Longfor Group that meet national green building standards had been

over 130 million square meters

TOD Complex Project

Longfor Group embraces the fundamental principles of TOD design, and it has developed holistic values for TOD products encompassing six lines: intercity hubs, urban business districts, regional centers, neighborhood hubs, multimodal transit hubs, and new TOD communities, all contributing to urban sustainability. In 2024, the Group launched seven heavy assets Paradise Walk projects, four being TOD initiatives.

TOD Project in Tianjin Meijiang Paradise Walk



In August 2024, Longfor Group officially opened its first TOD commercial project in Tianjin-Meijiang Paradise Walk, spanning 204,000 square meters. Leveraging green, low-carbon, and intelligent control technologies, it has become a green, healthy, and comfortable intelligent commercial area, earning a two-star green building certification.

Meijiang Paradise Walk sits at the heart of Xiqing District, adjacent to two main city transportation lines. The commercial block on the B1 floor offers direct access to the Metro station, with three bus lines within 300 meters, optimizing transportation operations.

The project embraced the principles of sustainable development and explored new pathways for energy conservation and emission reduction. In terms of energy conservation, the project utilized high-efficiency and energy-efficient lighting, significantly cutting energy consumption. The commercial areas employed time-based control to achieve illuminance control in different scenarios and save energy.

In terms of water conservation, the project exclusively used Grade-2 water-saving appliances. Landscaping irrigation employs water-saving devices with soil moisture sensors and rainwater shut-offs. Rainwater harvesting techniques were also used, contributing to efficient water conservation and aligning with sponge city goals.

Additionally, the project employed intelligent control strategies, leveraging IBMS, EMS, and BA³³ technologies to optimize intelligent design, control, and operations, resulting in a smart, energy-efficient and green TOD commercial complex.



TOD Project in Tianjin Meijiang Paradise Walk

³³ BA: Building Automation, refers to the automatic monitoring and management of electromechanical equipment within a building via intelligent control systems.

TOD Project in Nanjing Yushan Paradise Walk



In June 2024, Longfor Group officially opened its fifth TOD commercial project in Nanjing, spanning 178,000 square meters. The project employed comprehensive digital BIM forward design throughout its design and construction, significantly cutting carbon emissions during the construction period.

Yushan Paradise Walk sits at the heart of Pukou District, adjacent to two main city lines. The commercial block on the B1 floor offers direct access to the Metro station. Surrounded by 12 bus routes, the project optimized transportation operations and significantly benefited the public.

The project has adopted shading systems and highly efficient chillers and boilers. Additionally, it has achieved overall energy conservation through control strategies. Additionally, energy-efficient lighting with timed controls was employed to reduce lighting energy consumption. In terms of water conservation, the project used Grade-2 water-saving appliances and implemented rainwater recycling for landscaping, road cleaning, and garage washing, maximizing the use of renewable water resources.

Furthermore, intelligent control strategies were adopted to achieve automated, precise, and efficient operation of the overall electromechanical systems, facilitating the implementation of a green and low-carbon TOD commercial complex.



TOD Project in Nanjing Yushan Paradise Walk

Prefabricated Buildings

Longfor Group has actively embraced the *Notice on Implementation Plan for Carbon Peaking in Urban and Rural Construction*, advancing the technical R&D and application of prefabricated buildings since 2017. Now, with a comprehensive prefabricated building system in place, the Group is driving green development in the construction industry through concerted efforts across policy, product, and project ends.



Green Construction

Longfor Group upholds green construction principles, establishing the *Green Environmental Protection Construction Plan* and the *Safety and Civilization Construction Management Agreement* to rigorously regulate waste disposal, material storage, dust management, and other aspects during construction, to minimize the environmental impact.

Green Construction Measures

Waste Water Treatment

- Set up a sedimentation tank on site and in the living area to recycle or discharge the sewage after sedimentation
- Set filters in cafeteria and shower room sewer lines of the living area and connect them to the municipal sewage pipeline to ensure smooth drainage

Waste Gas Treatment

- Require all construction vehicles and machinery to meet the emission standards set by the state and local governments and undergo regular maintenance and repairs

Garbage Treatment

- Centralize waste management at the construction site and store living and construction garbage by classification
- Timely clean garbage on the construction site and continuously inspect the site
- Prohibit the burning of various waste on the construction site and surrounding areas

Noise Treatment

- Use fully enclosed block-cutting chambers to reduce noise pollution
- Conduct regular monitoring to ensure that noise management meets national and regional standards

Dust Management

- Place an automatic vehicle flushing device at the construction site entrance to flush the vehicles, and prepare a three-stage sedimentation tank for the car washing tank
- Prohibit muddy, overloaded, or unclosed vehicles on the road, and appoint special personnel to check
- Cover the area that is temporarily not under construction with dust nets and install sprinklers around the construction site to sprinkle and water regularly
- Spray water mist during earthwork construction
- Set up a dust monitoring system

Water and Energy Conservation

- Use water-saving and energy-saving equipment and lighting fixtures
- Set the sprinklers to be turned on and off at regular intervals
- Use centralized low-voltage charging cabinets
- Set up a rainwater collection tank to promote rainwater recycling

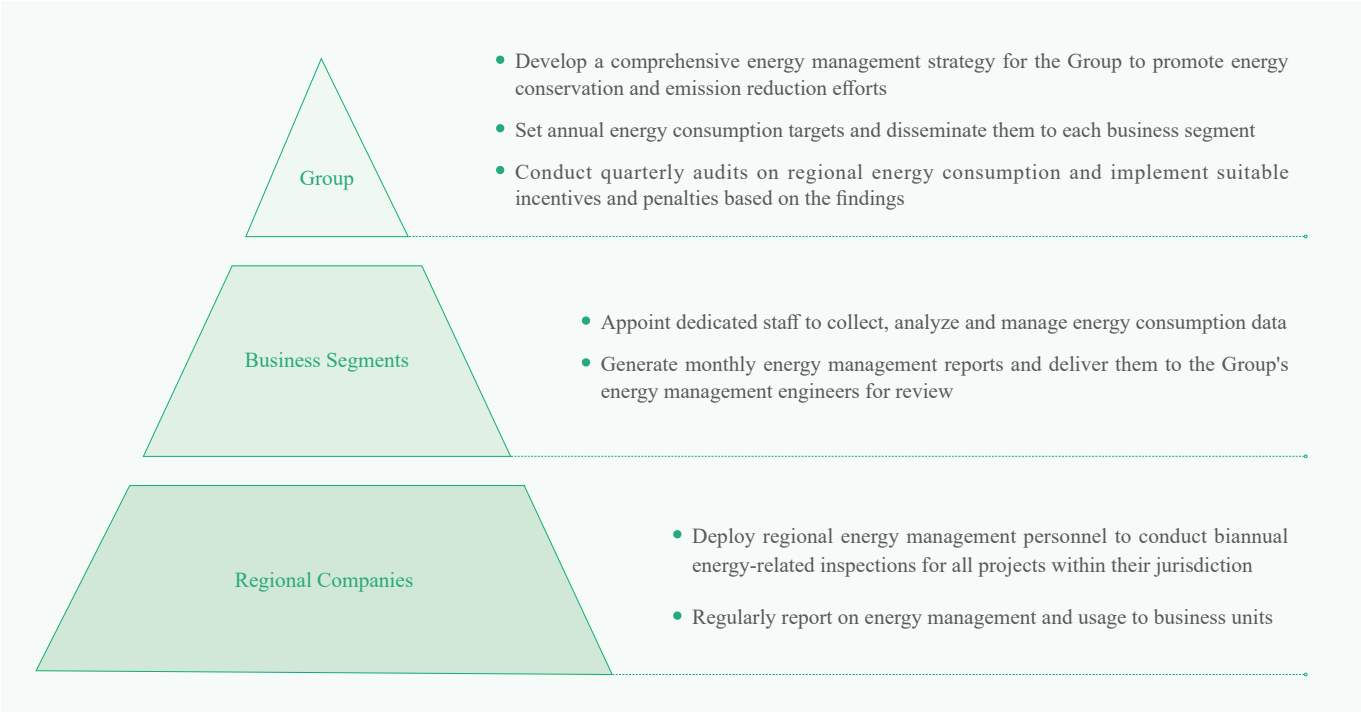
Recycling

- Apply reusable container dormitories and offices
- Reuse waste materials such as crushed gravel, rebar remnants, and bottom forms that strictly meet industry standards

Energy Management

Longfor Group strictly complies with the *Energy Conservation Law of the People's Republic of China* and has formulated management systems such as the *Energy Management System of Longfor Space Services Group* and the *Environmental Policy of Longfor Group*³⁴. The Commercial Department has formulated the *Energy Consumption Management and Standard Operational Strategies for Equipment in Commercial Projects* and the *One-Page Temperature Field Management in Commercial Headquarters Paradise Walk During Operation*. The Property Management Department has formulated the *Operation Guidance of Energy Consumption Management*, the *Operation Guidance of Equipment Operation Strategy* and other internal systems, establishing a five-level energy consumption structure standard and a utility billing management system. In 2024, the Group's Longfor Property Management Group obtained ISO 14001 environmental management system certification.

We have established a top-to-bottom energy management system and set energy usage targets to comprehensively promote refined energy management and efficiently utilize energy.



Energy Management System

The Energy Consumption Target and Progress of Commercial Operations in 2024

Based on previous electricity and gas consumption data, we set a energy consumption target of

64.99 kWh/m²

During the Reporting Period, the actual energy consumption was

64.01 kWh/m²

We successfully achieved the energy-saving target, and compared to 2023, the energy intensity decreased by

4%

³⁴ <https://www.longfor.com/upload/file/2024-06-17/3b5502b3-0fd8-49be-8229-b1ee5a51ed01.pdf>

The Group has implemented various energy-saving measures to enhance energy efficiency in lighting, temperature control, power, and operation and maintenance management.

Energy Efficiency Initiatives

Lighting

- Replace lighting in the non-motorized garage with dual illumination/sensor fixtures, and add a limit switch to the lighting circuits of the equipment room
- Adjust the lighting based on peak activity hours, off-peak hours, and nighttime hours to reduce unnecessary brightness and duration while ensuring functional needs
- In 2024, the Group upgraded lighting in garages across 37 operational commercial projects, swapping out traditional LEDs for high-efficiency sources. This initiative cut energy consumption without compromising overall brightness and illuminance levels

Temperature Control

- Use air conditioners seasonally and manage them centrally with a centralized air conditioning auxiliary monitoring system
- Continuously promote the transformation of low-NOx high-efficiency boilers
- Continuously promote the transformation of high-efficiency cold stations
- The Group engaged third-party professional companies to conduct thorough electromechanical inspections and troubleshooting for in-operation commercial projects with high AC energy consumption

Power

- Replace some storage-type tap water pumps with water supply equipment without non-negative pressure for older projects
- We have installed elevator energy recovery devices to recycle the electric energy generated when the elevators ascend with a light load and descend with a heavy load to the power grid.

Operation and Maintenance Management

- Promote intelligent energy consumption control systems and implement the energy consumption management strategy in multi-industrial space zones
- Boost digital R&D efforts for intelligent control of IBMS cooling stations, validated in 47 projects, achieving an average of 8.6% energy savings during deployment

During the Reporting Period, the Company held six training sessions for engineering staff to boost their awareness of energy conservation and emission reduction. The sessions emphasized the application of the EMS intelligent energy management system, the IBMS intelligent building control system, and energy-saving management strategies for facilities and equipment, driving optimization in project energy management.

Renewable Energy Application

The Group continuously optimizes its energy structure by increasing the use of renewable energy and green electricity procurement.

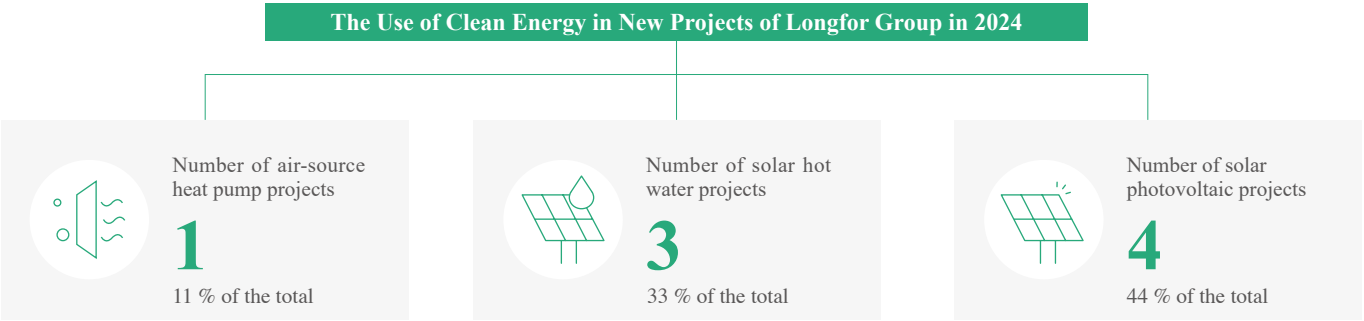
We embrace Building-Attached Photovoltaic (BAPV)³⁵ systems and the Building-Integrated Photovoltaic (BIPV)³⁶ technology tailored to the specific characteristics of buildings and properly applies photovoltaic building components, which promotes the integration of buildings and renewable energy while maintaining the overall performance of the buildings. During the Reporting Period, distributed photovoltaic power generation systems were installed on the roofs of six operational commercial projects such as Shishan Paradise Walk in Suzhou. This initiative resulted in a total installed capacity of 1,321 kW and annual power generation of over 1.12 million kWh, achieving 100% consumed internally during the shopping mall's operation. In 2024, the Company has initiated photovoltaic construction for seven projects, including Fangshan Paradise Walk, with a total installed capacity of 4,384 kW. The annual power generation is expected to reach 4.75 million kWh.

Distributed PV Power Generation Project at Beijing Yizhuang Paradise Walk

As a pilot PV project for the Group, the Yizhuang Paradise Walk covers 2,600 m² with an installed capacity of 365 kW. The project integrated the PV system with the building layout through roof analysis, perimeter surveys, structural design and investment modeling estimations, providing replicable and scalable demonstration experience for the Group's BAPV development.



Amidst the continuous increase in clean energy utilization, we have augmented the procurement of green electricity. In 2024, the Group purchased green electricity for 10 ongoing commercial projects, with a total purchase volume of 177 million kWh, equivalent to a carbon reduction of over 100,000 tons.



³⁵ BAPV: Building-Attached Photovoltaic, refers to a solar photovoltaic power generation system installed on existing buildings

³⁶ BIPV: Building-Integrated Photovoltaic, refers to the technology that incorporates solar PV products into buildings

Resource Conservation and Recycling

Longfor Group adheres to the principles of resource conservation and recycling, implementing measures in water resource management, waste management, and green office to continuously drive efficient resource utilization and sustainable recycling.

Water Resource Management

Longfor Group strictly follows the relevant requirements such as the *Reuse of Urban Recycling Water-Water Quality Standard for Urban Miscellaneous Use* (GB/T18920) and the *Reuse of Urban Recycling Water–Water Quality Standard for Scenic Environment Use* (GB/T18921). The Group actively adopts water-saving equipment and technologies to reduce freshwater consumption.

Water-Saving Measures

Water-Saving Devices

- Utilize constant flow and pressure and high-efficiency water-saving devices
- Implement float ball valves to automatically cease water replenishment, preventing water wastage
- Adjust the optimal angle of use for water-saving devices based on their characteristics (e.g., sensing distance) to maximize water conservation benefits
- Apply a temporary control system for leaking pipe networks to reduce water loss in green pipe networks
- Promote micro-sprinklers and water-saving spray headers to reduce water consumption during irrigation

Water-Saving Technology

- Treat wastewater for irrigation purposes
- Promote rainwater storage ponds to utilize rainwater for indoor toilet flushing, road washing, and irrigation
- Aerate and punch green spaces annually to enhance soil water infiltration and reduce irrigation frequency

Water-Saving Case in the Paradise Walk Project of Jinan Olympic Sports Center

The Paradise Walk Project of Jinan Olympic Sports Center sits on an area rich in groundwater, causing floor cracking and ponding in the underground garage due to seepage, which adversely impacts the garage. To address this issue, channels have been dug in the seepage areas down to the backfill layer, and drainage piping networks and sump wells have been installed to collect water. The collected groundwater was then pumped to the reclaimed water pump room via a pressure drainage system, filtered through sand filters, and stored in tanks for use in toilets, landscaping, and other reclaimed water applications.

Following the upgrade, the project collects 70m³ of wastewater daily, saving RMB 160,000 annually on water bills. This initiative has solved the underground garage seepage problem while turning waste into a valuable resource.



After the renovation, the daily wastewater collection capacity of the project is

70m³

Waste Management

Longfor Group strictly complies with laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution* and the *Prevention and Control of Environmental Pollution by Solid Waste of the People's Republic of China*. We rigorously manage the wastewater, waste gas, solid waste to ensure compliant emissions.

Wastewater

Domestic wastewater: it undergoes unified collection, utilizing the municipal sewage network for centralized treatment of urban wastewater.

Waste Gas

Oil smoke exhaust: implement automatic monitoring of emission outlets, and install two-stage oil smoke purifiers to reduce exhaust emissions.

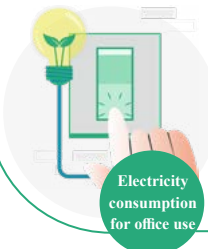
Solid Waste

Implement designated waste disposal and sorting, with special recycling for recyclables like paper and metals, and dedicated processes for hazardous waste (e.g., batteries, lamps) and electronic waste.

Green Office¹


Longfor Group promotes the conception of green office and has developed internal documents such as the *Environmental Management System*, the *Energy Management System*, and the *Green Office Management System*. The Group implements various measures to advance energy conservation, emission reduction and resource recycling.

Energy



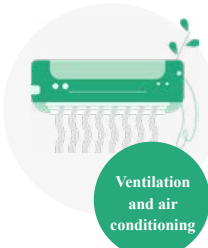
Electricity consumption for office use

- Implement time-controlled or light-dependent devices to separately regulate holiday, weekday, and cleaning lighting, and perform routine inspections.
- Display signage at the entrances and exits of meeting rooms to remind staff to always switch off lights.
- Purchase high-efficiency equipment as a priority.
- Promote the use of power-saving modes for computers, printers, copiers, shredders, water heaters, and other electrical equipment.



Elevator

- Elevators are operated in parallel control mode, and elevators stopping at the nearest floor should be given priority.
- The escalator adopts frequency conversion mode, and if no one rides for 60 seconds, the speed will be reduced to 20%.
- Switch off all escalators and some elevators on non-working days.



Ventilation and air conditioning

- Set a different runtime for the main air conditioning unit based on weekdays and holidays.
- Adjust the chilled water temperature of the air conditioning unit based on outdoor temperatures.
- Carry out timely maintenance and repair of air-conditioners in offices to ensure optimal operation.
- Try to bring in natural air as much as possible to maintain indoor air conditioning temperatures within an efficient range.

Biodiversity Protection

Longfor Group strictly complies with laws and regulations such as the *Law of the People's Republic of China on Environmental Impact Assessment*, the *Outline of the Natural Protection of the People's Republic of China*, and the *Regulations on Environmental Protection Management of Construction Projects*. We also have formulated the *Biodiversity Framework*³⁷, which integrates the concept of protecting the ecological environment into planning, design, construction and operation. The Group actively carries out environmental impact assessments, ecological governance, and biodiversity protection, continuously improves public environmental awareness, and helps build green cities to promote the realization of the great wish of harmonious coexistence between humans and nature. In brownfield areas, specifically at sites such as waste industrial plants affected by soil contamination, we engage in proactive communication and collaboration with government authorities. This collaborative effort involves constructing a risk assessment system for contaminated sites, implementing soil remediation programs in compliance with regulations, and pursuing brownfield projects in adherence to third-party audits and approvals. In 2024, the Group had no general or major environmental incidents.

Water

Water-saving appliances

- Preferentially purchase water-saving appliances, choose faucets with delayed automatic closing, and induction and ceramic leakproof faucets according to different water usage scenarios
- Regularly inspect pipeline valves, water pressure, and pipeline joints to prevent water running, emitting, dripping, and leaking

Regular management

- Post signs to remind staff to turn off taps whenever
- Use containers to hold water as much as possible and prohibit rinsing items with running water for a long time
- Use phosphorus-free detergents and biodegradable cleaning products as much as possible to reduce sewage discharge
- Promote the recycling of water resources, including reusing reclaimed water and collecting rainwater.
- Engineering personnel check, count and assess monthly the total water consumption.

Office Supplies

Office supplies recycling

- Promote double-sided printing and reuse of single-sided used paper
- Promote the use of ceramic or plastic cups to cut down on disposable ones
- Promote the use of cloths or towels to cut back on paper towels
- Promote the use of AC power and rechargeable batteries to reduce waste batteries
- Promote the use of recycled paper, pens with replaceable inserts, toner cartridges, and other recyclable items

Daily management

- Designate a person to manage daily office supplies and strictly control the purchase and use of consumables
- Carry out regular maintenance of office equipment to prolong its service life and enhance the efficiency of resource utilization
- Advocate the use of old materials, set up office paper recycling boxes, and unifiedly recycle old materials

Commitments

- In line with our commitment to greenfield development, we refrain from developing projects in national nature reserves located on the World Heritage list and International Union for Conservation of Nature (IUCN) Inventory categories I-IV protected areas.
- Prior to the construction of the project, we will strictly comply with relevant laws and regulations, conduct risk assessment and investigation, including obtaining the biodiversity factors of the project site, and avoid occupying farmland or green space for development. After obtaining the approval of the relevant departments, we will carry out the construction in compliance with the green building standards and minimize the impact on the green space and the surrounding ecosystems during the subsequent development process, and actively improve, optimize, and rectify the environmental problems of the project site itself, and protection and ensure ecological protection and restoration.

Ecological Management of Longtang Lake Park in Chongqing

In order to maintain the stability of the urban ecological environment, the Group has carried out ecological governance on the Longtang Lake Park around Longfor Lijia Paradise Walk. The park, prior to construction, encountered challenges like hardened barges, aging equipment, and weak hydrophilicity. As a result, we developed a comprehensive ecological planning and design for Longtang Lake Park to safeguard and rejuvenate the original vegetation while creating an ecological barge to sustain ecological stability. Simultaneously, we integrated public recreation and entertainment functions without disrupting the park's ecology, fostering an enhanced connection between humans and nature, and realizing the harmonious coexistence of both.

³⁷ <https://www.longfor.com/upload/file/2022-05-27/c93ae2c7-1ee5-4203-913e-b41851fc47c9.pdf>

06 | People Orientation

Longfor Group upholds the employer value proposition of "Intelligent Longfor, Infinite Future" and continuously improves its employee recruitment and employment system. We optimize the compensation and benefits system to comprehensively protect employees' rights and interests. Committed to nurturing high-potential talent, we support employees in their growth and development. We also prioritize the physical and mental well-being of its staff, consistently enhancing occupational health and safety management. By cultivating a diverse, equal, and inclusive workplace, we strive to achieve mutual growth for both the company and our employees.

ESG Material Topic(s) Responded in This Chapter

- Protection of Employees' Rights and Interests
- Occupational Safety and Health
- Employee Career Development

SDGs Goal(s) Responded in This Chapter



Employment and Labor Rights and Interests

Longfor Group strictly adheres to the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of the Rights and Interests of Workers*, and other pertinent laws and regulations. In addition, we have instituted internal regulations, such as the *Group Talent Recommendation Management Measures*, the *Group Recruitment Channel Management Guidelines*, and the *Recruitment Manual*, to further standardize our employee recruitment processes and mechanisms.

The Group complies with internationally recognized human rights policies as outlined in the core conventions of the *International Labour Organization Convention* and throughout recruitment and employment, we uphold the principle of impartiality and equality, ensuring that every employee has fair access to employment and career development opportunities. We have clearly stipulated in the *Board and Employee (Including Senior Management) Diversity Policy* that the Company treats employees of different races, genders, and beliefs equally, conducting employee recruitment and compensation management in a fair and just manner. This is to ensure diversity among all employees (including senior management) in terms of professional experience, cultural and educational backgrounds, occupational skills, gender, age, and other aspects..

We strictly observe the *Universal Declaration of Human Rights*, *UN Convention on the Rights of the Child*, and the *State Council's Provisions on the Prohibition of Child Labour*, and other relevant policies and regulations, by resolutely prohibiting the employment of child labor and forced labor. We have established the *Longfor Group Human Rights Policy*³⁸ (hereinafter referred to as the "Human Rights Policy"), which explicitly prohibits any discrimination in terms of gender, ethnicity, region, religion, sexual orientation, or any other factor to respect labor diversity and freedom of association. Regular internal reviews are conducted to ensure the effective implementation of this policy. In 2024, Longfor Group committed no child labor, forced labor, or discrimination violations.

Longfor Group's Awards in Employment



"2024 Extraordinary Employer by Liepin"

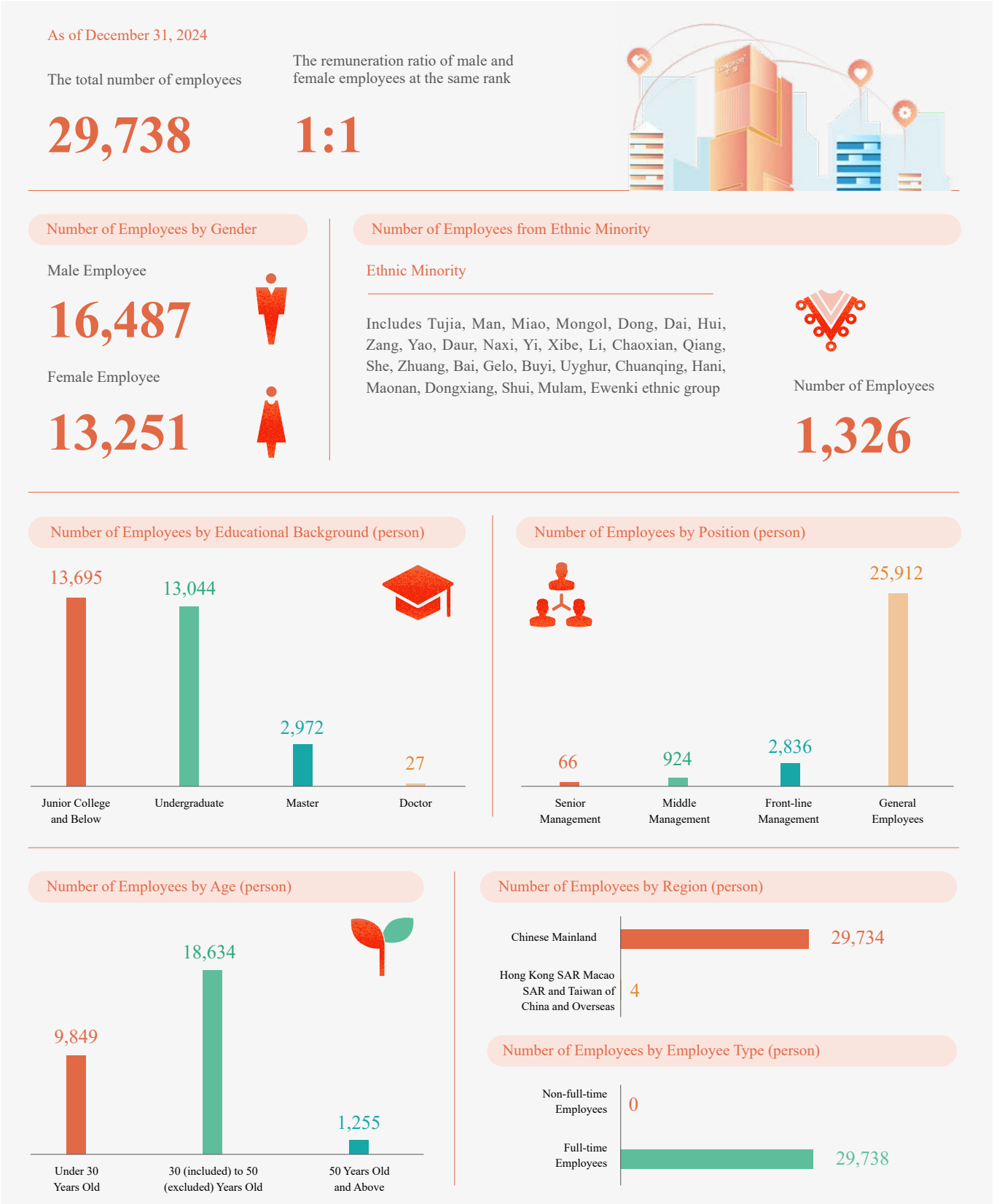


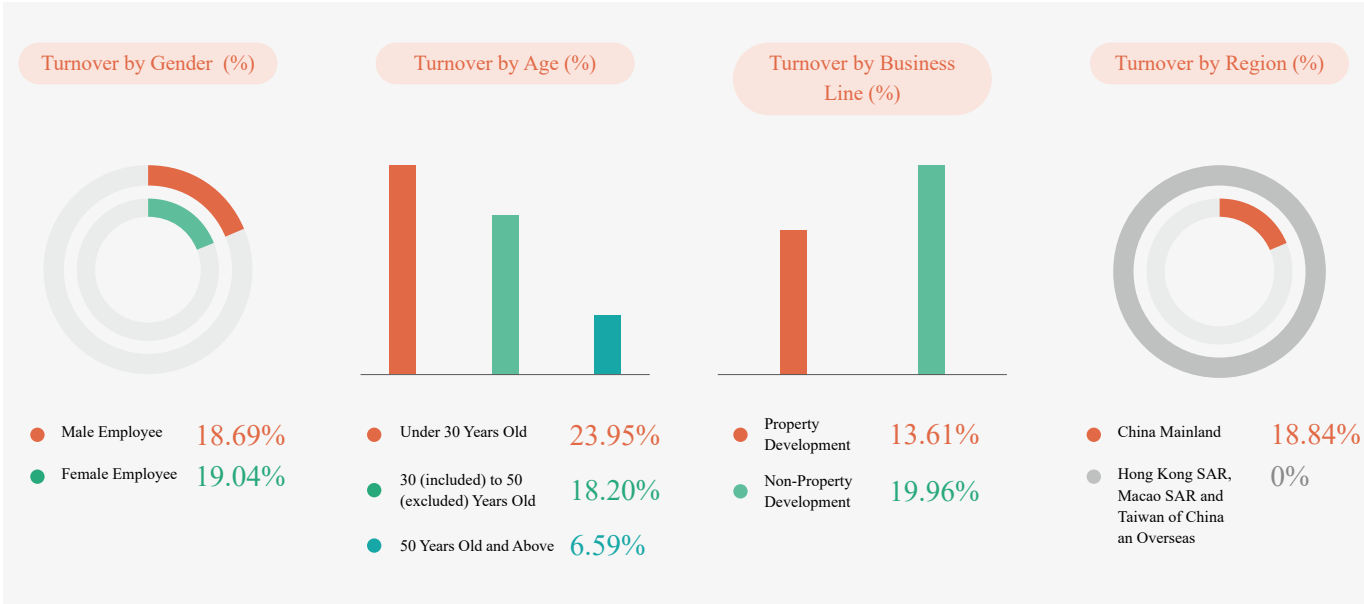
"2025 Outstanding Employer by 51Job"



³⁸ <https://www.longfor.com/upload/file/2022-05-13/ed33971d-f3b1-4c4d-ada2-79c3bb0c302c.pdf>

Number of Employees⁷





The Company provides diverse career development opportunities for employees through mechanisms such as the Cross-Channel Business Training Camp and the Three-Cross Talent Flowing Water Program. These initiatives have stimulated employee enthusiasm and creativity while also optimizing the internal talent allocation within the Company.

In 2024

Achieved internal employee mobility for

1,000+

The percentage of internal candidates filling vacant positions reached

45%

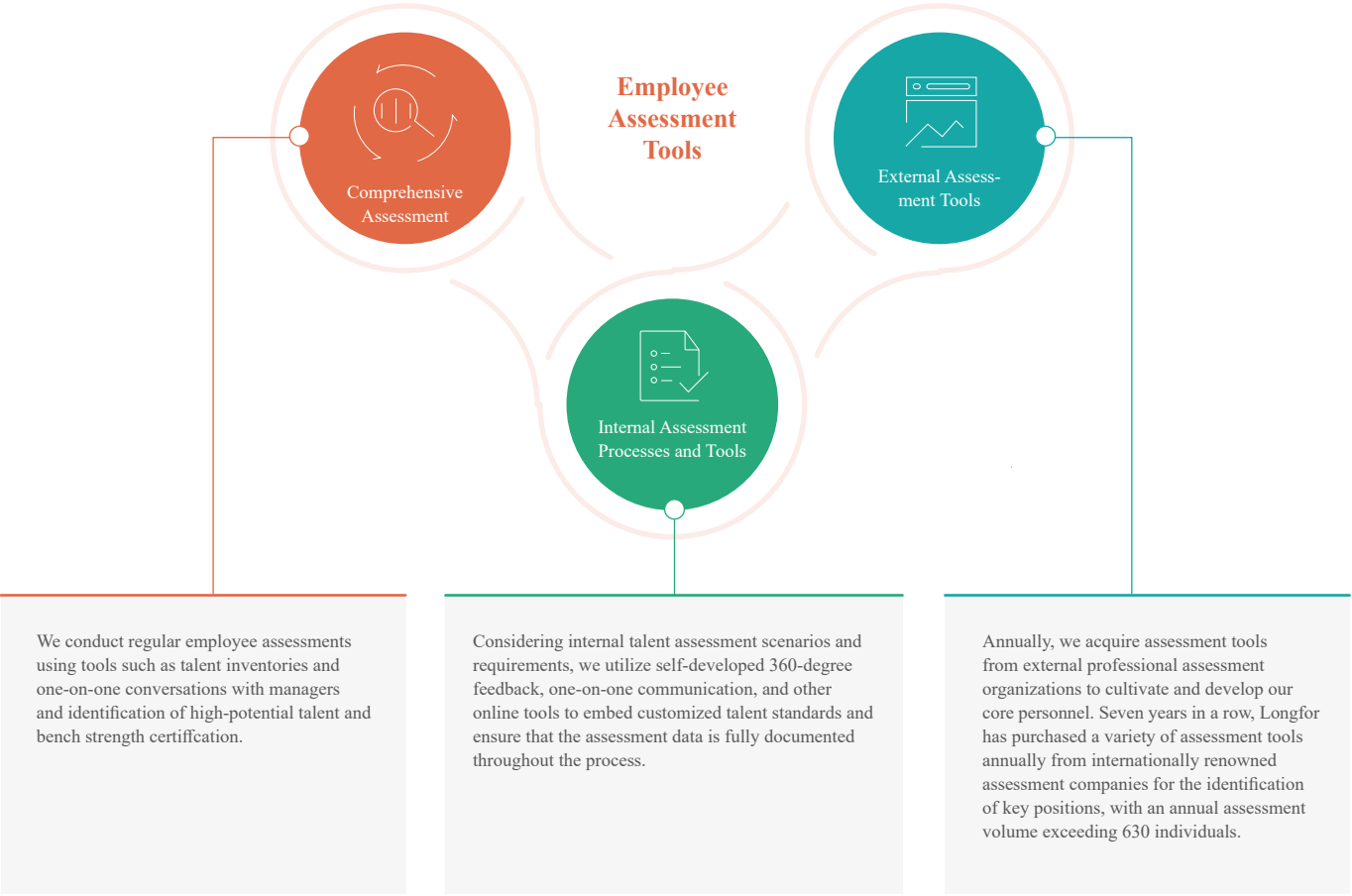


Talent Attraction and Retention

Longfor Group is keenly aware that talent is the core competitive advantage of corporate development and prioritizes employees' career growth. We devise diverse career development opportunities and growth paths tailored to employees at different levels and in various business scenarios, implementing a range of incentives and initiatives to provide a hospitable environment for talent to flourish.

We have developed internal systems, such as the *Rules of Longfor Group Flowing Water Program*, to continuously refine promotion standards and paths. The Company has also established a scientific employee evaluation system that employs comprehensive and multi-dimensional assessment methods to provide objective and transparent employee assessments, fostering an open and fair environment for healthy competition.

We conduct regular performance evaluations every six months, utilizing a wide range of approaches, including self-assessments, supervisor evaluations, and HR review meetings. Through a 360-degree feedback mechanism and comprehensive performance assessments, we ensure a well-rounded evaluation of employees' contributions and development.



In 2024, we comprehensively updated the "All Employee Leadership Model and Development Class" to guide all employees to "foster entrepreneurship." Additionally, we continuously optimize talent incentive policies and related initiatives by tying employee performance to salary and providing bonus incentives to exceptional employees in order to enhance their enthusiasm and motivation at work.

Employee Training and Development

Longfor Group is committed to building a systematic and diverse training system tailored to meet its business needs, and developing internal training courses suitable for its businesses by means of accumulating and drawing out experience, developing high-quality courses, and empowering internal instructors. It strives to create a positive atmosphere through the mentorship mechanism, the dissemination of excellent cases and the approach of joint creation and discussion. Meanwhile, we put in place systematic development plans for employees at different levels and positions to support their full-cycle career growth.

We make unremitting efforts to implement diverse training programs, including mentorship programs for new employees, job-specific training camps at various levels, and leadership development programs, comprehensively driving talent development.

Diverse Training Programs

Internal Training and Sharing

Longfor actively promotes internal training and sharing among employees. In 2024, over 4,600 employees served as instructors or onboarding guides to share their knowledge and work experience, delivering a total of 910 new courses. This initiative has played a positive role in upskilling the entire workforce.

Management Trainee Program

The Management Trainee Program is to find ambitious, resilient, and down-to-earth future cross business segments leaders at Longfor. It focuses on the development of students from campus recruitment through onboarding role-change, instructor systems, customized job rotations, and leadership enhancement programs. In 2024, the Company led over 200 students from the class of 2024 on a journey to Chongqing to trace Longfor's origins. This experience reinforced the "customer-first" philosophy, instilling a sense of mission and cohesion among the newcomers.

Longfor Group empowers teams to tackle challenges head-on by fostering strategic alignment, enhancing organizational mindset, and developing leadership capabilities. The Group has actively conducted strategic alignment and organizational mindset co-creation initiatives, holding a total of 74 events with over 2,600 participants. Meanwhile, we continue to refine our leadership training system, independently developing the *Winning Leadership* series to enhance the overall competencies of employees and managers. Through these initiatives, the core team has achieved a high degree of consensus on vision and strategy, laying a solid foundation for navigating complex environments.

Specialized Leadership Training

Senior Management Leadership Training

In 2024, senior executives participated in multiple external expert sessions, benchmarking studies, and internal discussions, with a total reach of 139 participants.

Middle/Junior Management Leadership Training

In 2024, we held 18 sessions of *Winning Leadership-Manager Edition* course focused on the real estate and other sectors, benefiting 437 managers. This course was designed to enhance managers' ability to motivate and unite teams in challenging times.

Project Management Enhancement Training

In 2024, we held 9 sessions of *Winning Leadership-Employee Edition* course, covering 429 key employees. These programs not only contributed to individual skill development but also strengthened the Group's ability to maintain its competitive edge in a dynamic market environment.



Winning Leadership Empowerment Training at Longfor Group's Beijing Company

In 2024

Total enrollments of employee training in the Group reached

39,931

Employee training coverage rate

100%

Total training hours for the Group reached

2.04 million hours

Increase compared to last year

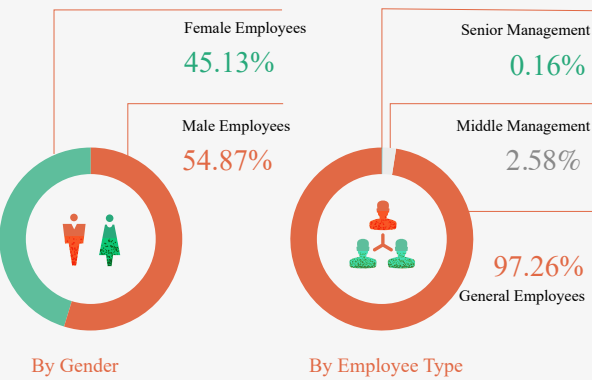
16.7%



Percentage of Employees Receiving Training in 2024

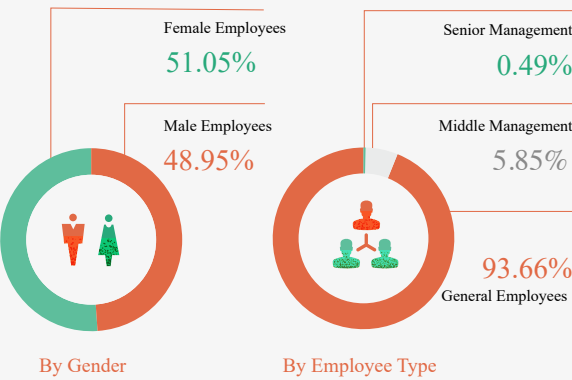
Online training

Percentage of Trained Employees (%)



Offline training

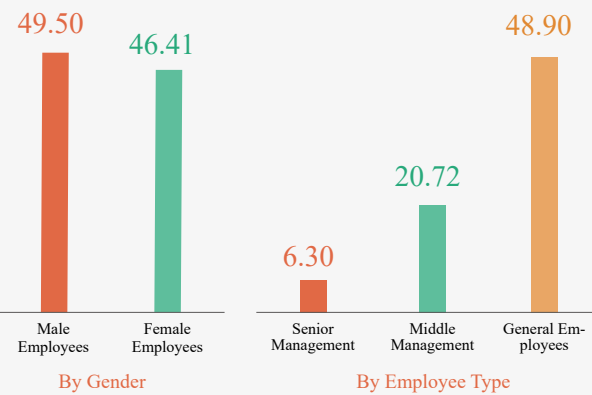
Percentage of Trained Employees (%)



Hours of Training Received by Employees in 2024

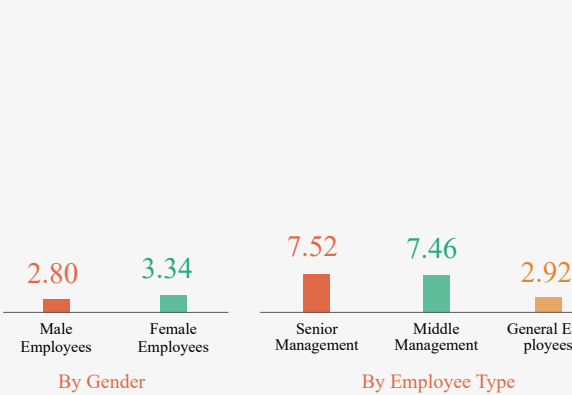
Online training

Duration of Training Per Person (Hours)



Offline training

Duration of Training Per Person (Hours)



Diversity and Inclusion

Longfor Group continues to enhance the employee compensation and benefits, prioritizes the physical and mental well-being of its staff. By providing open communication channels, the Company strives to enhance employee satisfaction and sense of belonging.

Employee Rights and Benefits

Longfor Group is dedicated to implementing a Comprehensive Reward, Compensation and Incentive System. We routinely conduct market-based salary surveys to ensure employees receive competitive pay. In addition, we offer a range of benefits tailored to meet the diverse needs of our employees. This includes annual medical checkups, commercial insurance, access to an exclusive online doctor and a work-life coaching program (EAP). Furthermore, we extend diverse subsidies, preferential housing purchase benefits, and other welfare policies to strengthen their sense of belonging within the Company.



Extensive Employee Benefits

Commercial Insurance

- We have developed a more comprehensive commercial insurance plan and a tailored health management system. In addition to providing risk insurance for employees, we have also introduced a medical reimbursement insurance plan to alleviate the concerns of every employee, from daily medical reimbursement to the protection of major risks.
- **Risk-based insurance:** including accident insurance, transportation accident insurance.The 2024 commercial insurance plan includes sudden death coverage to mitigate the risk of unexpected fatalities.
- **Medical reimbursement coverage:** it includes reimbursement for hospitalization and outpatient medical expenses, offering comprehensive medical protection to meet employees' needs in various medical scenarios.
- We continuously optimize and enhance the commercial insurance self-chosen options, enabling employees to purchase coverage for themselves, their spouses, children, and parents.

Annual Physical Examination

- Longfor Group offers its employees a range of diversified and tailored health assessment programs and one-stop health management services, covering 177 cities. Moreover, employees' family members have access to convenient appointment scheduling for physical examinations, as well as preferential rates and discounts equivalent to those offered to employees.
- We also provide access to online healthcare professionals who offer guidance on interpreting examination reports, as well as delivering targeted health management and disease prevention advice based on multi-year examination results, comparative analyses, and key indicator trends to employees and their family members.

Longfor's Exclusive Health Consultation Service Platform

- Longfor Group is dedicated to establishing an exclusive health consultation service platform to facilitate the work and life of employees. The online consultation service, Dr. Xiaohu, provides employees with online consultation, as well as online medication ordering and delivery services, meeting their needs for non-physical-contact consultation and medication purchases.
- As of the end of the Reporting Period, Dr. Xiaohu had provided 2,747 online consultations for employees. We have equipped emergency medications in workplaces across six cities—Shanghai, Chongqing, Chengdu, Guangzhou, Shenzhen, and Hangzhou.These supplies cover five major categories—wound care, respiratory infections, allergy treatment, digestive issues, and ear, nose, and throat (ENT) care, with a total of 31 types of medications and medical supplies. Meanwhile, we arranged offline consultation activities with general practitioners in collaboration with health service providers. In 2024, a total of 38 consultation activities were carried out, serving 73 employees altogether.

Safety and Protective Equipment

- The workplace at Blue Engine, Beijing is equipped with first aid equipment AED (automated external defibrillator), which undergoes regular equipment checks, battery replacements, and other maintenance by the health hut doctor.
- The health hut in the workplace is stocked with a variety of over-the-counter medicines, and exclusive doctors prescribe medications for employees daily while conducting regular medicine inventory.

EAP (Work Life Coaching Program) Employee Assistance Program

- Longfor Group places significant emphasis on the mental health of employees. We provide telephone or face-to-face counseling services for employees and their families through counselors from third-party professional organizations to promote their psychological well-being. In 2024, the EAP services provided a total of 268 telephone/video/face-to-face counseling sessions, with topics focusing on emotional and family issues (37%), personal growth (30%), and interpersonal relationships (10%).

Long-Term Service Award

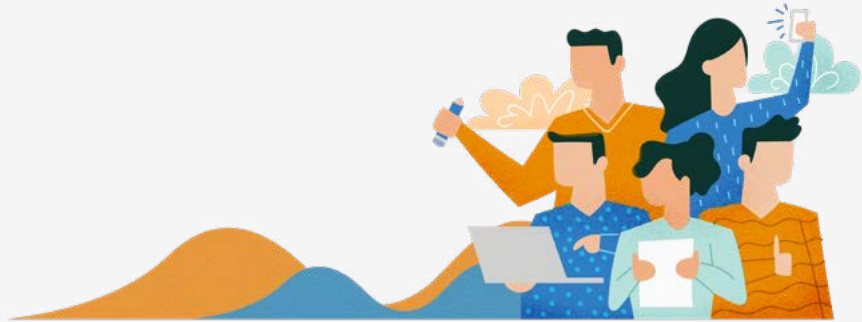
- We provide incentives and recognition to employees who have worked for more than ten and twenty years and motivates them for their unwavering commitment.

Other Benefits

- In addition to the above-mentioned key benefits, we maintain our welfare policies in many other areas, such as holiday blessings, various subsidies, green pass services for severe illnesses, and preferential housing purchases for employees, to create a welfare system that applies to every employee and to give employees greater autonomy over their decisions.

Employee Care

Longfor Group actively organizes a variety of employee care activities to strengthen team cohesion and enhance their sense of belonging.



“Golden Autumn Kickoff–Sprint Together” (National Day Frontline Care Initiative)

During the National Day holiday, the Company's project management team distributed care packages to frontline employees, extending holiday greetings and support, ensuring they feel the Company's warmth and appreciation.



Frontline Care Activities during the Holiday

“Grateful for You, Together on the Journey” (Thanksgiving Frontline Care Initiative)

During Thanksgiving, the Company expressed appreciation to employees by distributing warm winter drinks and hosting an online wellness lecture on autumn and winter health care, thereby enhancing employees' cohesion and motivation at work.



Warm Winter Drinks Distributed to Employees on Thanksgiving

“Unleash Your Power–A Warm Winter Feast” (December Year-End Sprint Frontline Care Initiative)

At the end of 2024, the Company delivered winter care packages (including food, heating pads, hand cream, and tea bags) to project sites and organized a warm winter gathering where employees made dumplings together.



Employees Make Dumplings during the Warm Winter Gathering

“Grateful for You–Walking into the Future Together” (Work Anniversary Care Initiative)

The Company regularly rewards employees working overtime by distributing anniversary gifts such as greeting cards, badges, and notebooks as part of appreciation gift packages. This initiative acknowledges their dedication, enhances their sense of belonging, boosts frontline morale, and inspires confidence.



Work Anniversary Greeting Card

“Shining Bright–Victory Celebration” (Milestone Achievement Recognition Initiative)

To celebrate key milestones, the Company rewards winning teams with custom honorary gifts (such as badges, framed photos, and cakes) and hosts team dinners to express appreciation and encouragement.



Custom Honorary Gifts for Winning Teams

“Finding Light in the Night” (Overtime Care Initiative)

For employees working late, the Company provides overtime care packages, including mystery bags and energy packs. Employees can draw overtime snacks, adding a joyful atmosphere while expressing gratitude and encouragement.



Overtime Care Package Distribution

Employee Wellness–Baduanjin Exercise Sessions

In 2024, the Company successfully organized 16 wellness sessions featuring the traditional Chinese exercise “Baduanjin”, helping employees improve their physical health and alleviate daily work stress.



Employees Practice Baduanjin Exercises

International Women's Day “Embrace Spring, Bloom with Health” Wellness Market Event

On March 8, 2024, Longfor Group hosted a large-scale offline Health Day event. The event featured engaging interactive activities and multiple health-themed booths, offering employees services such as traditional Chinese medicine consultations, herbal wellness tea, TCM massages, and ophthalmic screenings. Additionally, employees could participate in a pot-throwing lottery game. These thoughtfully designed activities attracted enthusiastic participation from employees, adding joy to their lunch breaks while promoting a healthy lifestyle. The event highlighted Longfor Group's commitment to the physical and mental well-being of its female employees.



Wellness Market Event on International Women's Day



Employee Communication

The Group is committed to protecting employee rights and freedom of speech. We have established multiple communication channels to ensure that employees can seek help and provide feedback in a timely manner. We utilize the “Longfor BBS” internal forum as a platform for open communication, encouraging employees to express their work-related suggestions in a rational and constructive manner, thereby enhancing engagement and participation. In 2024, we upgraded intelligent office community applications to facilitate professional discussions and knowledge sharing among employees, gradually building a repository of intellectual assets. Furthermore, we intensified the implementation of 1v1, 360-degree feedback, frank talks forum, and other mechanisms to expand dialogue between employees and management effectively.

We continuously promote cross-functional collaboration and organizational efficiency, using corporate culture as a driving force to support Longfor's development. In 2024, we conducted three “Culture Temperature” activities among all employees, utilizing online tools to assess the corporate cultural ambiance, with a total turnout of 40,000+ employees.

All business segments and functional departments actively integrate culture into work standards and behavioral norms and foster a deep integration of corporate culture with business development through culture wall displays, cultural experience, and cultural benchmarking. Furthermore, we conduct a series of activities including strategy alignment meetings, general manager's forums, hackathons, and case studies, to instill the Group's corporate values in our employees and bridge the gap between management and frontline employees and strengthen employee recognition and belonging.

Telling the Longfor Story, Spreading Longfor's Warmth

In Longfor–Small Stories of Longfor Cultural IV is a publication produced by Longfor Group, featuring real stories sourced from the Company's internal communication platform, interactions between managers and employees, and personal employee experiences. The book aims to capture the most authentic cultural moments and convey the unique warmth of Longfor.

This year, we compiled 33 cultural stories into *In Longfor–Small Stories of Longfor Cultural IV*, reflecting our commitment to the core value of “Treating People with Kindness”. The stories highlight our dedication to upholding integrity, long-termism, customer orientation, innovation, overcoming challenges, self-driven resilience, and enabling others to succeed.


Number of Longfor Culture Cases

33




In Longfor–Small Stories of Longfor Cultural IV

We conduct yearly satisfaction surveys and engagement surveys for all employees, to actively listen to employee feedback, address their practical concerns, and continuously improve their satisfaction. In 2024, Longfor Group achieved 100% employee participation in both satisfaction and engagement surveys, with satisfaction and engagement rates of 84% and 84%, respectively.

Longfor Group's satisfaction survey and employee engagement survey both achieved a coverage rate of

100%

Employee engagement rate

84%

Satisfaction score

84%

Safety and Health

Longfor Group prioritizes the safety and health of employees, adheres to the principle of “safety first, prevention first,” and promotes a “health and safety” value system. We continuously optimize our safety management framework and systems, establish clear safety objectives, and effectively fulfill safety management responsibilities. We conduct various safety awareness training activities to establish a healthier and safer work environment for our employees.

Safety Management Guidelines

Longfor Group rigorously complies with laws and regulations such as the *Work Safety Law of the People's Republic of China* , the *Construction Law of the People's Republic of China*, the *Regulations on the Administration of Workplace Safety in Construction*, the *Regulations on the Reporting and Investigation of Workplace Safety Accidents*, as well as the *Standards for Safety Inspection of Construction Supervision*, among others. Internally, the Company has established workplace safety management systems including the *Longfor Group Construction Safety Management Measures for Projects Under Construction*, the *Longfor Group Safe and Civilized Construction Management Standardized Atlas*, and the *Group Engineering Safety Management System*, which delineate the responsibilities of relevant personnel at all levels and proactively prevent and eliminate potential safety hazards in the production process.

In 2024, the Group continued to improve its *Health and Safety Management Policy*³⁹, covering all business lines of the Group, and required all suppliers and contractors to comply with the policy. When selecting and evaluating suppliers, we also regard their safety management efforts and the assignment of safety management personnel as one of the crucial assessment criteria, in order to establish a safety line of defense for the entire industry chain in collaboration with employees, tenants/customers, suppliers/contractors, partners, and other relevant parties. There were no serious injuries or safety accidents reported across the Group in 2024.

In addition, the Group requires all regions to sign the *Project Safety Target Responsibility Agreement* with subcontractors, thereby clarifying the responsibilities and obligations of both parties regarding production safety from the outset of the project. Meanwhile, prior to the subcontractors’ entry to the site, the Group updated the safety clauses in the technical requirements of the bidding documents. In conjunction with the responsibility agreement, specific requirements have been set out at the contract execution stage concerning key aspects such as safety management targets, standards for safety personnel allocation, on-site safety and civility standards, major risk management, safety education and training, safety assessments, and emergency and incident response. This ensures that safety risks are effectively controlled throughout the entire project lifecycle.

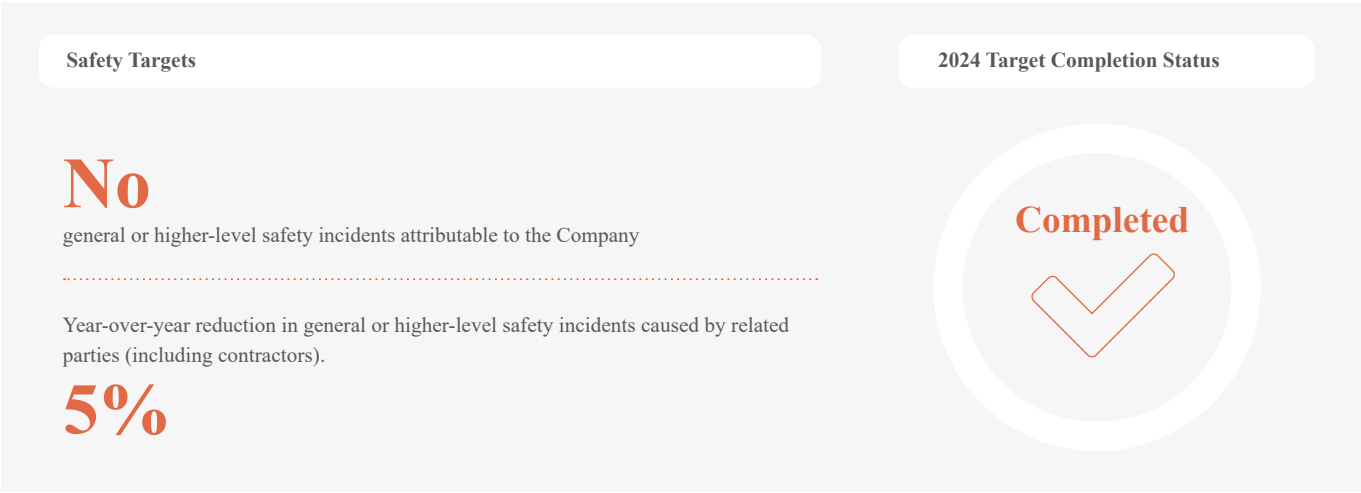
Regarding occupational health and safety, we comply with laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and the *Occupational Health Safety Management System Certifcation*. We continuously improve our internal occupational health and safety management system, ensuring regular supervision and inspections. Additionally, we organize various physical and mental health activities based on employee needs, actively enhancing safety and health awareness.

As of the end of 2024, Longfor Group has obtained ISO 45001 management system certifications.

Safety Targets and Progress

We have set workplace safety quantitative goals, and we continuously conduct regular reviews of their attainment to encourage all employees to prioritize safety in their production and management responsibilities under the guide of safety goals.

³⁹<https://www.longfor.com/upload/file/2023-04-24/b210fcee-9cff-49de-bb49-5d1b9b0a7871.pdf>



Safety Management System

The Company implements a three-tier safety management system encompassing the Group, Regional Companies, and Projects, delineating the responsibilities at each level for health and workplace safety management and enforcing the work safety responsibility system to ensure comprehensive protection. Additionally, the Group has put in place a daily safety management mechanism to ensure labor safety from multiple dimensions in the production process. At the highest level, the Board of Directors of the Group is accountable for reviewing the Group's health and safety strategy and performance while the ESG Committee oversees health and safety-related strategy and performance, as well as the progress of health and safety goals within the Group.

We operate the accountability system for safety accidents, which links safety performance, such as major safety accidents, casualties, and fire incidents, to the remuneration and bonuses of executives and employees across all subsidiaries and businesses of the Group.

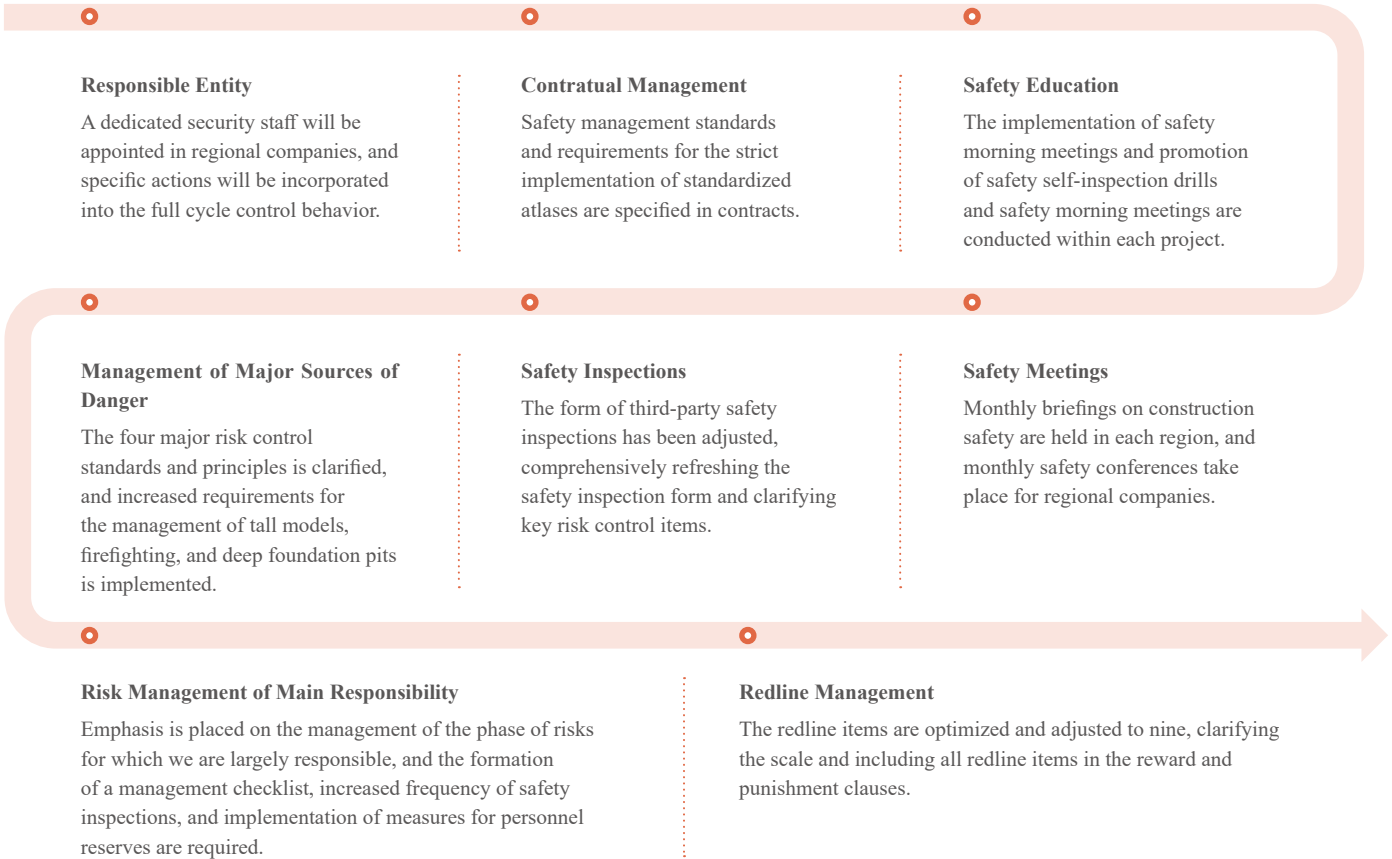
Three-Tier Safety Management System

Layers of Management	Main Responsibility
Real Estate Headquarter Safety Management	The Real Estate Headquarters is responsible for health and safety risk assessment, knowledge training, specialized inspection, and assessment evaluation.
Regional Safety Management	The Regional General Manager is responsible for all health and safety matters in the regional companies.
Project Safety Management	The Project Engineering Manager is primarily responsible for the health and workplace safety of project personnel.

Daily Safety Management Mechanism



Safety Management Process



Workplace Safety Inspection

Longfor Group strictly complies with the *Labor Law of the People's Republic of China* and other relevant regulations. The Company has established the *Real Estate Headquarters Engineering Safety Management System* and the *Real Estate Headquarters Engineering Third-Party Inspection Management System 2024*. Centered on safety management during the construction process, the Company regularly conducts internal safety inspections as well as safety checks on suppliers. The Group has built comprehensive safety inspections, which encompasses daily, monthly, and pre-holiday checks, and inspections during the month of workplace safety as well as special inspections for fire safety and winter construction. Additionally, we irregularly engage third-party organizations to conduct safety inspections. This comprehensive approach allows us to effectively prevent and reduce safety incidents, ensuring all-around protection for workers' safety.

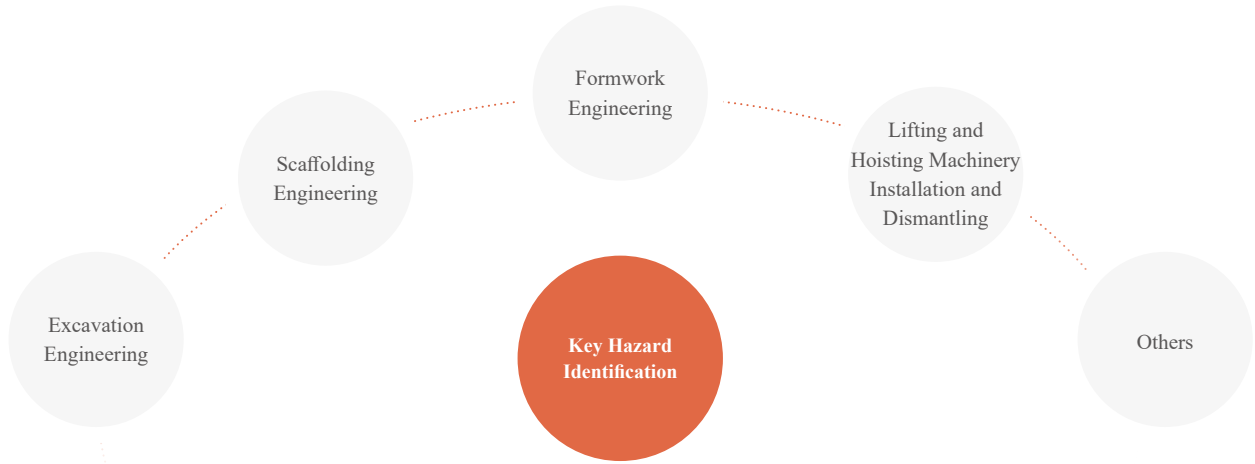


Inspection of Safety Hazards in Large-scale Equipment

Comprehensive Safety Production Inspection

The Group has established clear safety assessment and reward and punishment rules by formulating internal policies such as the *Real Estate Headquarters Engineering Management Reward and Penalty Regulations* and the *Bottom-Line Management Mechanism for Engineering Quality and Safety at the Real Estate Headquarters*. These policies link the results of the Group's safety and compliance inspections with the performance evaluations of safety officers and project managers, driving continuous optimization and improvement of on-site safety standards.

At the project planning stage, the Company emphasizes the identification of key hazardous sources. For high-risk projects, responsibilities are clearly assigned by category. Additionally, based on the project's location and construction characteristics, the Company identifies key challenges in the construction process and formulates corresponding management measures and critical actions to ensure comprehensive on-site safety control.



Mobile Platform Enhancing Precision Management of Large-Scale Machinery

Longfor Group has established a comprehensive inspection system for large-scale machinery, enhancing the professionalism and thoroughness of safety management through project self-inspections, regional third-party inspections, and group-level audits. Additionally, the Group has introduced a Large-Scale Machinery Management module on its mobile work platform, enabling full-coverage monitoring and ensuring closed-loop management of standard operating procedures. This initiative strengthens safety assurance for large-scale machinery and effectively mitigates major risks.

Training on Workplace Safety

Longfor Group prioritized workplace safety training and conducted regular safety training sessions for all employees and contractors. The topics covered included electricity safety, fire safety, and finishing management. Additionally, the Company organized the month of workplace safety activities to enhance awareness of workplace safety among all construction personnel.

In 2024, Longfor Group mandated on-site safety training throughout the project cycle in forms of briefings and morning meetings. The training covers topics such as the correct use of personal protective equipment, standardized dress code requirements, identification of potential safety hazards on-site, and key safety precautions during construction.

Construction Site Safety Training



Safety Production Morning Meeting Training



Safety Education and Technical Disclosure Training



We actively conduct fire safety awareness education and emergency drills to continuously enhance employees' fire safety awareness and professional skills.



In 2024

The number of safety training sessions organized by the Group

92



Standardized Management Training for Large-Scale Machinery

Workplace Safety Activities



Kickoff Meeting of the Workplace Safety Month



Specialized Emergency Drill for High-Fall Accidents



Fire Safety Emergency Drill



Safety Training Sessions

Index of the HKEX ESG Reporting Code

Indicator	Description	Location
Mandatory Disclosure	Board Statement	P8-9
	Materiality	P6-7
	Quantitative	P6-7
	Balance	P6-7
	Consistency	P6-7
	Reporting Boundary	P6-7
A Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P81、 P99
A1.1	The types of emissions and respective emissions data.	P135
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P135
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P135
A1.5	Description of emissions target(s) set and steps taken to achieve them.	P76-85
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	P98-101
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	P95-101
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in ’000s) and intensity (e.g. per unit of production volume, per facility).	P135
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P135
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	P95-97、 P100
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	P98-101

A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Packaging material generation is not a material issue for the Group's business.
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Indicator	Description	Location
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer’s significant impacts on the environment and natural resources.	P93、 P95、 P98-100
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P93-101
B Social		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) 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.	P104-107、 P110-115
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	P103、 P135
B1.2	Employee turnover rate by gender, age group and geographical region.	P104、 P135
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P114-119
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P135
B2.2	Lost days due to work injury.	P135
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P115-121
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.	P106-107
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P106、 P137
B3.2	The average training hours completed per employee by gender and employee category.	P106、 P137
Aspect B4: Labor Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	P102
B4.1	Description of measures to review employment practices to avoid child and forced labor.	P102
B4.2	Description of steps taken to eliminate such practices when discovered.	P102

Indicator	Description	Location
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	P62-65
B5.1	Number of suppliers by geographical region.	P62、 P138
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P62-65
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P63
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P63-64
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	P42-59
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	NA
B6.2	Number of products and service-related complaints received and how they are dealt with.	P48-49
B6.3	Description of practices relating to observing and protecting intellectual property rights.	P66-67
B6.4	Description of quality assurance process and recall procedures.	P42-43
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	P57-59
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	P27、 P65
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.	P27、 P134
B7.2	Description of preventive measures and whistleblowing procedures, and how they are implemented and monitored.	P27
B7.3	Description of anti-corruption training provided to directors and staff.	P27
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.	P28-39
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	P30
B8.2	Resources contributed (e.g. money or time) to the focus area.	P30、 P39

Implementation Guidance on Climate-related Disclosures under the HKEX ESG Framework

Climate-related Disclosure	Locations in the Report
Governance	
Skills and Capabilities	P80
Approach and Frequency	P80
Role and Responsibilities of the Board	P80
Monitoring Progress	P80
Role and Responsibilities of Management	P80
Strategy	
Climate-related Risks and Opportunities	P82-84
Business Model and Value Chain	/
Climate Resilience	/
Financial Condition, Financial Performance and Cash Flows	/
Strategy and Role	P81
Risk Management	
Risk Identification	P82
Risk Assessment	P82-P84
Risk Prioritization	/
Risk Management	P82-P84
Risk Integration	/
Metrics and Targets	
Greenhouse Gas Emissions	P85
Cross-industry Metrics	/
Internal Carbon Pricing	/
Remuneration	/
Industry-specific Metrics	P86-87
Climate-related Targets	P8

GRI Indicator Index

Statement of Use	Longfor Group has reported the information cited in this GRI content index for the period from January 1, 2024 to December 31, 2024 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

Disclosure Issues / Disclosure Items	Disclosure	Location
GRI 2: General Disclosures 2021		
The organization and its reporting practices		
2-1	Organizational details	P10-13
2-2	Entities included in the organization’s sustainability reporting	P5-6
2-3	Reporting period, frequency and contact point	P5-6
2-7	Employees	P105
2-8	Workers who are not employees	P121
2-9	Governance structure and composition	P20
2-10	Nomination and selection of the highest governance body	P20-21
2-11	Chair of the highest governance body	P20
2-12	Role of the highest governance body in overseeing the management of impacts	P20
2-13	Delegation of responsibility for managing impacts	P9
2-14	Role of the highest governance body in sustainability reporting	P9
2-19	Remuneration policies	P108-109
2-22	Statement on sustainable development strategy	P9
2-29	Approach to stakeholder engagement	P16
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	P17
3-2	List of material topics	P17
3-3	Management of material topics	P17
GRI 2011: Economic Performance 2016		
201-2	Financial implications and other risks and opportunities due to climate change	P82-84
201-3	Defined benefit plan obligations and other retirement plans	P110-111

Disclosure Issues / Disclosure Items	Disclosure	Location
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	P27
205-2	Communication and training about anti-corruption policies and procedures	P27
205-3	Confirmed incidents of corruption and actions taken	P27
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	P130
302-2	Energy consumption outside of the organization	P130
302-3	Energy intensity	P130
302-4	Reduction of energy consumption	P95
302-5	Reductions in energy requirements of products and services	P96
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	P98
303-2	Management of water discharge-related impacts	P99
303-3	Water withdrawal	P130
303-4	Water discharge	P99
303-5	Water consumption	P130
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	P85
305-2	Energy indirect (Scope 2) GHG emissions	P85
305-4	GHG emissions intensity	P85
305-5	Reduction of GHG emissions	P85
GRI 306: Waste 2020		
306-2	Management of significant waste-related impacts	P99
306-3	Waste generated	P130
306-4	Waste diverted from disposal	P99
306-5	Waste directed to disposal	P99
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	P63

Disclosure Issues / Disclosure Items	Disclosure	Location
308-2	Negative environmental impacts in the supply chain and actions taken	P63
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	P106
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	P110-111
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	P115
403-2	Hazard identification, risk assessment, and incident investigation	P116
403-3	Occupational health services	P117
403-4	Worker participation, consultation, and communication on occupational health and safety	P116-117
403-5	Worker training on occupational health and safety	P118-119
403-6	Promotion of worker health	P116
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P116-117
403-9	Work-related injuries	P135
403-10	Work-related ill health	P116
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	P106
404-2	Programs for upgrading employee skills and transition assistance programs	P107
404-3	Percentage of employees receiving regular performance and career development reviews	P107
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	P20&P105
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	P102
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	P63
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	P63
GRI 413: Local Communities 2016		

Disclosure Issues / Disclosure Items	Disclosure	Location
413-1	Operations with local community engagement, impact assessments, and development programs	P34-35
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	P63
414-2	Negative social impacts in the supply chain and actions taken	P63
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	P42-43
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	P59

List of Internal Policies and Laws & Regulations

ESG Indicator	Internal Policies	Laws & Regulations
A1 Emissions	Green Environmental Protection Construction Plan Safety and Civilization Construction Management Agreement	Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes Water Pollution Prevention and Control Law of the People's Republic of China The reuse of urban recycling water—Water Quality Standard for Urban Miscellaneous Use (GB/T 18920) The reuse of Urban Recycling Water-Water Quality Standard for Scenic Environment Use (GB/T 18921) National Catalogue of Hazardous Wastes Regulations on the Administration of the Prevention and Control of environmental Pollution by Electronic Waste Regulations on the Management of Domestic Waste
	Energy Management System of Longfor Space Service Group Operation and Maintenance Management Manual Operation Guidelines for Energy Conservation and Consumption Reduction of the Project List of Recommended Measures for Energy Saving and Consumption Reduction Longfor Group Asset Management Measures Energy Consumption Management and Standard Operational Strategies for Equipment in Commercial Projects Operation Guidance of Energy Operation Strategy (Property Management Department) Operation Guidance of Equipment Operation Strategy (Property Management Department)	Energy Conservation Law of the People's Republic of China
	Longfor Environmental Policy Climate Change Policy Guidelines of Longfor Group on Implementing Carbon Peaking And Carbon Neutrality Strategy Biodiversity Framework	Law of the People's Republic of China on Evaluation of Environmental Effects Assessment Standard for Green Building Technical Guidelines for Ultra Low Energy Consumption Buildings in Shanghai Design Standard for Energy Efficiency of Residential Buildings (DGJ08-205-2015) Design Standard for Energy Efficiency of Residential Buildings Outline of Natural Protection of the People's Republic of China Regulations on the Administration of Environmental Protection of Construction Project
B1 Employment	Longfor Group Talent Promotion Management Measures Longfor Group Recruitment Management Guidelines Recruitment Manual Longfor Group's Human Rights Policy Longfor Group Running Water Plan Rules	Labor Law of the People's Republic of China Labor Contract Law of the People's Republic of China Law on the Protection of Workers' Rights and Benefits International Labor Organization Convention
B2 Health and Safety	Longfor Group Engineering Safety Management System Standardized Atlas of Safe and Civilized Construction Management of Longfor Group Construction Safety Management Measures for Projects under Construction of Longfor Group Green and Environmental Protection Construction Scheme Health and Safety Management Policy Engineering Safety Management System for the Real Estate Headquarters Real Estate Headquarters Regulations for Rewards and Punishments of Engineering Management Real Estate Headquarters Engineering Safety Management System Management System for Third Party Inspection of Real Estate Headquarters Projects	Law of the People's Republic of China on the Prevention and Control of Occupational Diseases Occupational Health and Safety Certification Work Safety Law of the People's Republic of China Construction Law of the People's Republic of China Administrative Regulations on the Work Safety Construction Projects Regulations on the Reporting and Investigation of Workplace Safety Accidents Standards for Safety Inspection of Construction Supervision Labor Law of the People's Republic of China

ESG Indicator	Internal Policies	Laws & Regulations
B3 Development and Training	Employee Occupational Sequence and Occupational Level Management Measure Longfor Group Running Water Plan Rules	
B4 Labor Standard	Longfor Group Human Rights Policy	Universal Declaration of Human Rights UN Convention on the Rights of the Child Convention on the Elimination of All Forms of Forced Labour Provisions on the Prohibition of Child Labour
B5 Supply Chain Management	Longfor Supplier Code of Conduct Longfor Group Supply Chain Function Assessment Methods Longfor Group Construction Materials and Equipment Procurement and Supply Management Methods Longfor Group Bidding Management Principles Version Real Estate Headquarters Cost Management System Real Estate Headquarters Construction Resource Management System Integrity Cooperation Agreement Green Procurement Policy	Government Procurement Law of the People's Republic of China Bidding Law of the People's Republic of China
B6 Product Responsibility	Longfor Engineering Quality Management System Longfor Rework Management System for Completed Housing Projects Longfor Property Unit-Specific Inspection Management System Longfor Regulations on Concrete Quality Management Management System of Third-Party Inspection of Group Projects Longfor Group House Delivery Management Measures Longfor Property Management Complaint Management Procedures Longfor Guidelines for Handling Commercial Real Estate Complaints Real Estate Headquarters Customer Complaint Management System Real Estate Headquarters Customer Satisfaction Management System Responsible Marketing Policy of Longfor Group Letter of Commitment on Marketing Red Line Behavior Marketing Alert Book Internet of Things Security Management Specification Longfor Group Client-side Publicity Management System Guidelines for Patent Classification of the Group Longfor Group Data Security Management System Code of Conduct for Information Security of Employees Headquarter Customer Data Management Measures Security Audit Management Measures	Product Quality Law of the People's Republic of China Construction Law of the People's Republic of China Construction Law of the People's Republic of China Regulation on the Quality Management of Construction Projects Unified Acceptance Standard for Building Construction Quality (GB 50300-2013) Information Security Technology—Personal Information Security Specification (GB/T 35273-2020) Technical Specification for Fabricated Decoration of Hotels Enterprise Standard for Fabricated Wall Finish Systems Data Security Law of the People's Republic of China Personal Information Protection Law of the People's Republic of China Trademark Law of the People's Republic of China Copyright Law of the People's Republic of China Patent Law of the People's Republic of China Information Security Technology—Personal Information Security Specification (GB/T 35273-2020)
B7 Anticorruption	Longfor Code of Business Conduct Longfor Group Whistleblower Protection System Empowerment Platform Whistleblower Protection System	Anti Money Laundering Law of the People's Republic of China Prevention of Bribery Regulations Law of the People's Republic of China against Unfair Competition
B8 Community Investment	"One Old One Small" Friendly Community Construction Indicators (Draft for Comments) "One Old One Small Friendly Community" Property Service Guide (Draft for Comments) Hardware Construction Standards for Friendly Communities With "One Old and One Small" (Draft for Comments) Longfor Volunteer Service Incentive Measures Longfor Foundation Volunteer Management System	Implementation Plan for Actively Responding to Population Aging Project and Childcare Construction during the "14th Five Years Plan" Charity Law of the People's Republic of China Measures for Information Disclosure of Charitable rganizations Regulation on The Administration of Foundations Circular of the State Council on the Issuance of the Implementation Plan for the National Reform of Vocational Education Guiding Opinions on Comprehensively Promoting the Renovation of Old Urban Neighborhoods Guiding Opinions on Accelerating the Implementation of Elderly-oriented Retrofitting Projects for the Elderly at Home

Table of ESG Data Indicator Performance

Economic Indicators

	Unit	2024	2023	2022
Total Assets	RMB billion	665.6	700.4	786.8
Net Assets	RMB billion	245.5	236.5	233.2
Revenues	RMB billion	127.5	180.7	250.6
Core Attributable Profit	RMB billion	7.0	11.4	22.5

Governance Indicators

		Unit	2024	2023	2022
Annual Risk Identification and Assessment	Number of audit activities	/	20+	20+	17
	Number of audit findings	/	60+	100+	125
	Rectification completion rate	%	100	100	100
Business Ethics	Number of employees that participated in the business code of conduct training and examinations	ten thousand people	6.9	6.5	2.2
	Passing rate of the examinations	%	100	100	100
	Proportion of suppliers required to sign the Agreement on Integrity in Cooperation	%	100	100	100
Complaints and Reports	Number of complaint calls received	/	1,300+	556	800+
	Valid complaints	/	345	446	381
Anti corruption	Risk of systematic corruption	/	0	0	0

Environment Indicators

Green Building

	Unit	2024	2023	2022
In 2024, the number of green building-certified projects	/	9	4	8
In 2024, the project area certified as green building	thousand square meters	951	430	1,280
In 2024, the proportion of the Group's project area that meets green building standards	%	100	100	100
As of the end of 2024, the total number of Longfor's projects that meet national green building standards	/	590	581	548
As of the end of 2024, the total area of Longfor's projects that meet national green building standards	million square meters	130+	130+	130+

Energy Consumption⁴⁰

	Unit	2024	2023	2022
Petrol	L	14,035.00	14,856.00	14,469.71
Diesel	L	75,197.00	82,197.00	225,200.97
Natural gas	m ³	11,378,780.66	11,880,126.35	9,472,032.85
Purchased electricity ⁴¹	kWh	1,033,260,577.62	1,123,289,886.81	814,471,619.54
Comprehensive energy consumption ⁴²	tce	140,919.41	152,602.54	111,896.52
Comprehensive energy consumption density	tce / revenue of RMB 10,000	0.0110	0.0084	0.0045
Water consumption	m ³	15,957,087.36	18,815,738.32	14,510,757.30
Water consumption density	m ³ / revenue of RMB 10,000	1.25	1.04	0.58

Greenhouse Gas Emission⁴³

	Unit	2024	2023	2022
Scope 1 emissions	tCO ₂ e	25,105.31	26,221.64	21,334.97
Scope 2 emissions	tCO ₂ e	501,426.19	612,612.22	436,493.16
Total emissions	tCO ₂ e	526,531.50	638,833.86	457,828.14
Greenhouse gas emission density	tCO ₂ e/revenue of RMB 10,000	0.041	0.035	0.025

Waste⁴⁴

		Unit	2024	2023	2022
Non-hazardous Waste	Total non-hazardous Waste	ton	2,653.07	3,471.94	2,250.01
	Non-hazardous Waste intensity	ton/ RMB10,000 of revenue	0.00021	0.00019	0.00090
Hazardous Waste	Total hazardous Waste	ton	27.21	34.01	56.06
	Hazardous Waste intensity	ton/ RMB10,000 of revenue	0.0000021	0.0000019	0.0000022

Community Public Welfare

	Unit	2024	2023	2022
Charitable Donation	RMB million	106	96	138

⁴⁰ In 2023 and 2024, Longfor Group's energy consumption statistics cover administrative offices, property development, commercial investment, asset management, management for the owned and developed property, and smart construction. However, data on the smart construction business in 2022 and prior years are not included. Partial data restatements were made for 2022 and 2023.

⁴¹ In 2023 and 2024, Longfor Group purchases 46 million kWh and 177 million kWh of green power, respectively, which is included in purchased power.

⁴² The comprehensive energy consumption is calculated according to the conversions of various energy into standard coal following GBT2589-2020 *General Rules for Calculation of the Comprehensive Energy Consumption*.

⁴³ GHG emissions refer to WRI's *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHG Protocol Corporate Standard)*, covering the emissions from Scope 1 (direct emissions) and Scope 2 (indirect emissions) during Longfor Group's operational phase. Scope 1 refers to direct greenhouse gas emissions from sources owned or controlled by Longfor Group, including total gasoline, diesel fuel, and natural gas consumption; Scope 2 signifies indirect greenhouse gas emissions from purchasing or acquiring electricity generated by Longfor Group.

⁴⁴ Longfor Group's waste statistics cover administrative offices, property development, commercial investment, asset management, management for the owned and developed property, and smart construction. Non-hazardous waste mainly includes office paper, household waste, construction waste, office furniture, and batteries. Hazardous waste mainly includes discarded lamps, toner cartridges and magical boxes, and discarded computers. Partial data restatements were made for 2022 and 2023.

Products and Services

	Unit	2024	2023	2022
Customer Satisfaction	%	90.0	91.2	90.0

Employees

		Unit	2024	2023	2022
Total number of employees		/	29,738	29,116	31,565
Divided by gender	Male	/	16,487	16,226	18,142
	Female	/	13,251	12,890	13,423
Divided by employee type	Senior management	/	66	72	79
	Middle management	/	924	908	941
	Entry-level manager	/	2,836	2,915	3,165
	Employees	/	25,912	25,221	27,380
Divided by age	Under 30	/	9,849	10,457	12,172
	30 (inclusive) to 50 (exclusive)	/	18,634	17,436	17,976
	Above 50 (inclusive)	/	1,255	1,223	1,417
Divided by region	Chinese Mainland	/	29,734	29,109	31,559
	Hong Kong SAR Macao SAR and Taiwan of China and Overseas	/	4	7	6
Divided by employment type	Part-time employees	/	-	-	-
	Full-time employees	/	29,738	29,116	31,565
Divided by educational background	Junior college and below	/	13,695	13,361	15,068
	Undergraduate	/	13,044	12,696	13,149
	Postgraduate	/	2,972	3,025	3,307
	Doctor	/	27	34	41
Divided by ethnic background	Employees from ethnic minorities	/	1,326	1,258	1,361
Divided by female proportion	Proportion of female employees in senior management	%	13.51	13.43	13.16
Employee turnover rate					
Divided by line of business	Turnover rate of property development division	%	13.61	18.86	23.91
	Turnover rate of non-property development	%	19.96	23.76	29.79

Employee Training

		Unit	2024	2023	2022
Total input in employee training		RMB 10,000	500+	/	/
Total enrollments of employee training		/	39,931	37,533	35,233
Total online training duration		hour	1,920,871.5	1,520,838.0	1,266,465.0
Training hours per person	Divided by gender	Male	hour	49.5	36.8
		Female	hour	46.4	45.2
	Divided by employee type	Senior management	hour	6.3	4.9
		Middle management	hour	20.7	26.1
		General employees	hour	48.9	41.0
Total offline training duration		hour	121,522.3	229,459.7	364,770.5
Training hours per person	Divided by gender	Male	hour	2.8	5.7
		Female	hour	3.3	6.7
	Divided by employee category	High-level	hour	7.5	34.3
		Middle-level	hour	7.5	13.8
		General employees	hour	2.9	5.9

Care for Employees

	Unit	2024	2023	2022
Proportion of employees covered by the Group's engagement survey and satisfaction survey	%	100	100	100
Employee engagement score	%	84	86	81
Employee satisfaction score	%	84	84	80

Production Safety

	Unit	2024	2023	2022
Number of work-related fatalities	/	0	0	0
Rate of work-related fatalities occurred	%	0	0	0
Lost days due to work injury	days	0	0	0

Supplier Management

	Unit	As of the end of 2024	As of the end of 2023	As of the end of 2022
Number of suppliers	/	265,451	200,812	147,838
Chinese Mainland	/	264,407	199,899	147,368
Hong Kong SAR Macao SAR and Taiwan of China	/	63	58	57
Overseas	/	981	855	413

Innovation Management

	Unit	2024	2023	2022
Number of software copyright applications	/	14	13	46
Number of software copyright grants	/	14	13	46
Number of patent applications	/	321	305	280
Number of patent grants	/	200	93	112
		As of the end of 2024	As of the end of 2023	As of the end of 2022
Total number of software copyright grants	/	211	197	390
Total number of patent grants	/	683	483	184

ESG Report Verification Statement

Independent Verification Statement



Verification Statement: EIV2 131725 0001 Rev. 00

To the management and stakeholders of Longfor Group,

TÜV SÜD Certification and Testing (China) Co., Ltd. (hereinafter referred to as "TÜV SÜD") has been engaged by Longfor Group Holdings Limited (hereinafter referred to as "Longfor Group" or "the Company") to perform an independent third-party verification on 2024 Sustainability Report (hereinafter referred to as "the Report"). During this verification, TÜV SÜD's verification team strictly abided by the contract signed with Longfor Group and provided verification regarding the Report in accordance with the provisions agreed by both parties and within the authorized scope stipulated in the contract.

This Independent Verification Statement is based on the data and information collected by Longfor Group and provided to TÜV SÜD. The scope of verification is limited to the given information. Longfor Group shall be held accountable for authenticity and completeness of the provided data and information (contains assumptions, projections, and/or historical facts).

Scope of Verification

Time frame of this verification:

- The Report contains the data disclosed by Longfor Group during the reporting period from January 1st, 2024 to December 31st, 2024, including governance, environmental and social information and data, methods for management of material issues, actions/measures and the Company's sustainability performance during the reporting period.

Physical boundary of this verification:

- The on-site verification sampling took place at below listed location:

Longfor Blue Engine Industrial Park, No.8 Beiyuan Xiaojie, Chaoyang District, Beijing.

Scope of data and information for the verification:

- The scope of verification is limited to the data and information of Longfor Group and all companies under its operational control covered by the Report.

The following information and data are beyond the scope of this verification:

- Any information and contents beyond the reporting period of this Report; and
- The data and information of Longfor Group's suppliers, partners and other third parties; and
- The financial data and information disclosed in this Report that have been audited by an independent third party are not verified again herein.

Limitations

- The verification process is conducted in the above scope and places. Sampling and verification are adopted for the data and information in the Report by TÜV SÜD, and only the stakeholders within the Company are interviewed; and
- The Company's standpoint, opinions, forward-looking statements and predictive information as well as the historical data and information before January 1st, 2024 are beyond the scope of this verification.
- TÜV SÜD's verification conclusions are based on the analysis of the data and information collected by TÜV SÜD and may not identify all problems and conditions, nor constitute a guarantee of the credibility or status of the subject of verification.

Basis for the Verification

This verification process was conducted by TÜV SÜD's expert team with extensive experience in the economic, environmental, social and other relevant areas and drew the conclusions thereof. The verification conforms to the following standards:

Independent Verification Statement



Verification Statement: EIV2 131725 0001 Rev. 00

- *International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, Limited Assurance*
- Sustainability report verification programme operation rule (CCB_EIV_GR_002E Rev02)

In order to perform adequate verification in accordance with the contract and provide reasonable verification for the conclusions, the verification team conducted the following activities:

- Preliminary investigation of the relevant information before the verification;
- Confirmation of the presence of the topics with high level of materiality and performance in the Report;
- On-site review of all supporting documents, data and other information provided by Longfor Group; tracing and verification of key performance information;
- Special interview with the representative of Longfor Group's management; interviews with the employees related to collection, compilation and reporting of the disclosed information; and
- Other procedures deemed necessary by the verification team.

Verification Conclusions

According to the verification, we believe that the data and information presented in Longfor Group's report are objective, factual and reliable, without systematic problems.

The verification team has drawn the following conclusions on this Report:

Inclusivity	Longfor Group has identified the internal and external stakeholders such as government/ regulatory authorities, shareholders/ investors, customers, employees, cooperative partners, community, environment, etc., and established a stakeholder communication mechanism to collect the demands of stakeholders on a regular basis.
Materiality	Longfor Group has established the prioritization process of material topics determination, identified and assessed the priority of the sustainability topics which are highly related to the industry, the Company disclosed the governance structure, management approach as well as sustainability performance in corporate operation, therefore the Report's adherence to materiality principle is guaranteed.
Responsiveness	Longfor Group has disclosed the management approach and performance of high material topics that stakeholders concern, such as engineering quality and safety, legally compliant operation, anti-corruption and integrity, protection of employees' rights and interests, occupational safety and health, service quality and customer satisfaction, customer information and privacy protection, design and application of green building, response to climate change, etc., and has established a communication mechanism, to fully respond to the demands and expectations of stakeholders.
Impact	Longfor Group has established an ESG Committee at the Board level to enhance the Company's efforts in the areas of environmental, social responsibility and corporate governance. The Company has implemented a process of substantive topics assessment, based on a comprehensive and balanced understanding, measuring the impact on stakeholders and the organization itself, and disclosing the relevant impact.

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Verification Statement: EIV2 131725 0001 Rev. 00

Recommendations on Continuous Improvement

- The verification team has passed the promotion proposal to the management of Longfor Group during the on-site implementation process.

Statement on Independence and Verification Capability

TÜV SÜD is a trusted partner of choice for safety, security and sustainability solutions. It specializes in testing, certification, auditing and advisory services. Since 1866, the company has remained committed to its purpose of enabling progress by protecting people, the environment and assets from technology-related risks. Today, TÜV SÜD is present in over 1,000 locations worldwide with its headquarters in Munich, Germany. Through expert teams represented by more than 26,000 employees, it adds value to customers and partners by enabling market access and managing risks. By anticipating technological developments and facilitating change, TÜV SÜD inspires trust in a physical and digital world to create a safer and more sustainable future.

TÜV SÜD Certification and Testing (China) Co., Ltd. is one of TÜV SÜD's global branches and has an expert team whose members have professional background and rich industrial experiences.

TÜV SÜD and Longfor Group are two entities independent of each other and both TÜV SÜD and Longfor Group and their branches or stakeholders have no conflict of interest. No member of the verification team has business relationship with the Company. The verification is completely neutral. All the data and information in the Report are provided by Longfor Group. TÜV SÜD has not been involved in preparation and drafting of the Report, except for the verification itself and issuance of the verification statement.

Signature:

On Behalf of TÜV SÜD Certification and Testing (China) Co., Ltd.

Zhu Wenjun

TÜV SÜD Sustainability Authorized Signatory Officer

April 15th, 2025

Shanghai, China

Note: In case of any inconsistency or discrepancy, the simplified Chinese version "Independent Verification Statement CN" of this verification statement shall prevail, while the English translation is used for reference only.

LONGFOR⁷ 龙湖

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