路歌 LOGORY | Stock Code 2482

2024
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

LOGORY

>> MOVING TO THE RIGHT

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2024 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT

Scope of Report

Timeframe: the report covers the business operations of Logory Logistics Technology Co., Ltd. from January 1, 2024 to December 31, 2024 (the "Reporting Period") and provides an overview of the Group's overall ESG performance. To maintain the continuity and integrity of information, reviews and outlooks are given for some content.

Organizational scope: this report covers Logory Logistics Technology Co., Ltd. and its subsidiaries and is consistent with the scope of the consolidated financial statements in the annual report.

Appellation

For easier expression and readability, "Logory Logistics Technology Co., Ltd." may also be referred to as "the Company," "our Company," "the Group," "Logory", or "we" in this report.

Sources of Information

The data and information in this report are derived from internal data collection, public documents, sustainability case studies submitted by subsidiaries, and qualitative and quantitative questionnaires compiled for this report. The Company ensures that the content is true, accurate, and complete, free from false records, misleading statements, or material omissions.

Basis of Reporting

This report is prepared in accordance with the "Environmental, Social and Governance Reporting Code (hereinafter "ESG Reporting Code") under Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited("HKEx"). In particular, the relevant contents of dealing with climate change are prepared by referring to "Climate Disclosure" under Part D of the ESG Reporting Code and the suggestions made by the Task Force on Climate-related Financial Disclosures (TCFD).

Reporting principles

This report follows the reporting principles in ESG Reporting Code, including:

- **Materiality principle:** In accordance with this principle, this report has been developed through repeated discussions and direct communication with stakeholders to understand the core concerns of stakeholders and to identify the issues that need to be highlighted in the report. Issues that may have a material impact on the Group's business, investors and other stakeholders are highlighted.

- **Quantitative principle:** In accordance with this principle, this report discloses key quantitative performance indicators, and gives illustrations on the implications of the indicators with explanations on the calculation basis and assumptions and describes their purpose and impact in a timely manner.

- **Balance principle:** In accordance with this principle, this report reflects objective facts and provides an unbiased picture of the Group's environmental, social and governance ("ESG") performance, and avoids misleading the readers of the report and omissions of material information.

- **Consistency principle:** In accordance with this principle, this report clearly explains the statistical methods and criteria of the key ESG quantitative performance indicators disclosed, and tries to ensure that the indicators and calculation methods in different reporting periods are consistent to enable meaningful comparison of relevant data in the future and reflect the trend in performance standards.

Way of Access to the Report and Contact Information

This report is available on the HKEX website and the Company's official website, which support online access in both Chinese and English versions. In case of discrepancies or conflicts between the two language versions, the Chinese version shall prevail. For feedback or inquiries regarding this report, please contact us via:

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Email: ir@logory.com
Official Website: www.logory.com

Statement of the Board

"Moving to the right (運有道，善如流)!"

Logory adheres to national strategies as its guiding principle and creates real value for the logistics industry. By leveraging on digitalization, we enhance the operational efficiency and service quality of China's freight industry, improve the working environment for truckers, and serve as a digital support platform for a virtuous logistics ecosystem.

As an industry leading full-chain digital freight service provider, the Company remains committed to empowering the logistics industry with digital technology, striving to build a virtuous and sustainable freight ecosystem. We recognize that sustainable development is inseparable from robust environmental, social, and governance (ESG) practices. Therefore, we deeply integrate ESG principles into every aspect of our strategy and operations, endeavoring to create long-term value for all stakeholders.

The Company has established a comprehensive ESG management mechanism, forming a full-cycle management system from goal setting, policy formulation to execution, oversight, and performance evaluation. The Board of Directors, as the highest decision-making body for ESG matters, is fully responsible for formulating and supervising the implementation of the ESG strategies. We have set up a dedicated ESG management team, led by the Safety Committee, with collaboration from various functional departments and subsidiaries, ensuring integration of ESG principles into every aspect of our daily operations.

Following the principles of materiality and balance, we periodically conduct materiality assessments through an "identification-survey-analysis" process. By collecting advices and feedback from customers, truckers, employees, industry chain partners, investors, government authorities, and regulators via surveys and interviews with stakeholders, and integrating macroeconomic policies, industry trends, and corporate strategies, we accurately identify ESG issues with significant impacts on our business and stakeholders. For these issues, we develop clear management strategies and disclose related measures and outcomes in this report to align our actions with stakeholder expectations.

In terms of corporate governance, we have established a modern governance structure centered on the Shareholders' Meeting, the Board of Directors, the Board of Supervisors and senior management, creating a scientific and efficient decision-making, execution, and oversight mechanism. We emphasize on strengthening risk management and internal controls, fostering a culture of integrity and transparency. By continuously optimizing our governance framework, we not only safeguard the rights of shareholders and stakeholders but also laying a solid foundation for our long-term sustainable development.

The Group is dedicated to serving and continuously empowering all participants in the road freight industry's full-chain ecosystem (including shippers such as logistics companies and cargo owners, truckers, freight brokers and other service providers). Through our digital platform, we deepen collaborative relationships, enhance data transparency, and improve resource coordination efficiency, helping all parties build long-term, stable, mutually beneficial partnerships, thereby promoting higher-quality sustainable development across the industry ecosystem.

We advocate and join hands with ecosystem participants to explore sustainable pathways for the logistics industry's low-carbon transition through technological innovation. Haoyunbao (好運寶) APP has achieved fully paperless transportation management, our new energy vehicle promotion plan is expanding the green capacity pool, and the Newland (新大陸) system integrates solid waste disposal regulation modules to enable full-chain digital management of waste transportation. In our own operations, we implement multiple initiatives to reduce carbon emissions, utilizing smart mobile office platforms to streamline processes and minimize unnecessary carbon footprints, while shuttle buses and smart charging stations in our campus further lower emissions. A multi-dimensional carbon reduction system spanning transportation to office operations has been built by technology empowerment.

We consistently regard truckers as core partners in our corporate development. In 2024, the Company pioneered the signing of Collective Contract for the Protection of the Rights and Interests of Truckers of the Industry-wide of Logory (and truckers registered on other digital freight platforms) (《路歌平台(全網)貨車司機權益保障集體合同》) with the representative of truckers, covering 3.8 million truckers across Logory digital freight platform, legally defining their core rights, including freight income, transportation safeguards, safety, and consultation mechanisms. The contract marks the first pioneering practice in China's freight industry to cover truckers nationwide. We actively promote Party leadership and union development to enhance truckers cohesion and belonging. We believe these efforts not only improve truckers' occupational happiness but also foster the healthy development of the freight industry.

This report comprehensively discloses Logory's ESG progress and achievements in 2024. It was reviewed and approved by the Eighth Meeting of the Fifth Session of the Board of Directors on March 28, 2025. The Board of Directors and all directors of Logory guarantee that this report contains no false records, misleading statements, or material omissions.

ABOUT US

Logory Logistics Technology Co., Ltd. (stock code: 02482.HK, brand name "Logory") was established in 2010 (with its predecessor "Beijing Yihe Jiaxun Information Technology Co., Ltd.* (北京怡和佳讯信息技术有限责任公司)" founded in 2002). As an industry-leading full-chain digital freight service provider, we are committed to building a virtuous freight ecosystem through innovative technology applications and service models, enabling freight practitioners to walk in the right way and take the right way, thus promoting the sustainable growth and prosperity of the digital freight ecosystem. In March 2023, the Company was listed on the Main Board of the Hong Kong Stock Exchange, becoming the first "digital freight" stock on the HKEX.

As a technology company providing full-chain digital freight services, Logory upholds the core values of "pursuit of truth, fairness, altruism", dedicated to creating a virtuous freight ecosystem through innovative technology and service models. Our mission is to ensure freight practitioners walk in the right way and take the right way, driving the sustainable development of the digital freight ecosystem.

Serving all participants in the freight industry, the Company offers full-chain digital services and solutions. We have established a business framework encompassing "digital freight, Trucker Community and trucker driver membership services" with a service network spanning the entire country.

The digital freight platform we operate helps logistics companies achieve full-process online and digitalized transportation operations, fostering efficient collaboration among multiple participants in the trucks and drivers supply chain including cargo owners on the upper streams and truckers on the lower stream, thereby reducing costs and enhancing quality and efficiency in the industry.

The Company has also created "Trucker Community", the first nationwide trucker community in China, which has grown into a highly influential trucker community domestically. In recent years, under the guidance of the All-China Federation of Trade Unions, we have supported truckers in joining unions. Leveraging on our platform's influence among truckers, we have developed a Party-building cloud platform, promoting high-quality development in the freight industry through robust Party leadership.

2024 Key Honors Showcase

Ranked 420th in the 2024 Top 500 Private Enterprises in China

Ranked 89th in the 2024 Top 100 Private Service Enterprises in China

Ranked 2nd in the 2024 Top 100 Private Service Enterprises in Anhui Province

Ranked 10th in the 2024 Top 100 Private Enterprises by Revenue in Anhui Province

New Quality Productive Force Enterprise

China Federation of Logistics and Purchasing Rotating Chairman Unit of Logistics Information Service Platform Branch

Workers' Vanguard Award (Certificate)

PERFORMANCE HIGHLIGHTS

ECONOMIC PERFORMANCE

Operating income reached RMB **7.54** billion, representing a year-on-year increase of **34.3** % ▲

Net profit reached RMB **44.49** million, representing a year-on-year increase of **74.113** million ▲

Adjusted net profit amounted to RMB **53.681** million, representing a year-on-year increase of **11.750.1** % ▲

Online GTV amounted to RMB **38.4** billion, representing a year-on-year increase of **11.8** % ▲

Number of freight order for the Reporting Period amounted to **9.72** million, representing a year-on-year increase of **12.3** % ▲

Number of shipper customers for the Reporting Period amounted to **7,138**, representing a year-on-year increase of **7.8** % ▲

Number of truckers for the Reporting Period amounted to **1.47** million, representing a year-on-year increase of **10.2** % ▲

SOCIAL PERFORMANCE

The total number of employees of the Company was **868**, among which **46.31** % were female

The accumulated number of registered users under Trucker Community was approximately **3.50** million.

Offline mutual support community covers **32** provinces and **298** cities

Total accumulated investment to Trucker Community amounted to over RMB **265** million, and investment during the Reporting Period was over RMB **15** million

The 10th "I Love Truckers' Day (52卡友節)" was successfully held with over **43,000** truckers participated

Being the **first** enterprise to enter into Collective Contract for the Protection of the Rights and Interests of Truckers of the Industry-wide of Logory (and truckers registered on other digital freight platforms) (《路歌平台(全網)貨車司機權益保障集體合同》), with trucker representative, which covers **3.80** million truckers under the whole Logory network

The accumulated number of truckers introduced to the union in Anhui was **181,000**, and **500,000** truckers from four provinces, Guangdong, Hubei, Heilongjiang, Henan, were encouraged to join the union

An accumulated number of over **17,000** truckers who are party members had been surveyed, **26** mobile party groups and **52** volunteer service teams had been established

"Mutual assistance and rescue protection project" covered an accumulated number of **23,000** truckers

"Truckers' Guard" legal assistance project provided legal services to over **500** truckers with case resolution rate of over **90** %

Truckers' safe operation activities have been launched for consecutive **7** years, with over **120,000** truckers participated during the Reporting Period

"Mutual Insurance" project has helped an accumulated number of **38** truckers' families

"Home of Female Truckers and Truckers' Wives" has provided caring services for over **8,500** female practitioners and the wives of the male practitioners

The charity platform "Charitable Mileage Donation" has over **530,000** participants with an accumulated mileage donated of **3,633.23** million kilometers

ENVIRONMENTAL PERFORMANCE

Reduction of paper contracts of over **10** million

0 times of administrative penalty for ecological environment

Reduction of paper receipts of over **24** million
Reduction of office paper consumption by **160** kilogram compared with 2023 ▼

Greenhouse gas emission density was **13.6** tons/100 million revenue, a decrease of **22.1** % compared with 2023 ▼

Office water consumption density was **131.5** tons/100 million revenue, a decrease of **28.1** % compared with 2023 ▼

Office power consumption density was **21.0** MWh/100 million yuan, a decrease of **23.4** % compared with 2023 ▼

The number of shipping orders for promoting customers to use new energy vehicles increased to approximately **350,000**, an increase of approximately **17.5** times compared with 2019

The mileage of promoting customers to use new energy vehicles increased to approximately **6** million kilometers, an increase of approximately **4.7** times compared with 2019

The platform achieved **7,604.8** tons of carbon emissions reduction for the industry by promoting customers to use new energy trucks for transportation

GOVERNANCE PERFORMANCE

1 shareholders' meeting was held during the Reporting Period

4 board meetings were held during the Reporting Period

2 meetings of board of supervisors were held during the Reporting Period

The number of independent directors accounted for **33.33** %

74 information disclosure announcements were issued publicly during the Reporting Period[1]

8 patents have been obtained in total

87 domain names have been obtained in total

1,201 trademarks have been obtained in total

324 software copyrights have been obtained in total

100 % Information security and privacy protection related employee practices and training coverage

27 employees trainings had been commenced

No corruption lawsuit occurred

No information security incidents occurred

No user privacy leakage incidents occurred

9 systems have passed certification of information security level 3 protection

No material safety accidents occurred

SOCIAL RECOGNITION

- In March 2024, at the National Conference on Promoting the Rights Protection Service for Workers from New Forms of Employment, the Company was awarded "Unit with Outstanding Achievements" by All-China Federation of Trade Unions for the progress and effectiveness of enterprise union building and rights protection services.
- In September 2024, the "Mutual Assistance and Rescue for the Nation's Truckers Under Trucker Community" public welfare project was selected as an outstanding network project among the 2024 Internet Charity Projects jointly initiated by the Social Network Working Bureau of the Cyberspace Administration of China and the China Internet Development Foundation.
- In September 2024, in the 2024 "Warm Journey • Truckers and Ride-Hailing Drivers Career Development and Protection Action" jointly initiated by the China Seamen's Construction Union, China Federation of Logistics and Purchasing, China Road Transportation Association, China Communications and Transportation Association and China Workers Development Foundation, the "Truckers' Guard" legal assistance welfare project was selected as a contracted project, while the "Trucker's Bay" welfare project was named as "2023 Public Welfare Project".
- In November 2024, the Company was awarded the honary award of "Annual Charity Enterprise" issued by the Road Freight Branch of the China Federation of Logistics and Purchasing.
- In December 2024, the Company was shortlisted for the "2024 the 14th Reputation List of Listed Companies in China" hosted by the "Daily Economic News" and academically supported by the China Enterprise Research Center of the School of Economics and Management of Tsinghua University, and won the "Most Socially Responsible Listed Company" award.
- In December 2024, the Company won the "Best ESG Innovation Award" jointly selected by Zhitong Finance and Xinzhi Fund Network.

[1] This is the total number of the Company's information disclosure announcements in both Chinese and English versions published on HKEX website and our official website.

ESG Strategies

ESG GOVERNANCE

Logory adheres to the policy of integrating ESG principles into its corporate strategy, committed to driving the logistics industry's green transformation through innovation and practice. We have established a comprehensive ESG management system, ensuring that ESG principles are embedded in every aspect of our operations from goal-setting to execution and oversight. Through scientific materiality assessments, we precisely identify and address the core concerns of stakeholders, promoting comprehensive progress in environmental, social, and governance domains.

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ESG Philosophy and Governance

The Group pursues an ESG strategy of "dual-driven economic value and social responsibility," establishing a management system that integrates digital governance with sustainable development. By applying and deploying digital technologies, we continuously optimize the environmental efficiency of the digital freight ecosystem. Meanwhile, we have established an ESG collaboration mechanism across the supply chain, creating a value-sharing network encompassing suppliers, customers, and industry partners, systematically advancing the green transformation and upgrading of a virtuous logistics ecosystem.

Our ESG Governance System

Board of Directors

ESG Management Team
(Safety Committee)

01
02
03
04

Primary Responsible Units
(Public Affairs Center,
Safety Committee Office, Human Resource
and Administration Center)

Implementation Units
(Departments, Branches and Subsidiaries)
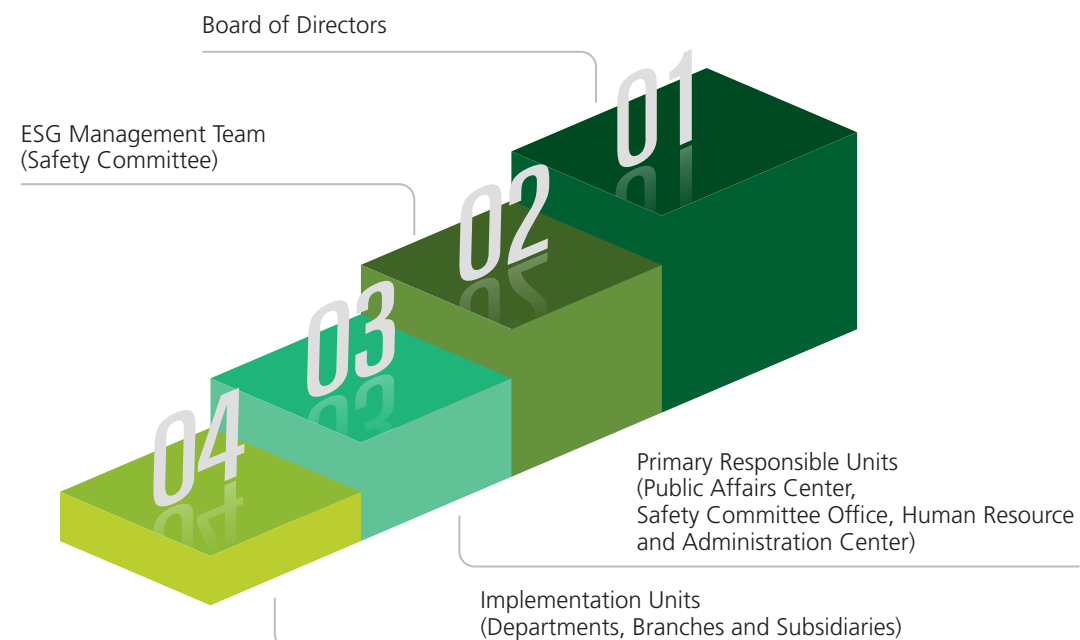
Our ESG Management Process

Goal-Setting	The Safety Committee Office is responsible for setting overall ESG management goals and specific indicators, clarifying the responsibilities and tasks of each department in ESG management.
Policy Formulation	Departments develop corresponding ESG management policies and operational guidelines based on their duties, ensuring systematic implementation of ESG management.
Execution Oversight	The Human Resources and Administration Center, alongside the Safety Committee Office, monitors the execution of ESG policies, conducting regular inspections and evaluations to ensure effective implementation.
Performance Evaluation	Periodic assessments of ESG performance are conducted to summarize experiences, identify lessons, and continuously optimize the ESG management process and policies.

Focusing on Material Issues

To understand stakeholders' levels of concern regarding various issues and ensure ESG management aligns closely with their needs, the Company follows the principles of materiality and bal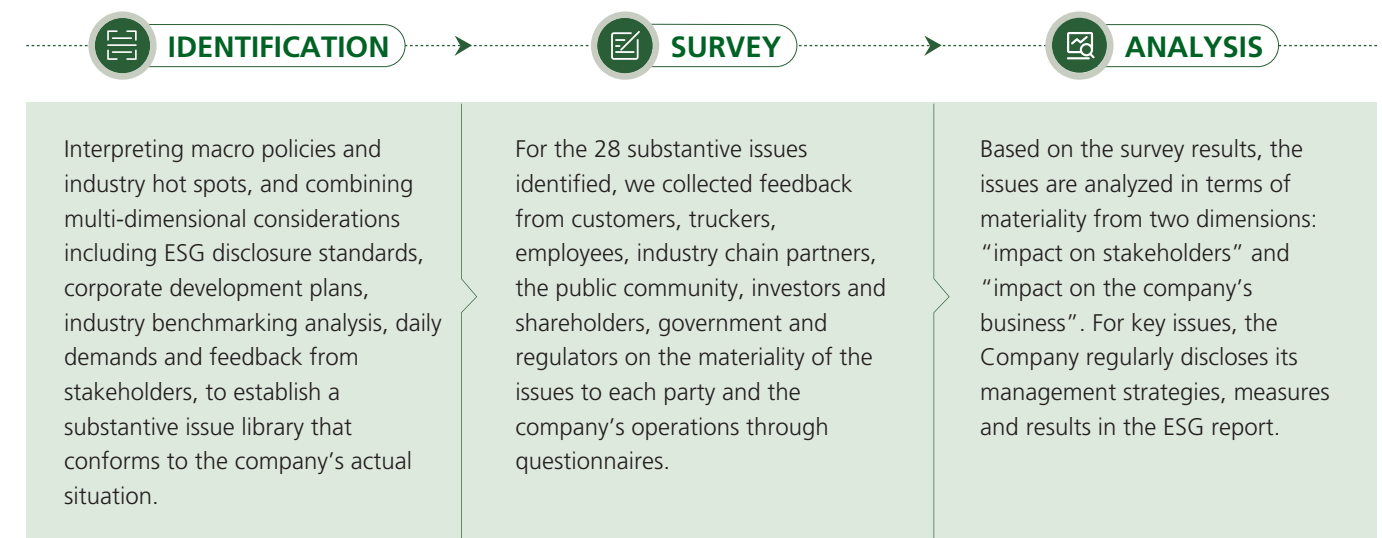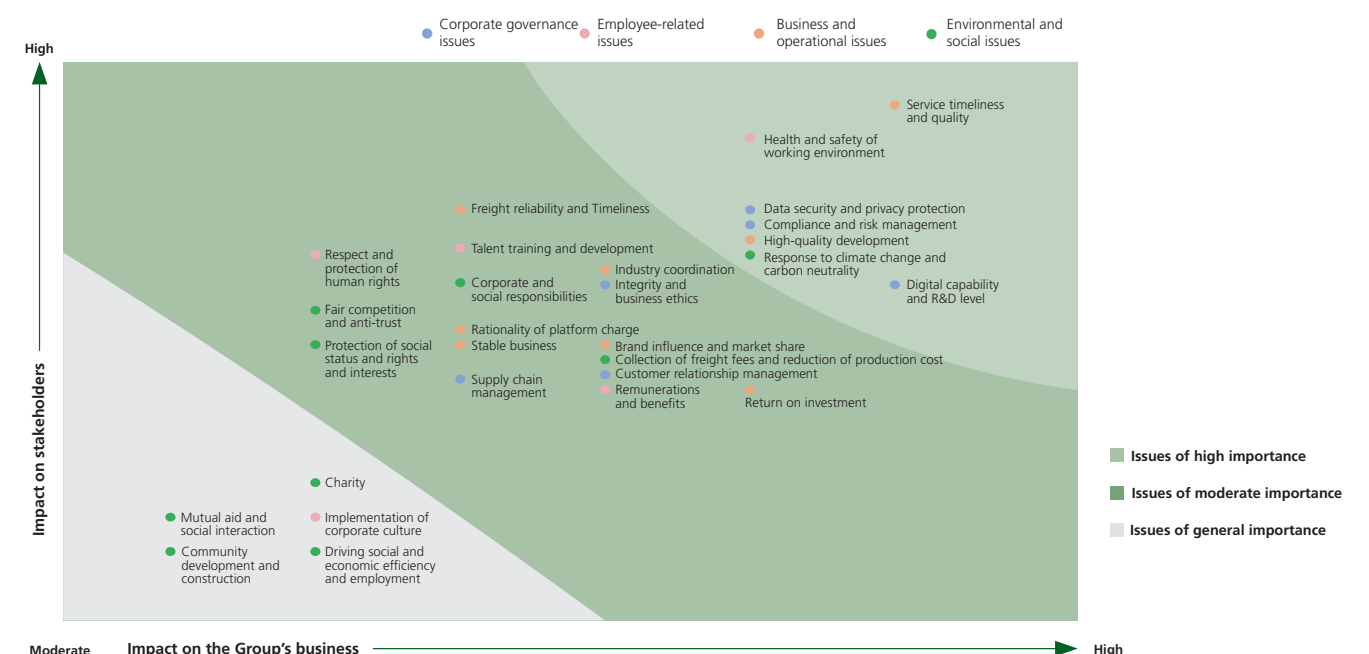ance. We periodically conduct materiality assessments through an "identification-survey-analysis" process to track changes in stakeholder priorities.

IDENTIFICATION → **SURVEY** → **ANALYSIS**

IDENTIFICATION	SURVEY	ANALYSIS
Interpreting macro policies and industry hot spots, and combining multi-dimensional considerations including ESG disclosure standards, corporate development plans, industry benchmarking analysis, daily demands and feedback from stakeholders, to establish a substantive issue library that conforms to the company's actual situation.	For the 28 substantive issues identified, we collected feedback from customers, truckers, employees, industry chain partners, the public community, investors and shareholders, government and regulators on the materiality of the issues to each party and the company's operations through questionnaires.	Based on the survey results, the issues are analyzed in terms of materiality from two dimensions: "impact on stakeholders" and "impact on the company's business". For key issues, the Company regularly discloses its management strategies, measures and results in the ESG report.

Materiality Distribution Matrix

Corporate governance issues · Employee-related issues · Business and operational issues · Environmental and social issues

High

Impact on stakeholders

- Service timeliness and quality
- Health and safety of working environment
- Freight reliability and Timeliness
- Data security and privacy protection
- Compliance and risk management
- High-quality development
- Respect and protection of human rights
- Talent training and development
- Response to climate change and carbon neutrality
- Corporate and social responsibilities
- Industry coordination
- Integrity and business ethics
- Digital capability and R&D level
- Fair competition and anti-trust
- Rationality of platform charge
- Brand influence and market share
- Protection of social status and rights and interests
- Stable business
- Collection of freight fees and reduction of production cost
- Customer relationship management
- Supply chain management
- Remunerations and benefits
- Return on investment
- Charity
- Mutual aid and social interaction
- Implementation of corporate culture
- Community development and construction
- Driving social and economic efficiency and employment

■ Issues of high importance
■ Issues of moderate importance
□ Issues of general importance

Moderate — Impact on the Group's business — High

Communication with Stakeholders

We actively expand communication channels with stakeholders across all aspects of our operations, attentively listening to their opinions and feedback. By establishing regular communication mechanisms, we continuously enhance engagement effectiveness.

Stakeholder	Issues of concerns	Means of communication and response
Customers	• Service timeliness and quality • Digital capabilities and R&D • Data security and privacy • Transportation reliability and timeliness • Brand influence and market share • Customer relationship management • Compliance and risk management • Platform fee fairness	• Customer hotline • DDCS work platform • Follow-up surveys • Complaint and feedback mechanisms • Social media platforms • Regular customer meetings
Truckers	• Stable business • Freight payment and cost reduction • Work environment health and safety • Mutual assistance and social interaction • Social identity and rights protection • Fair competition and anti-monopoly	• Truckers surveys • Community operations and events • Social media platforms • Union and Party-building activities • Enhanced protection products • Industry conferences
Employees	• Respect and protection of rights • Remunerations and benefits • Talent cultivation and development • Work environment health and safety • Corporate culture adherence	• Labour Union • Suggestion mailbox • Employee welfare and care • Skills training • Employee activities
Supply Chain Partners	• Supply chain management • Industry collaboration • Protection of data security and privacy • Compliance and corporate governance • Integrity and business ethics	• Exchange meetings • Improved management policies • Transparent procurement
Public Community	• Community development • Charity • Response to climate change and carbon neutrality	• Community charity activities • Rural revitalization and charity events • Energy-saving and emission reduction
Investors/Shareholders	• Returns on investment • Integrity and business ethics • Digital capabilities and R&D • Brand influence and market share • Social and economic benefits and employment promotion • Compliance and corporate governance	• Shareholders' meetings • Reports and communications • Annual/quarterly reports and announcements • Social media platforms • Information disclosure and roadshows • Online inquiry channels
Government/ regulatory authorities	• Compliance and corporate governance • High quality development • Corporate social responsibility • Social and economic benefits and employment promotion	• Government-enterprise symposiums • Recommendations and suggestions • Surveys and inspections • Daily reporting and communication

ESG Honors

In 2024, the Company received multiple external recognitions for its outstanding performance in fulfilling social responsibilities.

In December 2024, recognized for excellent performance in economic, social, and environmental benefits, the Company was included in the "2024 14th China Listed Company Reputation List" hosted by "Daily Economic News" and supported by the China Enterprise Research Center of the School of Economics and Management of Tsinghua University, winning the "Most Socially Responsible Listed Company" award.

In November 2024, the Company was awarded the honorary award of "Annual Charity Enterprise" issued by the Road Freight Branch of the China Federation of Logistics and Purchasing.

In December 2024, the Company was awarded the "Best ESG Innovation Award" by Zhitong Finance and Xinzhi Fund Network.

Acquire Wealth through Honest Means, and Act with Integrity

CORPORATE GOVERNANCE

Logory strictly adheres to modern corporate governance principles, establishing a governance structure centered on the Shareholders' Meetings, Board of Directors, Board of Supervisors and senior management. This framework ensures a scientific, efficient decision-making, execution, and oversight mechanism. We prioritize the independence and diversity of the Board, strengthen risk management and internal controls, and foster a culture of integrity and transparency. Additionally, the Company places high importance on information security, implementing a robust information security management framework with stringent privacy and data protection measures to safeguard user and employee information.

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Decision-making and Governance System

Logory strictly complies with the "Company Law of the People's Republic of China", the "Main Board Listing Rules" of the HKEX, and other relevant laws and regulations. We have established a governance structure with the Shareholders' Meetings, Board of Directors, Board of Supervisors, and senior management at its core, forming a balanced, scientifically efficient mechanism among the power body, decision-making body, supervisory body, and executive body, ensuring standardized operations and stable management.

Shareholders' Meetings

Shareholders' Meeting is the Company's highest authority, deciding major operational and management matters. Shareholders exercise their rights through this meeting. The Company strictly follows relevant regulations to convene and hold meetings, adopting a combination of on-site and online voting to facilitate participation of all shareholders, ensuring all investors can engage equally and effectively in corporate governance.

2024

The Company held
1 annual general meeting,
1 H-share class meeting,
1 domestic-share class meeting;
10 proposals were considered

Board of Supervisors

Board of Supervisors serves as the oversight body, monitoring the Group's financial status and ensuring robust internal controls and risk management systems to maintain compliance and transparency. Members are elected by the Shareholders' Meetings, including one employee representative and two Shareholder representative Supervisors. The Board of Supervisors independently performs its supervisory duties, convening regular meetings to review and oversee significant matters.

2024

The Company held
2 meetings of the Board of Supervisors;
10 proposals were considered

Board of Directors

Board of Directors, elected by the Shareholders' Meetings and accountable to it, is the decision-making body responsible for managing and deciding on daily operations and major issues. It includes committees, namely audit committee, remuneration committee and nomination committee, each with clear roles and duties to enhance governance professionalism and effectiveness.

2024

The Company held
4 board meetings
and **5** board committee meetings;
18 proposals were considered

Senior Management

The senior management team comprises experts in supply chain logistics, information engineering, business administration, and finance, with extensive industry and operational management experience.
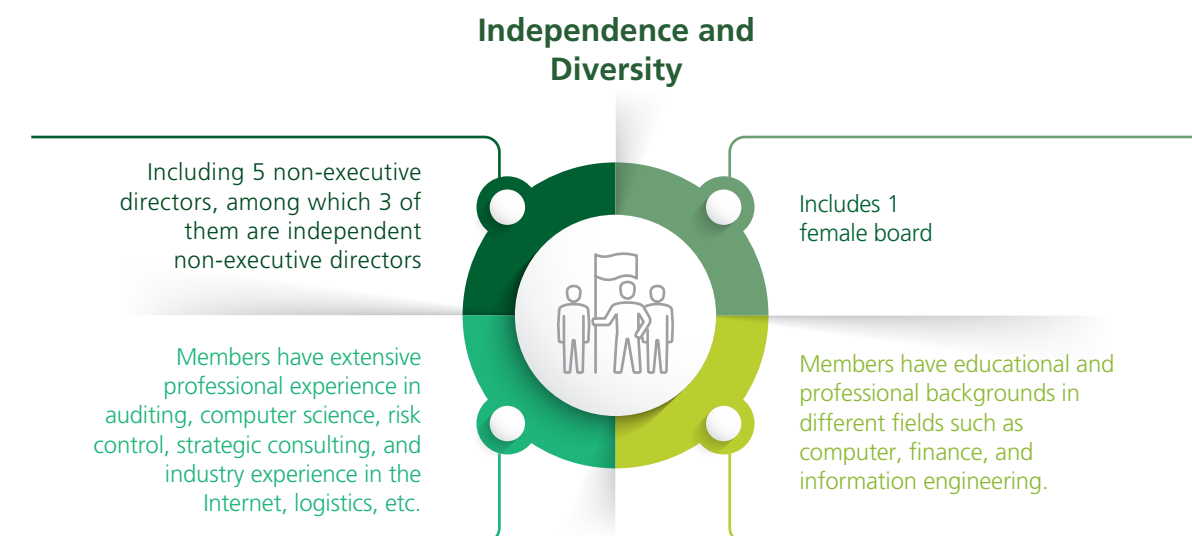
As of December 31, 2024

The Company has **3** senior management members

Independence and Diversity of the Board of Directors

The non-executive directors bring diverse business and financial expertise to the Board of Directors, overseeing corporate governance and providing professional advices and judgements. Independent non-executive directors, comprising more than one-third of the Board of Directors, offer independent judgment to protect interests of the shareholder and the Group.

To improve Board efficiency, we have formulated a Board Diversity Policy which outlines goals and methods to achieve and maintain diversity. Various factors are being considered to realize diversity of the Board of Directors. Factors such as professional experience, skills, knowledge, gender, age, culture, and educational background are our concerns. The current Board of Directors' balanced mix of expertise, skills and experience supports the Company's multi-perspective strategic decision-making and management.

Independence and Diversity

Including 5 non-executive directors, among which 3 of them are independent non-executive directors

Includes 1 female board

Members have extensive professional experience in auditing, computer science, risk control, strategic consulting, and industry experience in the Internet, logistics, etc.

Members have educational and professional backgrounds in different fields such as computer, finance, and information engineering.

Introduction
ESG Strategies
Acquire Wealth through Honest Means, and Act with Integrity
Winning through Cooperation, Virtuous Logistic Ecosystem
Low-carbon Operation, Embracing Green Earth
Courageous to Shoulder Responsibilities, Caring for Truckers
People-oriented, Achieving Employee Value
Appendices

Focusing on Risk Prevention

A robust and effective risk management and internal control system is critical to achieving our strategic goals. We have developed an Internal Risk Management and Internal Control Manual, implementing strict internal control procedures across all operational areas, including various key areas such as fund management, procurement, fixed assets, intangible assets, long-term equity investments, financing, budgeting, cost management, guarantees, contracts, outsourcing, subsidiary oversight, financial reporting, human resources, information systems, related-party transactions, and internal audits.

To strengthen internal control execution and oversight, we maintain a dedicated internal department that regularly evaluates control effectiveness. Following standardized audit procedures, the team independently reviews operations, identifies internal control issues, and proposes optimizations. The internal control department collaborates with legal, compliance, and finance teams for risk assessments, enhancing internal control efficiency and monitoring through cross-departmental efforts while fostering a company-wide risk awareness culture.

First procedure

Risk Identification and Standard Formulation

- The company uses qualitative identification procedures such as questionnaires, special meetings, and expert consultations, as well as quantitative methods such as statistical inference and computer simulation to assess the possibility of risk occurrence and the impact of risk occurrence.

- Based on the qualitative and quantitative survey results, we set risk scoring standards from the dimensions of strategy, corporate governance, operations, laws and regulations, market, environmental protection, climate change, corporate reputation, etc., and determine the materiality of risks based on the impact and likelihood of occurrence.

Second procedure

Risk assessment and seeking for the corresponding strategies

- The internal control department organizes risk assessment meetings, conducts risk identification knowledge training for mid-level personnel, and fills out the "Risk Self-Inspection Registration Form" to register the risk points that have been identified so far. The internal control department will sort out and identify top ten risks based on the score made by the mid-level personnel.

- The Internal Control Department prepares a risk map based on the assessment results and requires relevant departments to propose strategies relating to risk avoidance, risk reduction, risk sharing, and risk acceptance.

Third procedure

Risk plan adjustment and database set-up

- The internal control department formulates or adjusts the annual risk control (internal audit) plan based on the risk assessment results, the Group's risk tolerance and the risk response strategies proposed by relevant departments, and makes it the focus of subsequent internal review and internal control evaluation.

- After the risk control system is established, the internal control department will take the lead in establishing the Company's risk database, including risk response at the company level and risk data at the business level.

The Group's Risk Management Procedures

ESG has been integrated into our risk management and control scope and, after thorough consideration, ESG-related factors, including climate change, have been incorporated into the Company's risk assessment and internal control procedures. We will conduct regular risk identification and assessment and the result therefrom will be a basis for risk prioritization and formulation of risk response measures.

Strictly Safeguard Information Security

Our operations generate and process significant amounts of data and personal information. We strictly comply with the "Data Security Law of the People's Republic of China", "Personal Information Protection Law of the People's Republic of China", "Several Provisions on the Management of Automobile Data Security (for Trial Implementation)", and other relevant laws. At the policy level, we have issued and enforced the "Data Security Management Regulations", establishing data classification standards, sensitive information handling protocols, and full-cycle data control measures. Operationally, we implement a three-tier "user-business-enterprise" data rights management system, strictly regulating data access, transfer, and usage scenarios, supported by an accountability mechanism to bolster data security defenses.

Information Security Management Framework

We have built a three-tier data security governance structure: strategic decision-making layer, being a leadership group of senior management and technical officers, to oversees strategic planning and major risk decisions; technical execution layer, backed by the Information Security Department to conducts full-process monitoring, technology empowerment, and audit evaluations; compliance oversight layer, specially led by the legal department, to ensures the legality of data handling, forming a closed-loop management system integrating strategy, technology, and compliance.

CASE STUDIES | **Cybersecurity Drill/Phishing Email Drill**

• Cybersecurity Drill:

In October 2024, during a sudden unannounced cybersecurity drill organized by the Cyberspace Administration of Hefei, the Company swiftly intercepted and responded to attacks, excelling in areas like weak password protection, unauthorized access prevention, endpoint security, component vulnerability defense, code vulnerability protection, and network hijacking prevention, achieving a perfect defense with zero breach incidents.

• Phishing Email Drill:

During the Reporting Period, we conducted 3 internal phishing email drills covering all employees to enhance employees' cybersecurity awareness and prevention capability.

In specific operations, we sign "Data Security Agreements" with truckers and conduct annual compliance reviews of data security practices and execute stringent control on information security, ensuring the utmost protection of shippers' and drivers' information. We will continue to refine the mechanisms for cybersecurity, confidentiality, privacy, and data protection.

2024

Information security and privacy protection violations occurred **0** times
Related training was conducted **6** times
Employee coverage rate of practice and training **100%**
9 systems passed the information security level protection level 3 certification

Consolidating the defense line of integrity

Logory is committed to conducting business with honesty, ethical standards, and integrity, maintaining a zero-tolerance stance on corruption. To uphold this commitment and foster a virtuous, clean, efficient workplace, the Group strictly adheres to the "Company Law of the People's Republic of China", "Interim Measures on Prohibiting Commercial Bribery", and other relevant laws and regulations in China and local rules and policies. We have issued and enforced the "Anti-Corruption Policy" to regulate employee behavior, encouraging joint venture partners, affiliates, customers, and suppliers to adhere to its principles.

Under this policy, the Group prohibits all employees from directly or indirectly offering, promising, giving, or authorizing bribes or kickbacks to any individual or for their benefit, or soliciting, accepting, or receiving such benefits for improper business advantages. Employees are also strictly forbidden from intentionally engaging in, participating in, or facilitating money laundering, obstructing justice, embezzlement, theft, or fraudulent misrepresentation. Additionally, we rigorously oversee suppliers, requiring all suppliers and partners to sign the "Integrity Cooperation Agreement" to enhance the Group's integrity framework, strengthen internal regulatory system, and standardize operation management.

To effectively implement the Anti-Corruption Policy, we conduct regular anti-corruption training for employees, with the internal audit team monitoring economic activities within the Group. For significant matters, the audit team provides full-process tracking and supervision through audits. The internal audit team also reviews the appropriateness of departmental accountability and penalty recommendations, retaining the authority to investigate violations or negligence, issue accountability findings, and propose corresponding penalties.

Whistleblowing Mechanism

To ensure transparency and compliance of the Company's operations, the Group has established a "Whistleblowing Policy", encouraging any entity or individual doing business with us to report improper, unethical, or misconduct within the Group.

To allow easier reporting by whistleblowers, multiple reporting channels are available, including telephone hotline, email, and postal address, allowing whistleblowers to choose the most suitable method based on their own situation to ensure timely and accurate reporting to the Company. We have explicit protections for whistleblowers, safeguarding their legal rights, ensuring confidentiality of their personal information, and preventing retaliation.

During the Reporting Period, the Group recorded no litigation cases related to corruption, bribery, extortion, fraud, or money laundering.

Protection of Innovative Achievements

Intellectual property is fundamental to the Group's operational innovation. We invest significant time and resources in developing and protecting our intellectual property. In strict compliance with the "Patent Law of the People's Republic of China" and "Trademark Law of the People's Republic of China", we have formulated the "Brand Asset Management System" and "Intangible Asset Management Measures" to regulate the Group's brand promotion management, brand visual system management, trademark management, and to protect the security of patents, non-patented technologies, trademarks and other intangible assets for the maintenance of their value and improvement on efficiency. We also improve and update our intellectual property management system according to our business development on a regular basis.

As of December 31, 2024

1,201 Trademarks   **87** Domain Names   **8** Patents   **324** Software Copyrights

On May 9, 2024, the "2024 Eighth China Listed Company Brand Value List Release Conference" ("2024第八屆中國上市公司品牌價值榜發布會") was held in Shenzhen, with Chengdu Media Group and Shenzhen Press Group as the guiding units, National Business Daily and Shenzhen Business Daily co-hosted, and China Enterprise Research Center of the School of Economics and Management of Tsinghua University providing academic support. The theme of this conference was "Brand Vitality and New Quality Growth", (品牌活力新質生長) and the Company was honored to be listed in the TOP50 of the New Entrants List.

We have established market brand center, with sub-teams for brand management and media relations, responsible for trademark registration, usage, protection, and media engagement to promote scientific and standardized brand management while upholding the Group's brand image. The archives department manages the custody of intangible asset certificates, legal documents, and source code designs, while the legal department safeguards the rights of the intangible assets. With clear division of duties according to their responsibilities, these departments work independently, supervise and collaborate to maintain and supervise the security of the Group's intangible assets, strengthening the Company's core competitiveness.

Performing Social Responsibilities

We recognize that our growth relies on societal support and a favorable business environment. While focusing on core business development, we prioritize social responsibility as a strategic pillar. Through regular volunteer activities such as caring for the elderly and children, we inject warmth into communities. We also allocate special funds for targeted assistance to disadvantaged groups, demonstrating corporate compassion. These locally rooted initiatives not only strengthen community ties but also create a virtuous cycle of social responsibility and business success, achieving mutual prosperity in commercial and social value.

Winning through Cooperation, Virtuous Logistic Ecosystem

BUSINESS ECOSYSTEM

Through innovative technology applications and service models, we build a virtuous logistics ecosystem, enabling logistics practitioners to walk in the right way and take the right way, driving the sustainable growth and prosperity of the digital freight ecosystem. Leveraging on our digital capabilities and internet platform advantages, we deeply empower the iterative upgrades and applications of our digital freight platform. While exploring innovative business models for the logistics industry's digital transformation, we uphold anti-monopoly compliance, maintain fair competition, achieving success in right ways and establish a multiple parties involved, win-win sustainable development framework.
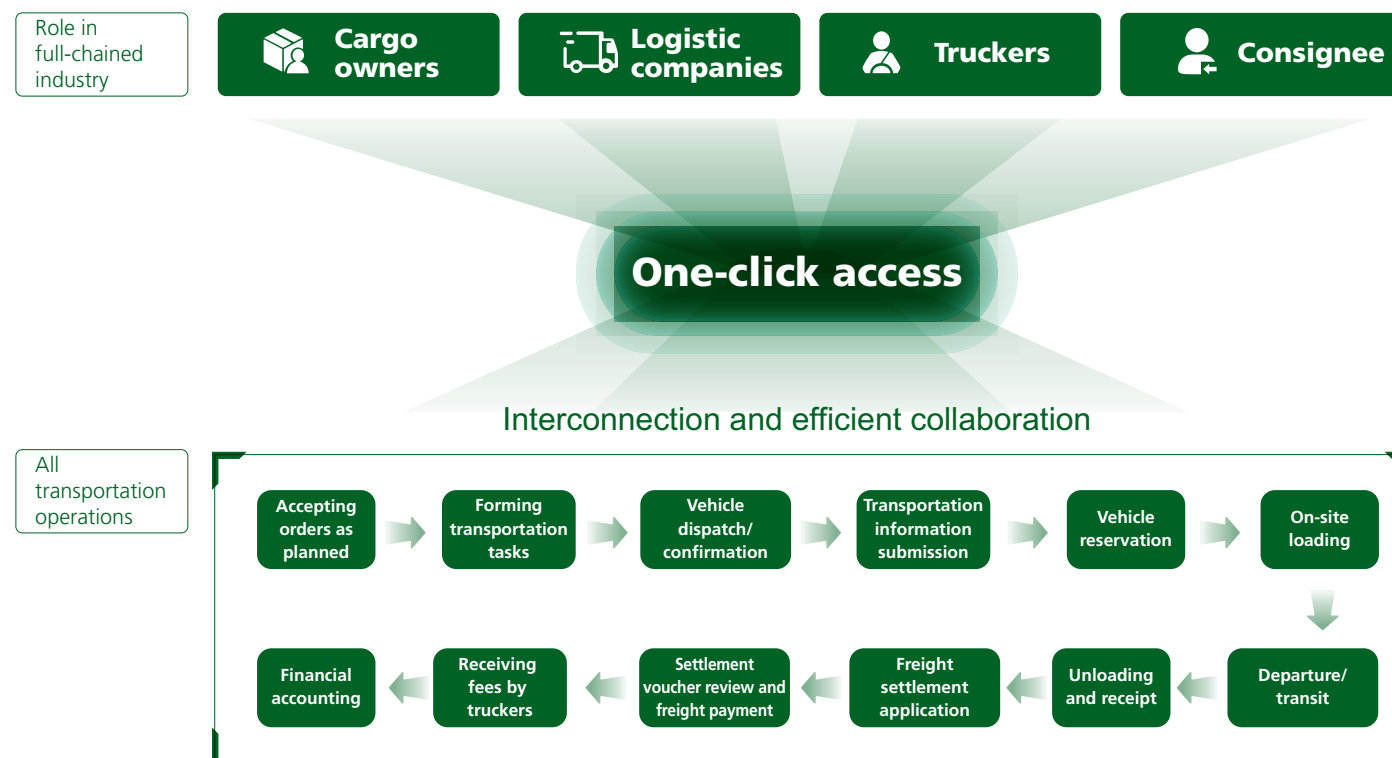
Digital Freight Platform

The full truckload shipping market in China is vast yet highly fragmented, with relatively low supply chain efficiency and digitalization levels. Lengthy and opaque transaction chains lead to inefficiencies and resource waste. Stable supply and demand for transportation capacity remain unmet, lack of control over transportation resources provided by third-party truckers, trucker rights and interests are inadequately protected, and the market's loose structure complicates government oversight.

Digital freight platforms undertake the task of digitizing the full truckload shipping market, integrating "data" as a key element into transportation operations via internet platforms, revolutionizing capacity supply chain organization and management models. By connecting cargo owners to truckers across the upper and lower stream of the capacity supply chain, the digital freight platforms consolidate logistics resources, improve management models, and enhance overall operational efficiency and delivery capabilities from manufacturing to logistics. They also promote technology-driven, platform-enabled integration of logistics and manufacturing, fostering new industry models, strengthening supply chain resilience, and advancing the integration of digital technologies and real economies.

Logory Digital Freight Platform

We are committed to serving and empowering all participants in the road freight industry's full-chain ecosystem (including shippers such as logistics companies and cargo owners, truckers, freight brokers, and other relevant service providers). Through Logory's digital freight platform, we deepen service relationships, enhance data transparency and resource coordination efficiency, and assist all parties in building stable, mutually beneficial, long-term partnerships, promoting higher-quality sustainable development across the industry ecosystem.

Our full-chain digital freight platform leverages SaaS services to provide logistics companies with digital infrastructure for all business scenarios, enabling online operations and generating immediate on-site data. The real-time generation and accumulation of such immediate on-site data is shared with all logistics project participants, facilitating efficient internal and external collaboration and linking business and finance departments within logistics companies. By analyzing and processing immediate on-site data, we transform operational experience into data assets, enabling commercial resource connections and relationship expansion.

Role in full-chained industry: Cargo owners | Logistic companies | Truckers | Consignee

One-click access

Interconnection and efficient collaboration

All transportation operations:

Accepting orders as planned → Forming transportation tasks → Vehicle dispatch/confirmation → Transportation information submission → Vehicle reservation → On-site loading → Departure/transit → Unloading and receipt → Freight settlement application → Settlement voucher review and freight payment → Receiving fees by truckers → Financial accounting

Our business scenario-based digital layout spans digital capacity management, digital transportation process management, and digital financial settlement management, continuously refining logistic service standards in each area. Through digital capabilities, we enhance logistics companies' project management and delivery capacities, empower capacity supply chain digitally, and drive collaboration and mutual success among supply chain participants.

During the Reporting Period

The Group's online GTV reached approximately RMB**38.4** billion, with **7,138** shippers completing orders on our digital freight platform and over **1.47** million truckers fulfilling shipments. The platform's active truckers[3] amounted to **470,000**.

Optimizing Customer Operation

"Focusing on customer value and continuously optimizing user experience" is one of our unwavering business philosophies. We strive to provide products and services aligned with industry trends, delivering the best user experience. In terms of management mechanism, we has formulated and executed our "Digital Logistics Customer Management Manual". In terms of practice, we employ customer service experts to handle inquiries and complaints. We have integrated online and offline customer service resources to establish a comprehensive customer service system, effectively enhancing customer satisfaction.

Our digital capabilities drive innovation in R&D and operational systems, offering customers smarter, more convenient, and faster service experiences. The Digitalization Driven Customer Success (the "DDCS") is our newly developed digitalized operation platform. It breaks down departmental barriers among customer operations, product design, and R&D teams, drastically shortening demand processing cycles.

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[2]   The picture is a demonstration of Logory's digitalized large screen on cargo owners' end.

[3]   Active truckers refer to truckers who have completed at least four orders on our digital freight platform in a given year.
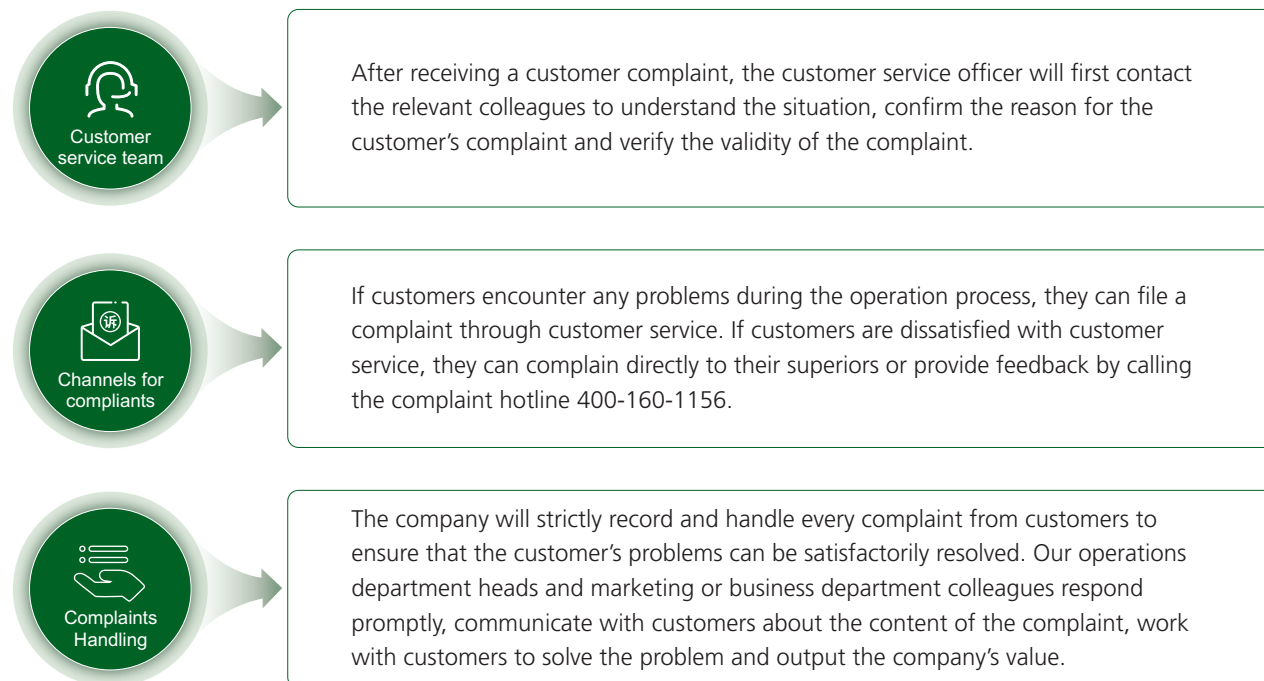
With mature, professional customer service processes and advanced technology platforms, we continuously optimize response times to ensure exceptional service.

Our online customer operations team provides professional, standardized high-quality, services to ensure all-around customer experience. Specifically, through diverse, convenient consultation and business support channels including telephone, ticketing, DingTalk, we offer 24 x 7 customer services to all kinds of customers. In respect of customer inquiries and responses, leveraging on the data processing and analysis of our self-developed AI smart assistant "Sister Ting (婷姐)", we deliver real-time, accurate responses to customer inquiries. For handling of complaints, we also utilize our AI assistant "Sister Ting (婷姐)" to realize timely and proper handling of complaints to ensure problems are resolved in a highly effective way.

We maintain close ties with key customers via social networks. We regularly post industry updates and product information on the social network to spark customer engagement, promptly addressing customers' queries and suggestions and delivering responses and feedback timely. By hosting online interactive events, we deepen customer relationships, understand customers' needs and address their concerns in real time.

Additionally, in order to strengthen close cooperation relationship with key customers, we have in place a detailed customer visit plan to conduct regular visits to key customers by professional teams. Through face-to-face communications, we can obtain comprehensive and deep understanding of the customers' needs and feedbacks so as to optimize our services and deliver service experience with higher quality and more personalized features. During the Reporting Period, we have not received any complaints from customers which would cause significant impact on our operations or financial performance.

Response to customer compliants

Customer service team

After receiving a customer complaint, the customer service officer will first contact the relevant colleagues to understand the situation, confirm the reason for the customer's complaint and verify the validity of the complaint.

Channels for compliants

If customers encounter any problems during the operation process, they can file a complaint through customer service. If customers are dissatisfied with customer service, they can complain directly to their superiors or provide feedback by calling the complaint hotline 400-160-1156.

Complaints Handling

The company will strictly record and handle every complaint from customers to ensure that the customer's problems can be satisfactorily resolved. Our operations department heads and marketing or business department colleagues respond promptly, communicate with customers about the content of the complaint, work with customers to solve the problem and output the company's value.

In product services and advertising, Logory strictly complies with the "Advertising Law of the People's Republic of China" and regulatory requirements of the regulatory authorities, iteratively optimizing brand strategies and marketing management mechanism to ensure customers clearly and fully understand our business and service details, safeguarding their legitimate rights.

High Quality Supply Chain

Logory views a sustainable supply chain ecosystem as a key pillar of long-term development. Guided by our corporate values of "truthfulness, impartiality and altruism", we have established a supplier management framework comprising the "Supplier Management Measures", "Procurement Management Process", "Supplier Evaluation Form". We implement strict controls across the entire process from qualification and review, selection and utilization, and evaluation to standardize strict control on supplier management and fostering an ethical and transparent business environment with industrial chain partners.

Introduction of suppliers

The procurement department classifies suppliers based on the collected information about suppliers and organizes relevant personnel to conduct preliminary evaluations of the basic conditions and production levels of the companies. For suppliers that have passed the preliminary evaluation, the procurement department sets up an on-site certification team to conduct on-site inspections and certifications of the suppliers' on-site management level, production conditions, environmental protection conditions, etc., in order to minimize the risks to the Group.

For suppliers that pass the preliminary evaluation, we will sign a "Supplier Quality Assurance Agreement" with the supplier and request samples or make small-batch purchases to ensure product quality and environmental protection requirements. The procurement department prepares "Supplier Inspection Form" to summarize supplier certifications and identify qualified suppliers, and adds them to the list of qualified suppliers after they have passed the review. In addition, the Company evaluates the supply situation of various suppliers in the previous year, eliminates and replaces suppliers with high prices and poor services, and realizes dynamic management of the qualified supplier list.

Supplier Evaluation

Supplier Assessment

The Company has established a corresponding assessment system for suppliers' service quality, product prices and environmental protection. The Company implements a scoring and grading system for suppliers, and evaluates and reviews the quality, delivery time, service, response, price and environmental protection of suppliers' project execution based on the "Supplier Assessment Form".

If the services of suppliers fail to meet the Company's requirements, they should make corrections within a specified period of time. If they still fail to meet the requirements or cause certain losses to the Company, they should be withdrawn.

Supplier withdrawal

Our Supplier Management System

We integrate ESG principles deeply into our supplier entry mechanism. Suppliers are required to regularly provide and update environmental certifications and approvals, ensuring compliance with national environmental standards, energy-saving and emission reduction requirements, and possession of eco-friendly equipment qualifications. In supplier selection, we prioritize those adhering to environmental principles, conserving natural resources, reducing pollution, and promoting recycling. Surprise inspections will be conducted to verify suppliers' eco-friendly operations, confirming energy-saving measures and reductions in energy, water, and other resource consumption to lower greenhouse gas emissions.

We also incorporate anti-commercial bribery into our supply chain entry process, mandating suppliers to sign the "Integrity Cooperation Agreement". Based on the "Anti-Unfair Competition Law of the People's Republic of China", we have developed tailored integrity training for our sales, management, and supplier teams. Through a "digital learning platform + offline workshops" model, we conduct annual compliance training covering the full procurement process, implement dynamic integrity ratings for suppliers, and activate a blacklist mechanism for violators and their affiliates.

Truckers are our primary service providers whom we rely upon to fulfill shippers' orders on our digital freight platform without forming an employment relationship. The quality and safety of our digital freight services depend significantly on these third-party drivers' performance, closely tying our service quality to their capabilities.

We enforce strict credential management for truckers registered on our platform. Upon registration, drivers must complete real-name verification by uploading photos of their ID, driver's license, vehicle license, trucker qualification certificate, and road transport operation license for our review, alongside real person identity verification. To ensure service quality and minimize disputes, drivers sign electronic agreements for each new order. The platform generates real-time electronic transport contracts per order, requiring drivers to complete online signing, legally binding agreements to order data. These contracts feature blockchain evidence storage, providing a complete electronic evidence chain for dispute resolution.

During the Reporting Period

We have not identified any supplier who has caused significant actual or potential negative impacts on, or has violated any regulations in relation to, business ethics, environmental protection, or labor standards, nor did we encounter supply chain issues with major negative environmental or social consequences. During the Reporting Period, no litigation cases involving corruption, bribery, extortion, fraud, or money laundering occurred within the Group.

Maintaining Fair Competition

Logory strictly complies with the "Anti-Monopoly Law of the People's Republic of China" and "Anti-Unfair Competition Law of the People's Republic of China", advocating fair transactions and competition to maintain a healthy business environment and ensure a virtuous competitive mechanism among rivals. We participate in market competition legally and ethically, adhering to the "do no evil" philosophy and building trusting, mutually beneficial relationships with customers, suppliers, partners, employees, and society.

During the Reporting Period, no incidents of malicious competition occurred.

Low-carbon Operation, Embracing Green Earth

LOW-CARBON OPERATION

Amid global supply chain restructuring and the carbon neutrality strategic cycle, carbon neutrality has become a shared human challenge and a core driver of the logistics industry's green revolution. As a leading digital freight platform in China, we are acutely aware of the environmental footprint of our operations while seizing strategic opportunities presented by climate change. With the strategic foresight of an industry leader, we leverage digital innovation to drive the logistics sector's low-carbon transformation. This systematic approach not only reshapes value creation in logistics but also pioneers a path of economic and environmental synergy within the national framework of fostering new quality productive forces.

Digitalized Operation

We aim for green campus operations, systematically deploying office environmental management practices (see Building Low-carbon Office Campus) to execute our ecological protection commitments. Based on strict compliance with local environmental regulations within our office campus, we have established a standardized management system covering environmental monitoring, energy audits, and waste disposal. By deploying a smart OA management system integrating property services, administrative workflows, financial approvals, and equipment maintenance, we achieve dual goals of operational efficiency and reduced carbon emission intensity, setting a new paradigm for technology-enabled low-carbon offices.

Our digital products build a low-carbon transportation ecosystem. At the truckers end, the "Haoyunbao" App enables paperless processes from online order acceptance, electronic contract signing, receipt uploads, and freight settlement. For logistics companies, the "Newland" smart collaboration platform supports real-time order tracking, route optimization, and in-transit monitoring, while an integrated business-finance system connects both business and finance flows to reduce paper document circulation. The synergy of these digital products forms a closed-loop digital transportation chain, significantly cutting the carbon footprint of traditional paper-based operations.

Electronic contracts signed
24,103,240;

Electronic receipts uploaded
10,607,759

Promoting Green Transportation

We have devised a phased strategy for truck emission reduction and new energy vehicle promotion, targeting 10% of shipper orders on the platform to be fulfilled by new energy vehicles by 2027. With such goal, during the Reporting Period, we prioritized the replacement of high-emission scenarios, focusing on clients transitioning diesel trucks over 3.5 tons to new energy vehicles. (Based on the consistency principle, calculations assume diesel trucks over 3.5 tons emit approximately 271.6 grams of CO_2 per kilometer, reduced to zero with new energy vehicles.) This effort achieved a carbon reduction of 7,604.8 tonnes.

Our deeper collaboration with logistics companies using new energy vehicles has driven exponential growth in new energy vehicles-transported orders on our platform: from approximately 20,000 orders in 2019 to approximately 350,000 in 2024, with mileage rising from approximately 6 million kilometers in 2019 to approximately 28 million kilometers in 2024, representing a approximately 17.5 fold and 4.7 fold increase, respectively, over five years. This growth validates the feasibility of the new energy vehicles freight model, laying a solid foundation for our 2027 target.

Order Volume:
2019 had approximately **20,000** orders; 2024 had approximately **350,000** orders   **17.5 fold increase** realized

Freight mileage:
2019 reached approximately **6 million** km; 2024 reached approximately **28 million** km   **4.7 fold increase** realized

To effectively reduce truck emissions, we encourage logistics companies to use new energy vehicles for orders on our platform through a series of specified measures.

In terms of the selection of truckers, our digital freight platform has established a new energy capacity priority access system, and implemented a priority dispatch algorithm for orders for drivers equipped with new energy vehicles；On the demand side, we build a green demand response system. When there is competition for transportation capacity, we prioritize the fulfillment of orders that are willing to use new energy vehicles through a dynamic priority sorting model. This two-way coordination mechanism effectively guides both the supply and demand sides of transportation capacity to form a positive incentive closed loop for green transportation, and systematically improves the penetration rate of new energy vehicles on our platform.

In addition to preferences on drivers using new energy vehicles, we collaborate with commercial partners under new energy vehicle purchase incentive policies to facilitate drivers' acquisition of new energy vehicles, fostering conditions for broader adoption of new energy vehicle from the source.

CASE STUDIES | Don't let waste "go astray"! Logory uses it to solve environmental problems in transportation

Under the dual drivers of rapid economic development and urbanization, the annual generation of industrial solid waste has surpassed historical peaks. According to the latest statistical data from the Ministry of Ecology and Environment, China generates over 4.2 billion tons of new industrial solid waste each year, while the existing disposal capacity still falls short by more than 40%. These complex waste materials, containing heavy metals, toxic chemicals, and radioactive components, if not managed scientifically, will not only lead to secondary pollution such as soil acidification and water eutrophication but also trigger significant ecological and environmental crises.

Among the logistics companies served by our Company, many of them are involved in transporting industrial solid waste. The transportation of industrial waste is characterized by low value, low shipping fees, and heavy loads. Due to the lack of digital tools to regulate the standardized transportation and delivery of industrial solid waste, logistics companies face challenges. If the transportation of industrial solid waste fails to comply with environmental regulations, it will directly result in environmental pollution.

Through an in-depth analysis of industrial solid waste transportation scenarios, we identified "in-transit transportation trajectory compliance rate" as a key indicator. By focusing on operational efforts on this metric and implementing digital solutions along with the data index optimization (the "DIO") cycle, we achieved the goal of 100% compliance in transportation trajectories for Company H.

To address the issue of companies being unable to detect whether truckers engage in illegal dumping, the Newland system provides real-time in-transit anomaly alerts and pushes notifications about abnormal shipments. This allows companies to intervene promptly and handle truckers involved in anomalies, reducing environmental risks during operations. Through a data dashboard, companies can monitor project operations in real time, including waste production and disposal volumes, truckers information and qualifications, detailed shipment data for each truck, vehicle trajectories, final processing quantities, and processing costs. This enables effective oversight of node stops, route deviations, and off-site unloading, ensuring the entire waste transportation and disposal process remains legal and compliant.

To tackle the challenge of managing carriers due to the lack of a management system and evaluation criteria, companies can use the Newland system to view real-time data on the compliance rates and efficiency of partnered carriers on the platform. This provides a standardized basis for evaluation and, by requiring carriers to review key data, encourages them to continuously optimize their logistics service capabilities.

Our digital solutions help logistics companies address regulatory challenges in waste transportation, effectively reducing their environmental risks while enabling scientific management of transportation capacity suppliers. This supports companies in moving toward more standardized, efficient, and environmentally friendly development.

Building Low-carbon Office Campus

Under China's "carbon peak and neutrality" strategy, the Company strictly complies with the "Environmental Protection Law of the People's Republic of China", Energy Conservation Law of the People's Republic of China" and the relevant laws and regulations. We have formulated internal policies such as the "Social Responsibility Monitoring System", the "Code of Conduct for Employees on the Conservation of Public Resources" and the "Code of Conduct for Employees on Acting within their Capacities". We implement reduction measures in energy, water, and emissions management to minimize energy and resource consumption and control emissions. During the Reporting Period, no confirmed environmental-related violations which would cause material impact to the Group occurred.

We actively promote green office concept and implement environmental protection practices in our daily operation. We implement water, electricity, and paper-saving measures to reduce operating costs and contribute to societal sustainability. Primary energy use in the Company's operations includes electricity and gasoline for self-owned vehicles, with direct CO_2 emissions in 2024 from operations totaling approximately 61.37 tonnes.

By the end of 2027, we aim for fully paperless daily operations. Unless relevant regulations require paper records (e.g., accounting vouchers, major contracts), we utilize our online systems for daily operations and management, in which file management system, online approval system, and expense reimbursement system are introduced to minimize paper use, while regular meetings and training are held online to reduce unnecessary carbon footprints. We also communicate with customers to encourage them to adopt digitalized electronic invoices.

💧 Water Conservation Measures

Strengthen the daily management of water equipment, promptly identify and address malfunctions to prevent leaks and drips.

All sanitary fixtures in the buildings are selected as water conservative products. We have posted water conservation notices and slogans in every restroom and installed sensor-based flushing devices.

💡 Electricity Conservation Measures

We periodically assess the energy consumption levels of the office campus and carry out energy-saving renovations for buildings with potential for improvement. So far, we have completed targeted upgrades to lighting and parking facilities. 1) We have installed timers for streetlights throughout the campus, optimizing road lighting schedules based on daily operational hours to reduce electricity consumption within the office campus; 2) we have installed charging stations for new energy vehicles in the parking lot to encourage employees to adopt green commuting habits; 3) when replacing energy-consuming appliances such as air conditioners and lighting fixtures, the Group prioritizes energy-efficient models; 4) the Company has added motion sensors to hallway switches, enabling automatic switch-off when no one is present.

📄 Paper Conservation Measures

Promote the use of eco-friendly office supplies, such as recycled paper and other resource-recycled products, and encourage employees to use personal water bottles and reduce the frequency of using document pouches. Corporate processes have been digitized to promote paperless operations. When paper documents are necessary, double-sided printing and copying should be used, and the number of printed files and materials should be controlled.

By incorporating its own business status and setting 2022 as a target base year, the Group has formulated targets for 2022-2025 in terms of management of four aspects, including greenhouse gas emission, energy consumption management, water resources management and waste management.

Project	Management Goal	Year 2024	2024 vs. 2023
Greenhouse Gas Emissions	Control emission density of greenhouse gas in 2025 at or below the level in 2022, i.e. 18.61 tons/100 million revenue.	*13.6*	*decreased by 22.1%*
Energy Consumption Management	Control electricity consumption density in 2025 at or below the level in 2022 , i.e. 24.11 MWh/100 million revenue.	*21.0*	*decreased by 23.4%*
Water Resource Management	Control office water consumption density in 2025 at or below the performance level in 2022, i.e.214.42 tons/100 million revenue.	*131.5*	*decreased by 28.1%*
Waste Management	We plan to minimize hazardous waste from offices; meanwhile, we plan to achieve paperless operations by the end of 2027 (except paper documents are required), keeping the amount of non-hazardous waste at minimum level.	0.03 tons of hazardous waste; 2.5 tons of non-hazardous waste	hazardous waste decreased by 0.01 tons; non-hazardous waste decreased by 0.16 tons

Accomplishment of annual management targets will serve as one of the performance indicators, and will be included in the review of remunerations of the responsible officers and the management team of the Company as motivation so as to ensure the realization of the Company's targets of emission reduction and environmental protection.

Management

Energy management: Each department and subsidiary is responsible for the group's monthly water, electricity and usage statistics; the human resources and administrative department is responsible for office supplies consumption statistics, summarizing statistical data, analyzing the completion of each department's green campus goals, and forming a summary report at the end of each year. The report is reviewed by the Safety Committee Office and submitted to the General Manager for review

Energy-saving management: The Safety Committee Office formulates the overall goal of energy conservation and consumption reduction for the entire company, organizes on-site inspections and spot checks at irregular intervals every month, and carries out energy-saving transformation of high-energy equipment. Each department is responsible for the specific work of energy conservation and consumption reduction, saving electricity and water, and at the same time promoting energy conservation and consumption reduction, raising employees' energy-saving awareness, and conducting daily inspections on the implementation of energy conservation and consumption reduction.

Concept

Water and electricity conservation: We have integrated water and electricity conservation into the core management metrics of green office campus. Water resources in full cycle have been under full control through "integrated water governance system" system (quantity control, recycling, smart management). Coupled with dynamic power monitoring structure for optimized resource use, a systematic and refined resource consumption pattern is form.

We strictly abide by the "Water Law of the People's Republic of China", the "Law of the People's Republic of China on Prevention and Control of Water Pollution" and other laws and regulations, and effectively protect water ecological security while fulfilling our environmental responsibilities.

Reducing greenhouse gas emissions: We have established a low-carbon commuting employee service program, including customized shuttle services and the installation of smart charging stations in the office campus. By optimizing travel methods and upgrading vehicle energy, we systematically reduce the carbon footprint of employee commuting.

Waste Management: We focus on cultivating employees' awareness of "saving energy and protecting the environment", encourage and recognize outstanding employees who contribute to the realization of goal of green campus. We advocate paperless office, no printing unless necessary, and double-sided printing, etc., to reduce paper waste; we put up "Clear Your Plate" campaign posters in the cafeteria, and play public welfare videos about cherishing food in a loop in the office campus to reduce food waste. In addition, we actively promote the garbage classification system in the office campus, and hand over different types of waste to professional recycling agencies for processing to prevent secondary pollution. For example, the small amount of discarded toner cartridges and ink cartridges generated by office printing equipment are all recycled and disposed of by the corresponding suppliers.

Response to climate change

We are operating in an era where climate governance and industrial transformation are deeply intertwined, making climate change a core ESG issue. As China's largest digital freight platform, we bear the operational responsibility of managing the logistics industry's carbon footprint while embracing the mission to drive energy transition through technological innovation.
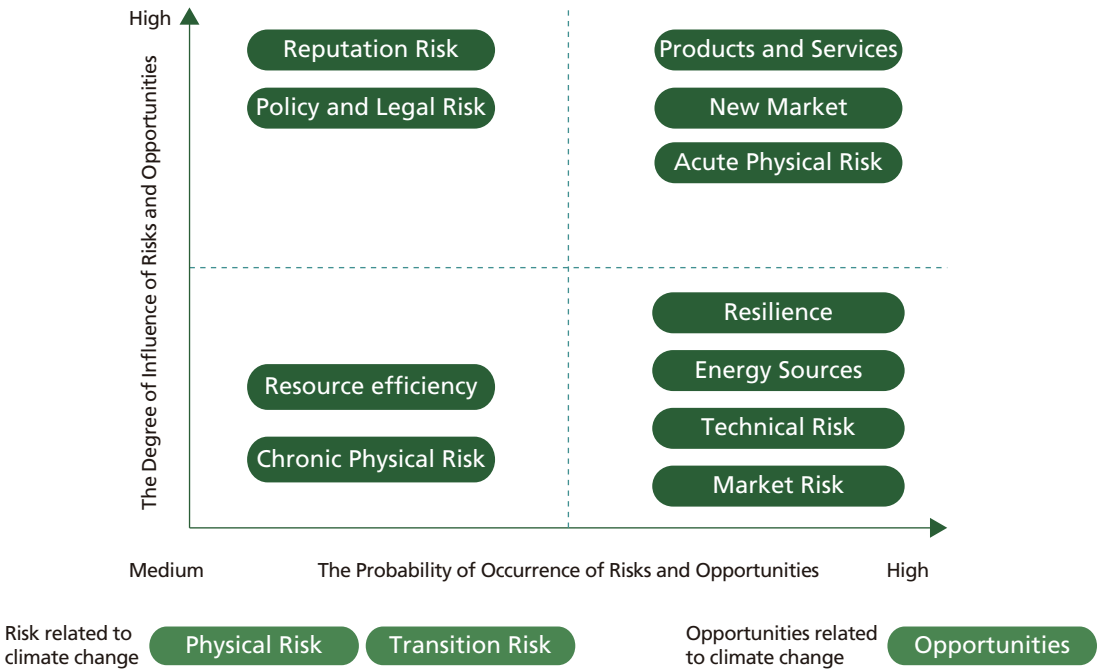
Following the TCFD recommendations, the Company conducts climate change risk identification to refine prevention strategies and support global climate action.

Governance	Strategies	Risk Management	Indicators and targets
The Board of Directors and the Safety Committee jointly participate in the identification and decision-making of climate-related risks and opportunities, formulate management indicators and mechanisms, and supervise and guide the implementation of the work.	The Company fully recognizes the significant impact of climate change on the Company's operations, comprehensively assesses climate change risks and their potential financial impacts, and supports the Group's development into new energy industries through green operations, reduces climate risks and seizes opportunities.	The Company incorporates climate risks into the Group's risk management system, identify, evaluate and manage climate change-related risks and opportunities. During the Reporting Period, we have identified various kinds of risks and opportunities in different time dimensions, which covers policies, market, technologies, reputation, acute or chronic. For details, please refer to the form about climate risks and opportunities.	In the future, the Company intends to integrate climate change risk management into the existing risk management process. In the ESG report, the Company will disclose every year the statistical criteria, total greenhouse gas emission and density of the headquarters and the subsidiaries of the Company, full evaluation of the related risk and opportunities the Company is facing in the course of operations.

We fully recognize that climate change may have a material financial impact on the Company. In order to better respond to potential risks and opportunities, the Company has carried out climate change risk identification, evaluation and analysis in accordance with TCFD, while identifying market opportunities brought about by climate change, forming a governance structure that runs parallel to risk mitigation strategies and opportunity transformation paths, and continuously enhancing the resilience of the business model to climate risk.

To actively response to the nation's "Dual carbon target" and the global climate governance initiative, the Company has incorporated climate risk management and low carbon transformation strategy into its financial planning system, and will try to realize the synergy between climate goal and financial performance through the following measures:

Budge planning
▶ Special items have been set up within the Company's budget for the response to climate-related risks and opportunities, for example, strengthening employee trainings, upgrade of environmental-friendly office equipment, maintenance of, and investment in paperless system, development of new energy trucks, etc. Resources will be rationally allocated based on the materiality and the expected impact period of the risks and opportunities identified by the Company.

Cost consideration
▶ Climate-related costs (e.g., R&D for digital system technologies) are incorporated into the cost accounting of products and services to accurately reflect true costs and provide a basis for pricing.

Investment strategy
▶ When making investment decisions, the Company fully evaluates the climate risks and opportunities of projects, prioritizes investments in green, low-carbon projects and provide financial support to projects which are aligned with the Company's sustainable development strategy.

Industrial Collaboration
▶ When selecting suppliers and partners, priority is given to those with green and environmentally friendly attributes. Evaluation and screening criteria for green suppliers and partners are established, under which indicators such as environmental performance, carbon emission reduction measures and renewable energy usage are incorporated for consideration. For green suppliers, preferential treatment offers are considered according to the procurement policies, such as signing long-term cooperation agreements or prioritizing payments, to stabilize the green supply chain.

Performance Evaluation
▶ The implementation of climate change response measures is integrated into the employee performance evaluation system, serving as one of the performance assessment goals for relevant responsible officers and management teams. This enhances the team's ability to identify and address climate change-related risks.

High

The Degree of Influence of Risks and Opportunities

- Reputation Risk
- Policy and Legal Risk
- Products and Services
- New Market
- Acute Physical Risk
- Resilience
- Resource efficiency
- Energy Sources
- Chronic Physical Risk
- Technical Risk
- Market Risk

Medium — The Probability of Occurrence of Risks and Opportunities — High

Risk related to climate change: Physical Risk | Transition Risk

Opportunities related to climate change: Opportunities

Climate Change-related Risks

Types of climate change-related risks/opportunities		Descriptions of risks/opportunities	Impact Timeframes[4]	Potential Financial Impacts	Response Measures
Climate change-related risks	Policy and legal risk	Vehicles of platform-contracted drivers may not meet emission standards and requirements, or drivers may misreport or conceal cargo weight, specifications, or nature, increasing carbon emissions during freight and violating environmental laws and regulations. Company may need to devote more effort to regulate driver behavior.	Short term Medium term	Management Costs ↑	1. Requirements for compliance with environmental laws and regulations are explicitly stipulated under the cooperation agreements with shippers and truckers, while verification of driver licenses, qualifications and vehicles will be more stringent; 2. communication with stakeholders on ESG issues will be enhanced through investor channels and periodic disclosure of ESG reports; 3. extreme weather incidents will be monitored continuously, timely feedback will be provided to the Group's relevant departments and platform users, and contingency plans for extreme weather will be formulated in advance to minimize losses; 4. procurement standards for energy-consuming equipment will be further specified, under which purchases of energy-saving equipment are prioritized to avoid replacement due to technical issues; 5. when expanding client base, attention will be paid to clients using green freight methods and the existing clients will be encouraged to adopt new energy vehicles, so as to increase the proportion of orders using clean energy vehicle as freight tool on the platform.
	Market risk	Growing market preference for green freight method may cause adverse impact to the business of the Group's old clients. Their business volume may drop, consequently resulting in decrease in the orders we received and thereby affecting the Group's revenue.	Short term Medium term	Operating income ↓	
	Technology risk	With the development and application of energy-saving equipment and technologies, the Group's existing traditional and high-energy-consumption equipment needs to be replaced with energy-efficient alternatives, resulting in increase in operating cost.	Medium term	Operating cost ↑	
	Reputation risk	Under the "carbon peaking and carbon neutrality" goals, stakeholders expect more proactive measures in respect of climate change from us. Failure to meet the stakeholders' expectations could cause certain impact to our reputation.	Short term Medium term Long-term	Operating cost ↑ Operating income ↓	
	Acute physical risk	Frequent storms, floods, fires, or heatwaves may disrupt normal operations and business expansion of the Group, as well as shippers' and truckers' freight activities.	Short term	Operating income ↓	
	Chronic physical risk	Long-term climate changes, e.g., temperature shifts, sea level rise, water scarcity, land productivity changes, may lead to decrease in freight orders of the Company in agriculture, forestry, fishery, and related sectors.	Long-term	Operating income ↓ Operating cost ↑	

[4] After considering the Company's business plan, climate-related disclosure standards and the management's recommendations, three stages have been divided: short term refers to 0-1 year (inclusive) after end of the Reporting Period; medium term refers to 1-5 years (inclusive) after end of the Reporting Period; and long term refers to over 5 years after end of the Reporting Period.

Climate Change-related opportunities

Types of climate change-related risks/opportunities		Descriptions of risks/opportunities	Impact Timeframes[4]	Potential Financial Impacts	Response Measures
Climate change-related opportunity	Products and services	Market preference for new energy trucks and the vehicle purchase policies will encourage drivers to replace with new energy trucks, generating new revenue growth points for the Company.	Short term Medium term Long-term	Operating income ↑	1. the Group is actively improving freight solutions for green material segments; 2. adding new energy truck-related models and aftermarket services to truck sales and aftermarket services, and increasing the sales of exhaust gas treatment products to reduce pollution from exhaust gas; 3. the Group is planning to expand electricity charging/battery replacement infrastructure for new energy vehicles under the digital freight service segment to support the use of new energy vehicles;4. promoting green office practices to realize digitized, online office systems; 5. increasing cooperations with eco-friendly suppliers to enhance our climate change resilience.
	New markets	Under the carbon peak and carbon neutrality framework and supportive policies, the market for green and environmental-friendly materials expands, enabling the Group to obtain more freight orders in this niche segment and benefiting the Group in respect of the launch of new services including electricity charging and battery replacing for new energy trucks in digital freight business.	Short term Medium term Long-term	Operating income ↑	
	Resource efficiency	Improvement in resource efficiency, including energy, electricity, water, helps reduce operating costs of the Group.	Medium term Long-term	Operating cost ↓	
	Energy Sources	With innovations, applications and rising popularity of green technologies, the cost of low-carbon and renewable energy continues to decrease, allowing the Company to increase the use of renewable energy.	Medium term Long-term	Operating cost ↓	
	Resilience	The Group encourages shippers to use new energy trucks and advising truckers to prioritize new energy trucks during replacements. Meanwhile, the selection of eco-friendly suppliers and partners helps enhance our climate resilience.	Short term Medium term Long-term	Operating income ↑ Operating cost ↓	

To ensure that the board of directors and various management levels have the capability to oversee the Group's measures in addressing climate change-related risks and opportunities, the Company has established a "tiered capacity building system" covering strategic decision-making, execution and implementation. This system focuses on systematically enhancing professional knowledge and practical skills:

Board of Directors: strategic vision and policy interpretation skills

- Regularly organizing and participating in special training on climate strategies, focusing on global and domestic climate policies, industry transition trends and climate risk transmission mechanisms. This strengthens the Board's strategic insight and forward-thinking decision-making on climate issues, ensuring the Board can integrate climate factors into overall strategic planning, for example, thorough assessment of the potential impact of climate policies on business models when setting long-term development goals.

Management: execution capacity and cross-domain collaboration skills

- Conducting training on climate-related risk management and compliance for senior executives and department heads with topics covering climate risk identification (e.g., classification of physical and transition risks), emission reduction target setting (e.g., science-based carbon target methodologies), and green technology applications (e.g., strategies for promoting new energy freight capacity). This enhances cross-departmental collaboration in implementing climate strategies.

- By integrating with the Company's ESG management strategy, strengthening management's practical ability to incorporate responses to climate risk and opportunity in scenarios such as supply chain management, addressing clients with low-carbon logistics requirements, promoting new energy truck usage and developing digital system products.

Execution Level: Basic Skills and Risk Identification Capacity

- Providing foundational training and knowledge dissemination on climate risk assessment for frontline employees at the execution level, ensuring first-tier teams can effectively identify climate-related risk in daily operations. Through case studies and simulation drills, enhancing the execution level's response capabilities in specific scenarios like extreme weather and green technology implementation, forming a closed-loop management mechanism of "risk identification — analysis — feedback".

Courageous to Shoulder Responsibilities, Caring for Truckers

CARING FOR TRUCKERS

Logory consistently prioritizes truckers' rights as a vital component of industry ecosystem development. Our trucker rights initiatives cover freight income, transportation safeguards, transportation safety, consultation mechanisms, and protection of rights and interests. We launched a trucker charity platform to encourage truckers' engagement in social and charity activities. Meanwhile, we and actively promote Party leadership and union-building to bridge truckers with enterprises and society, providing robust support for truckers' rights protection and development.

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About Trucker Community

Logory has always placed a high priority on truckers and has included truckers in Logory's road freight ecological construction plan. Based on this, we established the largest online + offline trucker community in China: Trucker Community. The social network function of the Trucker Community allows truckers to find helpful content that is relevant to their actual work and life, share industry trends, business opportunities, professional knowledge and family life in the social network, and establish connections with other truckers. We have also established an offline branch of the Trucker Community to promote interaction among truckers by organizing events and festival celebrations. Trucker Community is committed to providing truckers with better business opportunities, community socialization and improving their work capabilities, and has gained a high reputation.

As of the end of the Reporting Period

The number of registered users of the Trucker Community amounted to approximately **3.5** million. Our offline mutual aid community in the Trucker Community has achieved nationwide network coverage, covering **32** provinces and **298** cities in China. Users can access Trucker Community through diversified channels such as online APP, social media platform, Haojunbao portal website and Trucker Community offline branches. Since the establishment of the Trucker Community in 2014, the Group has invested more than RMB**265** million in the project, with the total investment in this project exceeded RMB**15** million during the Reporting Period.

"I Love Truckers' Day"

Since May 2, 2015, we have launched the "I Love Truckers' Day ", which was originally created to "define a festival in the name of truckers", so that we can honor truckers and express gratitude enhance public understanding of truckers' labor value, boost their professional dignity and happiness, and call for greater care for this group.

In 2024, the 10th "I Love Truckers' Day", themed "Breaking New Ground (破局)", a series of activities, namely the "Unity for Progress (凝聚力量同心致遠)" Truckers Rights Protection and Development Conference, "Blossoming toward Sunshine, Walking towards Light (向陽而生·逐光而行) " Digital Freight Expo, and "Dreams Aboard, Sailing Ahead (築夢同舟· 破浪起航)" Truckers Culture Gala were held. Over 43,000 truckers from across nation participated on-site or via livestream, with 8.6 million cumulative promotional exposure. Unions, industry associations, ecosystem partners, and media were invited to join the Truckers' Festival to enhance driver cohesion, elevate social attention to the truckers' group, promote truckers' rights and interests and development, and path a solid foundation for healthy development of the industry.

Digital Freight Expo

Themed the conference is "Blossoming toward Sunshine, Walking towards Light (向陽而生·逐光而行)", the conference aimed to connect the entire chain of logistics digitalization, showcase the product and service strength of Logory and its industry partners, and promote cooperation and transformation. The exhibition was open to truckers in the Truckers' Community and logistics industry practitioners across the nation.

Truckers Rights Protection and Development Conference

Themed "Unity for Progress (凝聚力量同心致遠)", relevant functional departments, industry associations, mass organizations, ecological partners and trucker representatives were invited to gather together in the conference, aiming to focus on and discuss issues related to the protection of truckers' rights and interests and to build consensus on development.

Truckers Culture Gala

The "I Love Truckers' Day ended with a grand banquet, which included performances (singing, crosstalk, etc.), interactive raffles, dinners, etc. Members of the Truckers' Community, cooperative partners and media were invited to celebrate together.

Protecting Truckers' Rights and Interests

At this "I Love Truckers' Day, we signed the Collective Contract for the Protection of the Rights and Interests of Truckers of the Industry-wide of Logory (and truckers registered on other digital freight platforms) (《路歌平台(全網)貨車司機權益保障集體合同》), with driver representatives, covering all 3.8 million drivers on the Logory digital freight platform. As an internet platform, we pioneered signing of a legal document with individual operating unit to protection their rights and interests, under which, five major concerns of the huge number of truckers, including shipping fee, transportation assurance, transportation safety, and negotiation and coordination mechanism, are covered. This is the first new attempt by China's freight industry to cover truckers nationwide. The transaction rules between the digital freight platform and the truckers' collective negotiation platform will help promote progress in the entire industry in protecting the rights and interests of truckers and provide impetus for the industry's high-quality development.

Shipping fee

In the establishment of truckers' rights and interests, Logory always regards ensuring freight income as its core task. The Company emphasizes that the freight income of truckers should be determined based on the completion of transportation orders, and the freight charges standards are related to factors such as the nature of the goods, transportation distance, and route difficulty. Digital freight platforms should require shippers to pay freight charges on time and in full, and settle freight charges through the digital freight platform. We advocate the establishment of stable cooperative relationships between truckers and the use of information technology to improve efficiency, and oppose unfair competition and acts that infringe upon the rights and interests of truckers.

CASE STUDIES | Online, transparent payment of freight charges

Our digital freight platform uses digital means to enable online and transparent freight payment. The platform uses positioning technology to record the in-transit trajectory during transportation and monitor the cargo transportation status in real time. These trajectory data not only provide shippers with visualization of the transportation process, but also provide important evidence for truckers' freight income. After completing the transportation task, truckers can upload electronic receipts through the platform and initiate freight charge applications. The platform automatically records the entire process of freight application, review, and settlement, and synchronizes the progress to truckers in real time. Through the online process, truckers can clearly understand every aspect of freight payment, reducing disputes caused by information asymmetry and improving freight settlement efficiency.

Transportation assurance

Transportation security is a critical component of protecting truckers' rights and interests. Logory platform provides comprehensive support to truckers through an "Online + Offline" O2O mutual assistance system, a legal aid service platform, and a "Freight Charge Security" service. This support includes roadside assistance, resolution of transportation disputes, compensation for cargo damage, and vocational skills training.

Roadside Mutual Assistance Service

We have established an "Online + Offline" O2O mutual assistance system to provide road assistance services to truckers. Through the online platform, drivers can quickly request assistance in the event of a breakdown or accident. The platform coordinates nearby rescue resources in real-time, ensuring that rescue vehicles reach the scene in the shortest possible time.

Building on the mutual assistance segment of the Truckers' Community, we launched the "Mutual Assistance Rescue Security Project" in June 2021. This project offers free accident protection services during rescue operations to truckers participating in offline mutual assistance rescues. The coverage includes accidental disability, medical treatment for accidents, and hospitalization due to accidents. As of the end of the Reporting Period, this project had protected 23,000 truckers who participated in offline rescues.

In September 2024, the "Truckers' Community Mutual Assistance Rescue for National Truckers" was selected as an outstanding online project in the "2024 Internet Public Welfare Action Projects," jointly initiated by the Network Social Work Bureau of the Central Cyberspace Administration of China and the China Internet Development Foundation.

Truckers' Legal Aid Public Welfare Project

To address the challenges which truckers are facing in accessing legal aid and further strengthen their rights protection, we established the "Truckers' Guard", a legal aid public welfare project. This initiative builds a three-tier protection system, "Preventive intervention — Dispute settlement — Experience Transformation": "pre-case" (popularization of legal knowledge and risk alerts), "in-process" (case collection, legal consultation, union intervention, document drafting assistance, and litigation support), and "post-event" (case analysis and cultivation of rights protection awareness). The "Truckers' Guard" project relies on the "Truckers' Community APP" and "Haoyunbao APP," where a "Legal Aid Service Station" consultation platform has been launched. This platform provides a series of rights protection solutions for truckers whose legitimate interests have been harmed, facilitating dispute resolution. Cases are categorized based on urgency and nature, with different handling mechanisms and solutions determined accordingly. Typical cases are promptly reported to relevant local unions for collaborative resolution of issues faced by truckers. The "Truckers' Guard" project also regularly publishes legal education posts and aid case study videos to enhance truckers' legal awareness, helping them avoid risks and financial losses.

During the Reporting Period, this project provided legal consultation, document drafting, and litigation assistance to over 500 truckers, achieving a case resolution rate exceeding **90%**. The "Truckers' Guard" project was selected as a contracted project of the 2024 **"Warm Journey • Trucker and Ride-Hailing Drivers Career Development and Protection Action"** jointly initiated by the China Seamen's Construction Union, China Federation of Logistics and Purchasing, China Road Transportation Association, China Communications and Transportation Association and China Workers Development Foundation.

Transportation Safety

In terms of transportation safety, Logory fully leverages on its platform advantages to urge shippers to set reasonable work hours and delivery deadlines, preventing trucker fatigue. Additionally, through the "Truckers' Community APP" and "Haoyunbao APP," we provide road safety education and training to enhance truckers' safe driving awareness. We also introduced the "Mutual Aid Insurance" public welfare protection plan, offering personal accident insurance services.

Safe Driving Education

To address safety risks faced by truckers during transportation, the Truckers' Community has developed a knowledge library centered on safety education, based on in-transit risk scenarios. Through incentives such as physical prizes and insurance products, we encourage truckers to participate in safety knowledge quizzes and complete safety education tasks. We continuously deliver safety knowledge to truckers, enhancing their ability to identify risky scenarios and respond effectively, ensuring workplace safety and reducing accidents from the source. For seven consecutive years, we have conducted summer and winter safety reminder campaigns. In 2024, over 120,000 truckers participated in these activities.

"Mutual Aid Insurance" Truckers' Public Welfare Insurance

For a long time, truckers have faced high occupational risks with insufficient insurance coverage due to the high risk exposure nature of their work. To help truckers better withstand unexpected risks, Truckers' Community initiated the "Truckers' Mutual Aid Insurance" project. This fully charitable initiative, not aimed at profit and free of commissions or fees, provides support and care to the families of truckers who suffer accidental deaths. As of the end of the Reporting Period, Mutual Aid Insurance had assisted 38 trucker families in overcoming difficulties.

Negotiation and Coordination Mechanism

To effectively safeguard truckers' rights to information and participation, we have established a comprehensive collective negotiation mechanism. The scope of collective negotiation is broad, covering key areas such as rules on truckers' rights within the digital freight platform, order transportation timelines, insurance matters, and the solicitation of reasonable suggestions.

"Industry-wide Workers' Congress + Sub-Branch Symposium" Negotiation and Coordination Cycle Mechanism

To genuinely protect truckers' legitimate rights, we have innovatively established a collective negotiation cycle mechanism named "Industry-wide Workers' Congress + Sub-Branch Symposium". This multi-level, multi-format communication channel ensures truckers can fully participate in the formulation and optimization of digital freight platform rules, safeguarding the rights of internet workers and fostering positive interactions between the platform and truckers.

On May 2, 2024, the first meeting of the first session of the Staff Congress (Expanded) Meeting of Logory digital freight platform (Industry-wide) directed by the All-China Federation of Trade Unions was successfully held in Hefei, Anhui Province, with 70 trucker representatives from all over the country attending the meeting. The meeting considered and passed the Implementation Measures for the Staff Congress (Expanded) Meeting of the Industry-wide of Logory digital freight platform (《路歌平台(全網)職工代表大會(擴大)會議實施辦法》) and the Collective Contract for the Protection of the Rights and Interests of Truckers of the Industry-wide of Logory (and truckers registered on other digital freight platforms) (《路歌平台(全網)貨車司機權益保障集體合同》). Additionally, during the Reporting Period, we held "One Network-wide Symposium" and 22 offline trucker symposiums in cities such as Anqing and Bozhou, thoroughly discussing issues of concern to truckers and documenting the outcomes.

Protection of Rights and Interests

In terms of rights and interests protection, Logory consistently upholds principles of fairness and inclusivity, committed to providing every trucker with an equal and transparent work environment. We protect the rights of female truckers, promote union membership, improve communication and complaint channels, and fully consider truckers' opinions in rule-making, laying a solid foundation for the healthy development of the freight industry.

"Home of Female Truckers and Truckers' Wives"

We established the "Home of Female Truckers and Truckers' Wives" in Hefei, Anhui Province, where our Company is based. This initiative provides comprehensive services to female practitioners and the wives of the male practitioners, including medical health support, rights protection, marriage and family counseling, and personal development, benefiting over 8,500 individuals. Tailored to their needs, we offer breast and cervical cancer screenings, parent-child activities, technical training, and handicraft workshops to support their health and family growth.

Spreading Love and Kindness

In June 2022, Truckers' Community launched the "Charitable Mileage Donation (公益里程捐)" public welfare platform for the logistics industry, focusing on truckers. Logistics companies donate funds to the "Charitable Mileage Donation" platform, and truckers' check-ins and mileage records on the Truckers' Community APP are converted into "Love Mileage", which will be donated to the designated public welfare projects.

During the Reporting Period

Over 530,000 participants have engaged in the "Charitable Mileage Donation", accumulating **over 3,633 million** kilometers donated. The platform launched public welfare projects including **"Cargo Road • Women of Merit (貨運路·巾幗行)"**, **"Family Tracing Project (公益尋親計劃)", and "Safe Journey (安行)"**.

"Cargo Road • Women of Merit" project

The "Cargo Road • Women of Merit" project aims to empower women in the freight industry in five key areas: health and comfort, safety and protection, parent-child and family relationships, vocational skills, and personal development. During the Reporting Period, Truckers' Community, in collaboration with public welfare and industry partners, provided **450** women-specific health checkups and **1,273** care packages for on-the-road companionship. To encourage skill enhancement of female practitioners, the "Cargo Road • Women of Merit" project added subsidies for women upgrading their driver's licenses. In 2024, it also hosted a series of offline caring events such as such as special events on **Women's Day, parent-child camps, and heartwarming lessons**, to enhance their sense of well-being and fulfillment, and to help them and their families achieve better development.

"Safe Journey" Public Welfare Plan ● Caring for Truckers Project

The "Safe Journey" Public Welfare Plan • Caring for Truckers Project is a long-term initiative that established three major care funds. These funds provide financial assistance to economically disadvantaged truckers and their spouses, children, or parents who suffer long-term loss of labor capacity or death due to traffic accidents, helping them overcome life difficulties and prevent poverty. By the end of 2024, with support from public welfare organizations and industry partners, Truckers' Community provided care funds to 44 families, disbursing a total of RMB440,000.

Innovating Trucker Union

Truckers are a key labor force in the new landscape of the platform and sharing economies, making them a new focus for union work. In 2021, under the guidance of the All-China Federation of Trade Unions pilot program to establish unions for certain self-employed professions, we facilitated the creation of China's first truckers' union.

During the Reporting Period

The Company actively responded to the All-China Federation of Trade Unions' call to deepen union membership and services for new employment forms like truckers. We implemented the "Three-Year Action Plan to Advance Union Work for New Employment Forms (2023–2025) 《深入推進新就業形態勞動者工會工作三年行動計劃(2023–2025年)》," under the guidance of the All-China Federation of Trade Unions and various local unions. With union membership as the foundation, rights protection services as the core, and safety as the bottom line, we conducted activities covering **truckers' health protection, safety education, rights advocacy, and care for truckers**, striving to create a safer, healthier, and fairer work environment.

Promoting Trucker Union Membership Across Provinces

We are committed to promoting drivers' membership through diversified and convenient service methods and taking advantage of digital technology. In August 2023, we officially launched the "Trucker Work Benefit Service Platform" (卡友工惠服務平台), which opened a new online "one-click membership" channel for truckers, simplifying the membership process, optimizing the approval efficiency, and realizing smooth operation of the entire online. As of the end of 2024, the Company had guided 181,000 truckers in Anhui to join unions via the platform and facilitated 500,000 truckers across Guangdong, Hubei, Heilongjiang, and Henan to join unions.

Health Checkups and rehabilitation Activities

Under the All-China Federation of Trade Unions' guidance, the Company collaborated with local unions nationwide to conduct health checkups and rehabilitation activities for truckers across provinces and regions. These activities help truckers relax, relieve fatigue, and safeguard their health, enhancing their sense of gain, happiness, and security. As of the end of 2024, health checkups and rehabilitation activities had been held in nearly 14 provinces and regions, with over 2,600 truckers registering to participate.

Trucker Health Checkup Event in Henan Region

Trucker Safe Driving Knowledge Competition

In July 2024, the Anhui Provincial Federation of Trade Unions hosted, and Logory organized the "Health Cup (安康杯)" Trucker Safe Driving Knowledge Competition under the "Safety Escort, Worry-Free Journey (安全護航驛路無憂)" in Anhui Province on our platform. To enhance truckers' proactive safety awareness and risk response capabilities, the event created a knowledge library based on risk scenarios and safety education. Over 166,000 truckers participated.

Establishment of Legal Service Station

To address truckers' legal aid challenges and strengthen their rights protection, the Company officially established the Hefei Federation of Trade Unions (Logory) Legal Service Station in November 2024. Jointly set up by the Hefei Federation of Trade Unions and Logory, this is Anhui's first legal service station for "new dual" groups. Staffed by professional lawyers and Logory's legal aid team, it provides consultation, mediation, and case representation for freight disputes and accident disputes, dedicated to safeguarding truckers' legitimate rights.

Sending coolness in summer

In August 2024, under the guidance of various Anhui unions, Logory conducted the "Sending coolness in summer Truckers" campaign. Combining online and offline efforts, we distributed 2,650 cooling gift packs to truckers, alleviating fatigue from driving in high temperatures and ensuring safe and comfortable work conditions.

Online Distribution during the event   Offline Mailing Distribution

In March 2024, at the National Conference on Advancing Rights Protection Services for New Employment Forms, the Company was recognized by the **All-China Federation of Trade Unions for its progress and effectiveness in union establishment and rights protection services,** earning the title of **"Outstanding Achievement Unit".**

Upholding Party Building and Leadership

In recent years, adhering to Party principles, the Company established the "Red Freight Power" Party-building brand under the guidance of the Anhui Provincial Party Committee Organization Department, Social Work Department and other relevant departments. Leveraging "cloud thinking" and platform advantages, we actively explore innovative Party-building approaches for truckers. Using digital and internet technologies, we empower the "Red Wheels," uniting truckers closely around Party organizations, enhancing ideological guidance, and boosting cohesion.

Relying on the Truckers' Community APP, we developed and launched the "Red Freight Power Party Building Cloud Platform," featuring sections like "Cloud Registration," "Cloud Classroom," "Cloud Events," "Cloud Mutual Aid," "Cloud Feedback," and "Cloud Highlights." By issuing a "Red Call" on the platform, we encourage Party member truckers to declare their identities and participate in organizational activities.

As of the end of the Reporting Period

We had identified nearly over **17,000** Party member truckers, established **26** mobile Party groups for truckers, and formed **52** volunteer service teams of Party member truckers. The cloud platform regularly hosts **"Red Live Rooms"**. Inviting experts in Party history, law, and insurance to address truckers' concerns and strengthen education and management.

Studying and Discussing the "Two Sessions" Spirit

In March 2024, via the Party Building Cloud Platform, the Company disseminated key content from the National "Two Sessions", including the "Government Work Report", organizing Party member truckers and the public to study the "Two Sessions" spirit. We also posted "Two Sessions Voices: Hot Study and Discussion | Listening to Proposals from Delegates on Truckers,"

encouraging truckers to focus on their rights and development. The event attracted **3,056** truckers, with **147** sharing their insights and suggestions on rights protection.

"United with the Party to Celebrate "July 1" | Sharing the Original Intention of Joining the Party"

In July 2024, to celebrate the 103rd anniversary of the Communist Party of China, the Company held an online event via the Party Building Cloud Platform titled "United with the Party to Celebrate "July 1" | Sharing the Original Intention of Joining the Party". Party member truckers were invited to share their motivations and experiences of joining the Party, enhancing their sense of mission and responsibility. The event drew **4,423** truckers, with **145** actively participating and sharing their stories.

People-oriented, Achieving Employee Value

TALENT DEVELOPMENT

A continuously growing talent pool is a cornerstone of Logory's sustainable development. Logory encourages employees to "break through themselves and embrace challenging work." We continuously improve talent development mechanisms, enrich employee benefits, create a fair work environment, and provide valuable career development opportunities, supporting employees in pursuing higher, stronger, and better career goals.

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Talent Selection

Logory strictly adheres to relevant labor laws and regulations, namely the "Labor Law of the People's Republic of China," "Labor Contract Law of the People's Republic of China," and "Regulations on the Implementation of the Labor Contract Law of the People's Republic of China," as well as internal human resources policies like the "Logory Recruitment Management System" and "Employee Handbook," providing institutional guarantees for employees' basic rights. Management of recruitment and dismissal, compensation and promotion, working hours, holidays, equal opportunity, diversity and anti-discrimination, benefits, and employee welfare is supported by multiple internal rules.

During employee recruitment, we strictly comply with the "Provisions on the Prohibition of Child Labor," banning the employment of child labor (individuals under 16 years old) and firmly opposing any disguised use of child labor, committed to protecting minors' rights and health. During the Reporting Period, no incidents of child labor employment occurred in the Company.

During recruitment process, we uphold fairness and objectivity, eliminating discrimination based on gender, ethnicity, nationality, religious beliefs, family background, or disability, dedicated to providing equal employment opportunities and career paths for all employees. We fully consider employees' gender, cultural background, and work experience to promote a diverse and harmonious workforce, continuously enhancing workplace inclusivity and the Company's sustainable development capacity. This not only fosters a fair, respectful, and supportive working environment but also lays a solid foundation for the Company's long-term growth.

Diverse Team

We have a diverse and professional talent team. By considering employees' gender, age, expertise, and talent structure rationality, we dynamically optimize our talent composition, achieving mutual empowerment between talent optimization and business development, building a self-renewing talent ecosystem.

As of the end of the Reporting Period

The Group had a total of **868** employees, including **466** male employees and **402** female employees. The Company's personnel structure is detailed in the charts below:

By gender
- Male 466
- Female 402

By academic level
- Bachelor's degree or higher 558
- Associate degree 278
- Below associate degree 32

By working region
- Hefei 740
- Anqing 22
- Beijing 17
- Other cities 89

By age
- 30 and below 397
- 31–50 461
- Over 50 10

By type of employment
- Full time 868
- Part time 0

Caring for Employees' Health

We prioritize employees' safety and health, maintaining a safe and comfortable work environment to prevent workplace accidents and reduce occupational disease risks. The Company strictly complies with laws and regulations such as the "Work Safety Law of the People's Republic of China" and "Law of the People's Republic of China on Prevention and Control of Occupational Diseases" and has issued the "Regulations Governing the Contingency Plan for Critical Emergency" For major emergencies like information system failures, natural disasters, infectious diseases, personnel injuries, or safety accidents, we develop response plans to minimize incidents and their damages.

Work Hard, Play Hard

Within our office campus, we provide indoor fitness areas, sports facilities, and a multifunctional audiovisual room as venues for employee clubs, meeting employees' leisure and exercise needs. We encourage and support the formation of diverse interest clubs and regularly organize group exercise classes and sports competitions, helping employees stay healthy and passionate at work.

Safe Working Environment

To strengthen emergency mechanisms for sudden incidents in the office campus, ensure employee safety, and maintain normal office order, we organized four major emergency response trainings and drills during the Reporting Period, including fire safety drills and safety training. Based on the response performance of the emergency personnel and equipment usability during the drills, we continuously refine emergency plans, preparations, and measures.

During the Reporting Period, number of production safety incident **0** Deaths due to work-related causes **0** Safety emergency drills **4** times

Protecting Employees' Rights and Interests

Logory legally safeguards and ensures every employee's equal rights. The "Employee Handbook" specifies processes and benefits for leave requests, remuneration, benefits and education training within labor management systems. The Company is committed to providing a safe and comfortable work environment, helping employees balance work, family, and life, enriching their leisure time, addressing their difficulties, and enhancing their sense of identity and belonging.

We have established a welfare system of "basic protection + employee care," providing statutory benefits like pension plans, medical insurance, work injury insurance, unemployment insurance, and housing provident funds, alongside three distinctive protections: living support, humanistic care gifts, and job security. Through tiered and categorized welfare designs, we meet employees' basic needs while reflecting differentiated care, achieving a positive interaction between employee well-being and corporate sustainability.

Living support includes commuting and meal subsidies to cover daily expenses; humanistic care gifts include wedding gifts, childbirth gifts, and condolence payments to convey corporate warmth; job security offers annual health checkups and supplementary medical coverage tailored to specific roles.
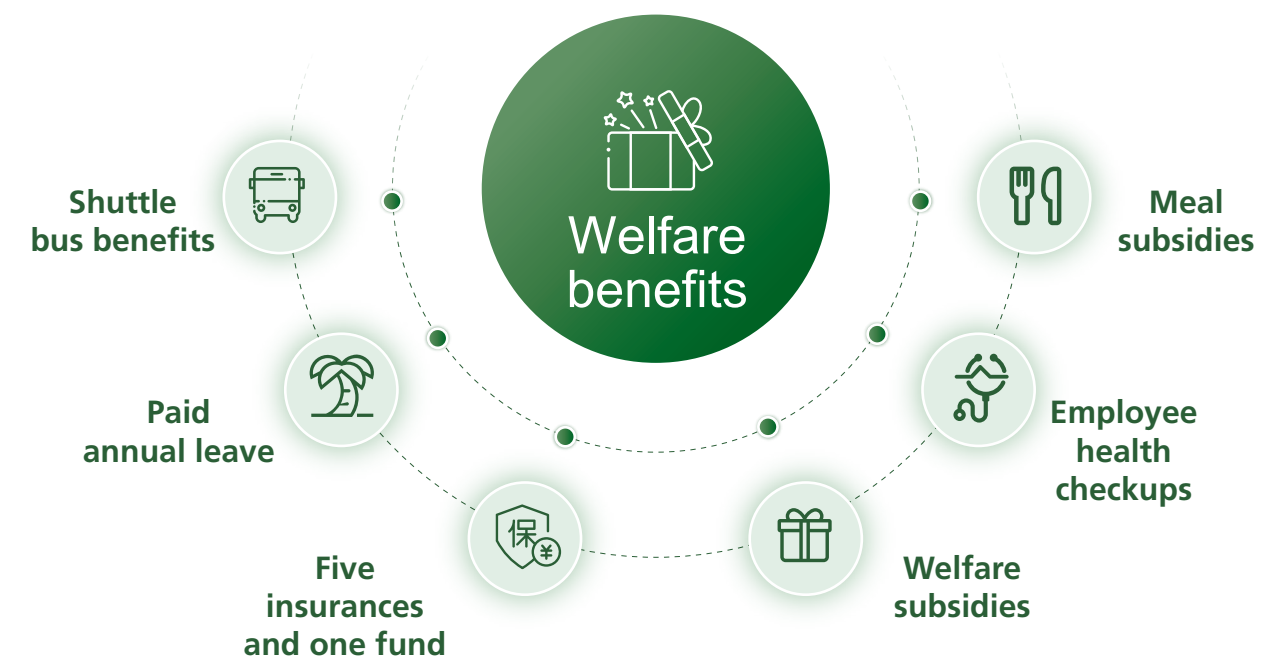
Supporting Employees' Development

Recruitment Strategy

"Selecting like-minded individuals and nurturing dedicated talents" is our long-standing employment philosophy. We build diverse talent recruitment channels to precisely match business needs, namely school campus recruitment, social recruitment, internal referrals and school-enterprise talent development partnerships, ensuring we attract outstanding talents and improve job-talent matching efficiency.

Grade and Salary Evaluation Strategy

Based on organizational strategy and market conditions, we establish three career development arrays with a differentiated salary system. At the same time, we implement a "performance-salary-development" linkage mechanism, breaking down strategic goals to working positions via the OKR target management system, assessing employees' performance monthly or quarterly based on capability and strategic contribution. We introduced a performance accelerator program, conducting salary adjustment and promotion mechanism for the top 15% A-rated employees annually, while establishing salary protection policies for high-potential talents. Through salary competitiveness monitoring and adjustment mechanisms, we achieve a dynamic balance between talent value and organizational growth.

Vocational Training

Our talent development system actively responds to employees' career aspirations, supported by the "Learning and Development Rules". We establish tiered and categorized training mechanisms, creating a three-dimensional training matrix for management empowerment, professional advancement, and skill enhancement, fostering employee growth and organizational value symbiosis.

During the Reporting Period, we conducted 27 employee training sessions covering professional skills, general competencies, and advanced management training. Meanwhile, we also provide an online learning platform, "Logory Knowledge Library" where employees can access digital client case studies, download marketing toolkits, and review digital topics and strategic interpretations.

Career Development

Our employee career development system focuses on three directions, leadership development, professional competency enhancement, and accelerated youth talent cultivation, offering differentiated growth paths. Based on employee competency assessments and job requirements, we establish a dynamic matching mechanism, creating personalized development plans for each employee to align talent growth with organizational strategy, building sustainable career pathways. This system ensures talent reserves for key roles while enhancing employees' career value, forming a virtuous cycle of mutual growth between the Company and employees.

Leadership Development	• **Senior Leadership:** Focuses on strategy, innovation, and team direction. • **Middle Leadership:** Department heads manage board of directors, management teams, and self-development. • **Grassroots Leadership:** Frontline team leaders focus on role awareness, goal management, and performance achievement.
Professional Competency Development	• **Front and Mid-Back Office Staff:** Focuses on marketing, R&D, project management, product operations, and data. • **Forms:** Internal courses, internal workshops and external learning.
Youth Talent Acceleration Program:	• **Youth Talent Development:** Efficient identification and cultivation of young talents are key to the Group's talent strategy. • **Forms:** Internal courses, training camps.
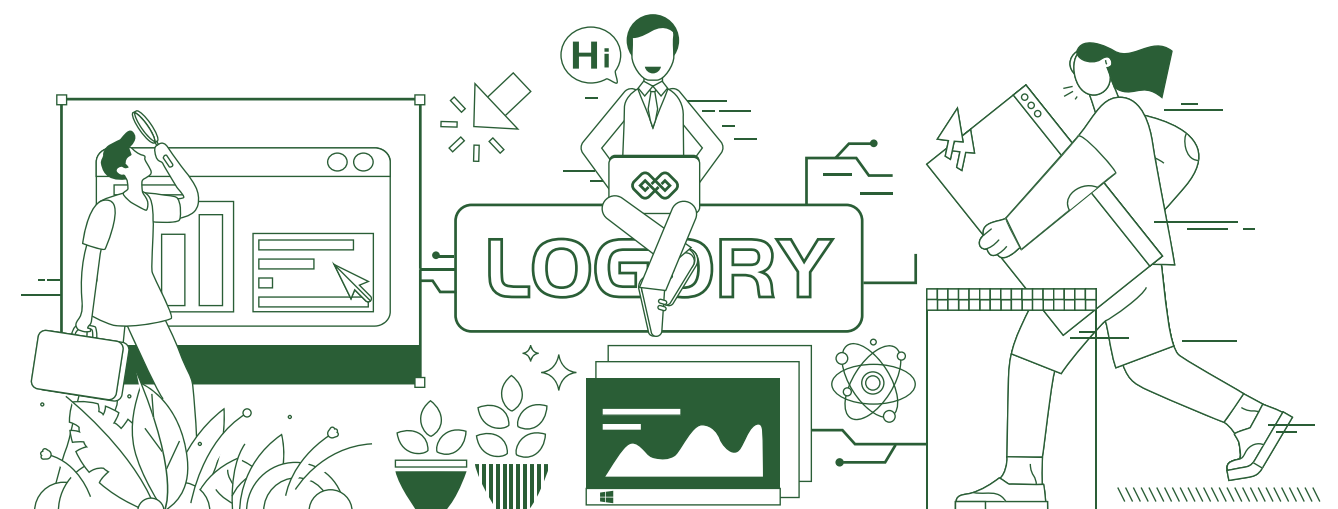
APPENDIX I: KEY QUANTITATIVE PERFORMANCE INDICATORS

Environmental Performance Indicators

Indicator	Unit	2024
GHG emissions (Scope 1)	tCO_2e	61.37
GHG emissions (Scope 2)	tCO_2e	966.19
Total GHG emissions	tCO_2e	1,027.56
GHG emissions density	tCO_2e/100 million revenue	13.6
Total power consumption	kWh	1,583,652
Power consumption density	MWh/100 million revenue	21.0
Total water consumption	tonne	9,916
Water consumption density	tonne/100 million revenue	131.5
Diesel consumption of own vehicle	liter	0
Gasoline consumption of own vehicles	liter	24,516
Hazardous waste[5]	tonne	0.03
Non-hazardous Waste — Office Paper	tonne	2.50
Total volume of packaging materials[6]	tonne	N/A

[5] It is mainly waste batteries generated during the office process. We have reached an agreement with a qualified processor to ensure that green disposal is carried out in strict accordance with the regulations

[6] The Group does not produce physical goods, and its main business is to provide digital freight services, which do not involve the use of packaging materials. Therefore, it does not address the key performance indicators in Appendix C2 of the Hong Kong Stock Exchange Listing Rules "Environmental,Social and Governance Reporting Guidelines" A2.5 Disclosure.

Employment Performance Indicators

Indicator	Unit	2024
Total number of employees	**person**	**868**
By gender		
Male	person	466
Female	person	402
By academic qualification		
Bachelor's degree or higher	person	558
Associate degree	person	278
Below associate degree	person	32
By Employment Type		
Full time	person	868
Part time	person	0
By age group		
30 and below	person	397
31 to 50 (inclusive)	person	461
50 and above	person	10
By geographical region		
Hefei	person	740
Beijing	person	17
Anqing	person	22
Other cities[7]	person	89
Employee turnover rate[8]	**%**	
By gender		
Male	%	23.17%
Female	%	15.67%
By age group		
30 and below	%	28.18%
31 to 50 (inclusive)	%	15.40%
50 and above	%	–
By geographical region		
Hefei	%	20.00%
Beijing	%	5.88%
Anqing	%	–
Other cities	%	24.71%

[7] Since the Group has only established small-scale subsidiaries/offices in other cities and its staff is relatively scattered, the data is not broken down in detail.

[8] The turnover rate of each category of employees = the number of employees who lost the category in the year/the number of employees in the category at the end of the year.

Occupational Health and Safety Performance Indicators

Indicator	Unit	2022	2023	2024
Lost workdays due to work-related injuries	day	0	23	125
Number of employees who died at work	person	0	0	0
Proportion of employees who died at work	%	0	0	0

Employee Training Performance Indicators

Indicator	Unit	2024
Total number of employees trained	**Person**	**805**
Employee Training Coverage	**%**	**92.74**
By gender[9]		
Male	%	47.82
Female	%	52.18
By employee type		
Management	%	21.37
Non-management	%	78.63
Average training time per employee[10]	**hour**	**11.5**
By gender		
Male	hour	10.85
Female	hour	12.15
By employee category		
Management	hour	9.47
Non-management	hour	13.53

Supplier performance indicators

Indicator	Unit	2024
Number of suppliers[11]	**Person**	**1,473,944**
By geographical region		
North-east China	Person	38,405
North China	Person	344,964
East China	Person	375,589
South China	Person	48,238
Central China	Person	278,646
North-west China	Person	161,399
South-west China	Person	126,703

Customer and product responsibility performance indicators

Indicator	Unit	2024
Proportion of product recalls due to health and safety reasons[12]	%	N/A
Number of complaints received about products and services[13]	case	0

Anti-corruption performance indicators

Indicator	Unit	2024
Corruption lawsuits brought against the company and its employees that have been concluded	case	0

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[9] According to "How to Prepare Environmental, Social and Governance Report Appendix III: Guidelines for Reporting Social Key Performance Indicators"(March 2020) issued by the Hong Kong Stock Exchange, the calculation method for the training coverage of each category of employees is: the training coverage of each category of employees Rate = number of employees of this category receiving training/total number of employees receiving training (the same below).

[10] The annual average training hours of employees of each category = the total hours of training received by employees of this category/the number of employees of this category.

[11] The Company's suppliers mainly refer to platform delivery truckers.

[12] The Company does not produce physical goods, and the "product take-back procedure" does not apply to the Company's digital freight business. Therefore, disclosure is not available.

[13] Complaints refer to the complaints received by the Company from users and truckers through any channels (including complaint mailboxes, complaint telephones, APPs, etc.). The Company did not receive any complaints during the Reporting Period.

APPENDIX II: HKEX ESG GUIDE CONTENT INDEX

General Disclosures & KPIs	Description	Sections
Major Aspects A. Environment Aspects		
Major Aspects A. Environment Aspects		
General Disclosure A1	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.	V. Low-carbon operation, embracing green earth — Building low-carbon office campus
KPI A1.1	The types of emissions and respective emissions data.	VIII. Appendices — Appendix I: Key Quantitative Performance Indicators
KPI A1.2	Direct (scope 1) and indirect energy (scope 2) of greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	VIII. Appendices — Appendix I: Key Quantitative Performance Indicators
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	VIII. Appendices — Appendix I: Key Quantitative Performance Indicators
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	VIII. Appendices — Appendix I: Key Quantitative Performance Indicators
KPI A1.5	Describe emissions targets set and the steps taken to achieve these goals.	V. Low-carbon operation, embracing green earth — Building low-carbon office campus
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, the waste reduction goals set and the steps taken to achieve these goals.	V. Low-carbon operation, embracing green earth — Building low-carbon office campus

General Disclosures & KPIs	Description	Sections
Aspect A2: Use of Resources		
General Disclosure A2	Policies on the efficient use of resources (including energy, water and other raw materials)	V. Low-carbon operation, embracing green earth — Building low-carbon office campus
KPI 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).	VIII. Appendices — Appendix I: Key Quantitative Performance Indicators
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	VIII. Appendices — Appendix I: Key Quantitative Performance Indicators
KPI A2.3	Description of energy use efficiency initiatives and steps taken to achieve these targets.	V. Low-carbon operation, embracing green earth — Building low-carbon office campus
KPI A2.4	Description of issues (if any) in sourcing water that is fit for purpose, water use efficiency initiatives and steps taken to achieve these targets	V. Low-carbon operation, embracing green earth — Building low-carbon office campus
KPI A2.5	Total packaging material used for finished products (in tonnes) and with reference to per unit produced (if applicable).	N/A[14]
Aspect A3: The Environment and Natural Resources		
General Disclosure A3	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	V. Low-carbon operation, embracing green earth — Building low-carbon office campus
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	V. Low-carbon operation, embracing green earth — Building low-carbon office campus
Aspect A4: Climate Change		
General Disclosure A4	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	V. Low-carbon operation, embracing green earth — Response to climate change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	V. Low-carbon operation, embracing green earth — Response to climate change

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[14] The Group does not produce physical goods, and its main business is to provide digital freight services, which do not involve the use of packaging materials. Therefore, it does not address the key performance indicators in Appendix C2 of the Hong Kong Stock Exchange Listing Rules "Environmental, Social and Governance Reporting Guide" A2.5 making disclosures.

General Disclosures & KPIs	Description	Sections
Major Aspects B. Society		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure B1	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.	VII. People-oriented, achieving employee value — Talent selection
KPI B1.1	Total workforce by gender, employment type (e.g., full time or part time), age group and geographical region.	VII. People-oriented, achieving employee value — Talent selection; VIII. Appendices — Appendix I: Key Quantitative Performance Indicators
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	VIII. Appendices — Appendix I: Key Quantitative Performance Indicators
Aspect B2: Health and Safety		
General Disclosure B2	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.	VII. People-oriented, achieving employee value — Caring for Employees' Health
KPI B2.1	The number and rate of work-related fatalities occurred in each of the past three years (including the reporting year).	VIII. Appendices — Appendix I: Key Quantitative Performance Indicators
KPI B2.2	Lost days due to work injury.	VIII. Appendices — Appendix I: Key Quantitative Performance Indicators
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	VII. People-oriented, achieving employee value — Caring for Employees' Health

General Disclosures & KPIs	Description	Sections
Aspect B3: Development and Training		
General Disclosure B3	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	VII. People-oriented, achieving employee value — Supporting Employees' Development
KPI B3.1	Percentage of employees trained by gender and employee category (e.g., senior management, middle management).	VIII. Appendices — Appendix I: Key Quantitative Performance Indicators
KPI B3.2	The average training hours completed per employee by gender and employee category.	VIII. Appendices — Appendix I: Key Quantitative Performance Indicators
Aspect B4: Labour Standards		
General Disclosure B4	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.	VII. People-oriented, achieving employee value — Talent selection
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	VII. People-oriented, achieving employee value — Talent selection
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	VII. People-oriented, achieving employee value — Talent selection
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure B5	Policies on managing environmental and social risks of the supply chain.	IV. Winning through cooperation, virtuous logistic ecosystem — High quality supply chain
KPI B5.1	Number of suppliers by geographical region.	VIII. Appendices — Appendix I: Key Quantitative Performance Indicators
KPI 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.	IV. Winning through cooperation, virtuous logistic ecosystem — High quality supply chain

General Disclosures & KPIs	Description	Sections
KPI B5.3	Description of practices for identifying environmental and social risks in each segment of the supply chain, and related implementation and monitoring methods.	IV. Winning through cooperation, virtuous logistic ecosystem — High quality supply chain
KPI B5.4	Description of practices to promote the use of environmentally friendly products and services in the selection of suppliers, and related implementation and monitoring methods.	IV. Winning through cooperation, virtuous logistic ecosystem — High quality supply chain
Aspect B6: Product Responsibility		
General Disclosure B6	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.	III. Acquire wealth through honest means, and act with integrity — Strictly safeguard information security
KPI B6.1	Percentage of the total number of products sold or shipped that have to be recalled for safety and health reasons.	N/A[15]
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	IV. Winning through cooperation, virtuous logistic ecosystem — Optimizing customer operation
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	III. Acquire wealth through honest means, and act with integrity — Strictly safeguard information security
KPI B6.4	Description of quality assurance process and recall procedures	N/A[16]
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	III. Acquire wealth through honest means, and act with integrity — Strictly safeguard information security

General Disclosures & KPIs	Description	Sections
Aspect B7: Anti-corruption		
General Disclosure B7	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.	III. Acquire Wealth through Honest Means, and Act with Integrity — Consolidating the defense line of integrity
KPI 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.	VIII. Appendices — Appendix I: Key Quantitative Performance Indicators
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	III. Acquire wealth through honest means, and act with integrity — Consolidating the defense line of integrity
KPI B7.3	Description of the anti-corruption training provided to directors and employees.	III. Acquire wealth through honest means, and act with integrity — Consolidating the defense line of integrity
Community		
Aspect B8: Community Investment		
General Disclosure B8	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.	III. Acquire Wealth through Honest Means, and Act with Integrity — Performing Social Responsibilities VI. Courageous to shoulder responsibilities, caring for truckers
KPI B8.1	Focus areas of contribution (e.g., education, environment matters, labour needs, health, culture, sports).	III. Acquire Wealth through Honest Means, and Act with Integrity — Performing Social Responsibilities VI. Courageous to shoulder responsibilities, caring for truckers VII. People-oriented, Achieving Employee Value Introduction
KPI B8.2	Resources contributed (e.g., money or time) to the focus area.	VI. Courageous to shoulder responsibilities, caring for truckers

[15] The Company does not produce physical goods, and "the product is recalled for health and safety reasons" does not apply to the Company's digital freight business. Therefore, disclosure is not available.

[16] The Company does not produce physical goods, and the "product take-back procedure" does not apply to the Company's digital freight business. Therefore, disclosure is not available.

LOGORY

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合肥维天运通信息科技股份有限公司