

2024

Environmental, Social and Governance Report



contents

04	Opening Address
06	About This Report
07	About CIFI
08	Sustainability Strategy
10	Feature Topic of the Year
14	Honors of the Year

Management

Enhancing Responsibility Management

Governance Structure	20
Board Statement	21
Stakeholders Communication	22
Materiality Management	24

Laying Down Solid Bedrocks for Development

90	Appendix I 2024 ESG Key Performance Indicators
95	Appendix II List of Policies and Regulations
98	Appendix III Content Index for the Environmental, Social and Governance Reporting Code

Integrity Management	28
Risk Control and Management	30
Responsible Supply Chain	33

Practice

Improving Quality with Concrete Steps

Building Excellence in Quality	38
Workplace Safety Management	45
Quality Service Experience	49

Leading the Low-Carbon Future

Response to Climate Change	58
Practicing Green Construction	62
Optimizing Low-Carbon Operation	68

Growing Together with Our Employees

Protecting Employee Rights and Benefits	74
Supporting Employee Development	77
Enriching Employee's Life	82

Driving Social Development

Advancing Industry Development	86
Deepening Philanthropic Commitment	86
Building Urban Ecosystem	87



Opening Address

2024 was a pivotal year when extraordinariness and challenges coexisted. While the external environment is changing, what remains constant at CIFI is our love and responsibility for homeowners, our firm belief in the industry's future development, our commitment as a private enterprise and the perseverance and dedication of CIFI people. Looking back on the journey, CIFI people have written the foundation of a twenty-four-year journey with the tenacity to traverse the Gobi Desert and the commitment to ensure delivery. We must both adhere to our development direction and forge new paths while overcoming challenges. CIFI's approach to sustainable development lies in the dialectical unity of deepening our core strengths and breaking through limitations, forming the load-bearing beam for our enduring foundation.

Responsibility and Commitment Define Corporate Character

CIFI has established a solid delivery lifeline through "full-cycle quality control". Using the Banyou system and "2-7-3" work methodology, the Group has created a comprehensive management loop that spans pre-delivery, delivery and post-delivery phases. 2024 witnessed high-quality delivery of 62,000 housing units across 95 projects in 49 cities nationwide. Those who travel alone may travel fast, but those who travel together go far. We have inspected and evaluated 111 projects, achieving 100% coverage of all projects under construction. We've conducted 338 on-site maintenance visits, serving over 13,800 homeowners. Additionally, we've promoted improved ESG management among our suppliers, with all 103 strategic suppliers now certified in both ISO 14001 Environmental Management Systems and ISO 9001 Quality Management Systems. It is precisely this synergy between our partners and employee teams that has forged our resilience to navigate through economic cycles.

Green DNA Builds the Foundation for Development

While actively reducing its operational energy consumption, CIFI also optimizes management across multiple domains, i.e., green buildings, green procurement, green construction, green operations and green office practices, collaborating with all stakeholders to share the responsibility for green development. We are actively implementing distributed photovoltaic systems in projects across Shaoxing, Huai'an and Feixi. In 2024, nearly 70% of CIFI's delivered projects incorporate renewable energy sources. Additionally, as the rotating chair of the 7th CURA Joint Purchasing initiative, we led the organization of the 14th procurement batch. To promote sustainable development among upstream and downstream enterprises in our industry, we have continued to enhance the "Green Product Procurement Catalog", adding seven new green procurement categories, including entrance doors. We firmly believe in facing the long journey without fear, knowing that mountains and seas can be crossed. Behind these numbers stands the persistent pursuit of "green building" by CIFI people.

Working Together to Build Collective Trust

CIFI has established a responsibility-centered ecosystem that encompasses customers, employees, partners and society. Through our annual employee satisfaction survey, we continuously optimize our management ecosystem, achieving an overall satisfaction score of 4.86. We share warmth with society by mobilizing employees to take an active part in community cultural activities and charitable causes, with volunteer service totaling 1,197 hours. We have also enhanced our ESG disclosure practice, with our 2023 Environmental, Social and Governance Report winning not only the "Vision Awards" Gold Award from League of American Communications Professionals LLC (LACP), but also securing placement in the Top 100 Reports Worldwide, among other recognitions. Together with our partners, we collaboratively advance responsible practices and deepen our trust-based relationships.

With an unwavering mission, we journey together to conquer mountains and seas; as small lights combine to form a torch, we face frost and battle snow. Let us refine our products through our craftsmanship quality system, respond to expectations with full-cycle services, strengthen our resilience amid industry transformation and create more sustainable economic, environmental and social value for all stakeholders through continuously evolving innovation.

About This Report

Introduction

This is the eighth Environmental, Social and Governance (ESG) report (the "Report") published by CIFI Holdings (Group) Co. Ltd. (the "Company", together with its subsidiaries collectively referred to as the "Group") since 2017. Adhering to the principles of materiality, quantitative, consistency and balance, this Report provides detailed information on the Group's key practices and performance indicators in environmental, social and governance ("ESG") areas for the year ended 31 December 2024.

Scope of the Report

This Report primarily explores the ESG concepts, practices, and performance related to the Group's real estate development projects, commercial operations, and administrative management activities for the period from 1 January 2024 to 31 December 2024 (the "Reporting Period"), with some content appropriately traced back to previous years.

Ever Sunshine Services Group Limited (Stock Code: 01995, "Ever Sunshine Services"), a subsidiary of the Company listed on the Stock Exchange of Hong Kong Limited ("HKEX"), is primarily engaged in the business of property management services. Its performance in terms of environmental, social and governance for the Reporting Period is detailed in its 2024 Environmental, Social and Governance Report separately issued.

Reference

For ease of expression and reading, the Company together with its subsidiaries are also referred to as "CIFI", "we", "the Company" or "the Group" in the Report.

Source of Data

Information in the Report comes from the Group's formal documents and reports, internal statistics and relevant public data. Unless otherwise specified, all monetary figures in the Report are presented in Chinese Yuan (CNY).

Basis of Preparation

The Report is prepared in accordance with the "Environmental, Social and Governance Reporting Code" (the "ESG Reporting Code") as set out in Appendix C2 to the Rules Governing the Listing of Securities on the HKEX, the Sustainability Reporting Standards of the Global Reporting Initiative and the Real Estate Industry Standards issued by the Sustainability Accounting Standards Board (SASB) Foundation.

Reporting Commitments

The Company undertakes that there are no false representations, misleading statements or material omissions in the Report. The board of directors of the Company (the "Board") is responsible for the truthfulness, accuracy and completeness of the contents of the Report.

Availability of the Report

The Report is available in both Chinese and English versions for readers' reference. In case of any discrepancy, the Chinese version shall prevail. The electronic version of the Report is available on both the HKEX website and the Company's official website (www.cifi.com.cn).

About CIFI

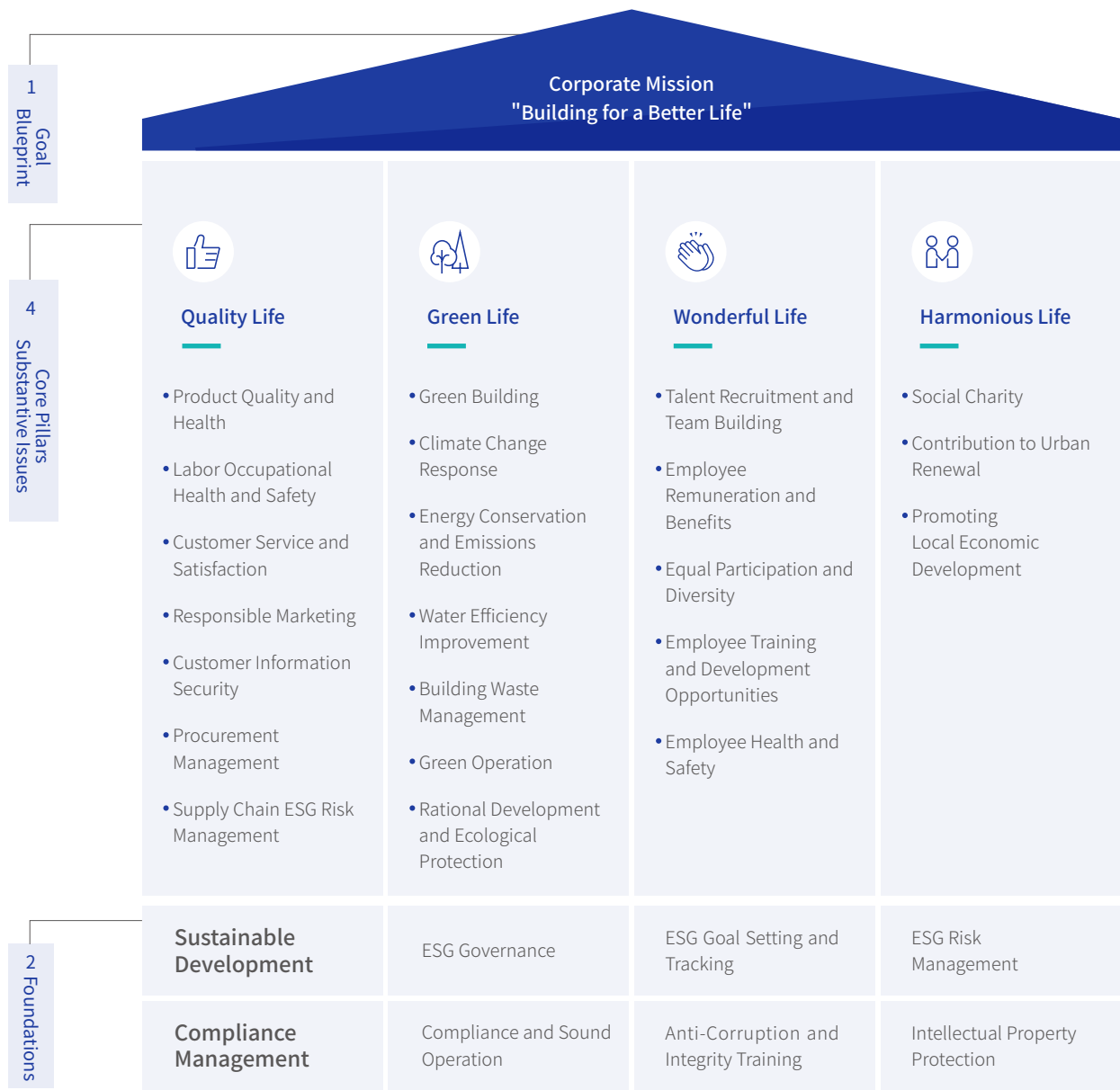
Established in 2000 and headquartered in Shanghai, CIFI is principally engaged in property development, property investment and property management service business in the People's Republic of China (the "PRC" or "China").

We principally focus on developing high-quality and end-user driven properties in mature segments in first- and second-tier cities as well as core cities in China. Our development projects cover various property types, including residential, offices and commercial complexes.

CIFI consistently upholds the principles of customer-centricity, employee foundation and social mission, while steadfastly adhering to the value of "long-termism". We continuously enhance our standards in environmental protection, social welfare and corporate governance, striving to become a model corporate citizen.

Sustainability Strategy

In order to realize our corporate mission of "Building for a Better Life", we interpret the better life as "Quality Life", "Green Life", "Wonderful Life" and "Harmonious Life" under the guidance of the United Nations 2030 Sustainable Development Goals (SDGs). Based on compliance management and sustainable development, we practice long-termism and promote the Company's sustainable growth.



Quality Life

We uphold the concept of "Quality Comes First" and the core value of "Customer-centered", refining product and service quality with craftsmanship and care. We empower smart living through design and technological innovation, while enhancing product quality and customer experience through service system upgrades. This provides our customers with comprehensive, full-lifecycle "Wholehearted Service" that enables them to "Pleasure Life · Ardently Love".

Green Life

We actively respond to the national "Dual Carbon" goals by integrating sustainable concepts throughout the entire lifecycle of the property to minimize environmental impact. We're committed to advancing green, healthy building development and creating eco-friendly living environments. By promoting low-carbon lifestyles and collaborating with partners to support sustainable development, we're building a greener future.

Wonderful Life

We adhere to the talent management philosophy of "Strategy Drives Common Success", establishing a human resources system that supports employee diversity through continuously improved training programs and clear, flexible career paths. Through open communication, attentive listening and genuine care, we cultivate CIFI's culture of "Simplicity, Fairness, Sunshine, Respect, Trust and Openness", creating an inclusive, diverse and equal and harmonious work environment for all employees.

Harmonious Life

We embrace the social responsibility of "remembering our roots and giving back to society" while practicing "Dedication and Devotion with Concrete Actions". We dedicate ourselves to philanthropic endeavors in educational support, disaster relief, rural revitalization and environmental protection. Additionally, we leverage our strengths to participate in urban development and operations, facilitating urban regeneration and promoting community prosperity.

Sustainable Development

Guided by the United Nations 2030 SDGs, we view sustainability as a long-term commitment, integrating environmental and social responsibility into our core strategy, business operations and management practices. As we achieve business success, we simultaneously contribute to society's sustainable development.

Compliance Management

We view integrity building as a top priority, maintaining a zero-tolerance attitude toward corruption and fraud. We have established a clean governance system characterized by "not allowed to corrupt, not desiring to corrupt and not daring to corrupt", solidifying the cultural foundation of "Incorruptible CIFI". We continuously accumulate and share work experiences to promote the development of industry-wide integrity risk supervision systems.

Feature Topic of the Year

Strengthening Product Quality, Enhancing Service Capabilities and Delivering Excellence

CIFI Group remains committed to its founding mission of "Building for a Better Life". With "quality delivery" as our core focus, we continuously strengthen our product quality and enhance service capabilities, dedicated to providing customers with exceptional delivery experience.



The Banyou System Comprehensively Enhances Product Management Capabilities

In 2024, all of the Group's projects under construction continued to be integrated into CIFI's engineering information management platform—the Banyou system. This system provides six major functions, i.e., safety education and training, dynamic monitoring, process management, equipment management, progress management and ecological environment management. It also incorporates real-time data from the "Six Features". The Banyou system monitors project prefabrication rates, material preparation, on-site installation and quality inspection in real time. It connects to high-precision cameras for live monitoring, compiles monthly statistics on water and electricity consumption and conducts real-time spot checks of waste discharge through the backend. This enables headquarters and regional offices to manage projects comprehensively and promptly.

- Interspersed Construction Efficiency Maximized

By implementing the "three priorities"¹ interspersed operation approach, we provide robust support for efficient production. This allows customers to preview the complete community landscape earlier while effectively reducing dust and noise pollution disturbances for surrounding residents.
- Design Construction Industrialized

We vigorously promote prefabricated building systems, leveraging their high reusability of materials and dry construction methods to reduce waste, dust pollution, energy consumption and water usage throughout the construction process.
- Construction Methods Smartized

We transform construction sites into factory-like workshops. Currently, the "All-Weather Canopy System" has been implemented in projects such as Xi'an Guochen Mansion (西安国宸府) and Beijing Gongchen CIFI Lane (北京拱辰旭辉里). The "Underground Engineering Canopy System" covers foundation pit construction with a protective curtain that controls dust and provides shelter from wind and rain. This enclosed structure replaces traditional manual soil covering, significantly reducing dust pollution and minimizing impact on surrounding residential areas.
- Energy Consumption Cleanized

We integrate the principles of reducing energy consumption and using clean energy throughout the construction process. We strive to ensure all production and office facilities use energy-efficient products and adopt energy-saving measures to reduce consumption. Additionally, we are fully implementing electrified mechanical equipment, gradually reducing—and ultimately eliminating—the use of high-energy-consuming, highly polluting machinery and tools.
- Facility Recycling Frequentized

We recycle and reuse construction materials and equipment multiple times. For example, aluminum formwork replaces traditional wooden forms in wall construction, significantly reducing wood consumption. This approach also allows walls to be cast in a single pour with full concrete, resulting in superior quality.
- Waste Discharge Minimized

In terms of waste management, we promote the implementation of the "Operation Guidelines for Standardized Management of Safety and Civilization".

The "Six Features" improve project efficiency and reduce impact on surrounding areas

In 2024

We delivered

62,000

housing units across 95 projects in 49 cities nationwide.

From 2022-2024

We delivered over

270,000

housing units in total.

In 2019

Since pioneering the industry's first "CIFI Visible Building", we have established

106

Visible Buildings nationwide, all of which have been successfully completed and delivered.



Case | The Banyou System Improves Project Quality and Efficiency Through Precise Management

In 2024, a high-rise residential project suffered significant workspace damage and material waste due to frequent cross-trade operations, potentially affecting the overall construction timeline. In this context, the Banyou system tracked the completion progress of various processes on each floor in real time, which helped management personnel clearly schedule each unit's entry timing, personnel control, material ordering and interspersed operations. The system also automatically generated daily construction instructions and sent them to workers' mobile devices, reducing communication time. Ultimately, through the Banyou system's precise calculations and real-time inventory management, this project achieved a 25% increase in construction efficiency, reduced material waste by 18%, saved approximately RMB 150,000 in costs and completed fine decoration 45 days ahead of schedule.

Ensuring Quality Delivery Throughout the Entire Life Cycle

We rigorously control product quality and service throughout the entire delivery cycle. Using our "2-7-3" methodology, we focus on baseline quality standards, service processes and post-delivery issue resolution to ensure high-quality project completion.

- 2

Pre-Delivery - Hold "2 Meetings" Essential for Delivery

Delivery Kickoff Meeting: No later than 3 months before delivery

Delivery Preparation Meeting: No later than 1 week before delivery
- 7

Delivery Stage - Monitor 7 quality indicators

Unit inspection, handover inspection, tripartite maintenance contracts for spare parts, elevator major maintenance, property management staff deployment and construction waste pit configuration
- 3

Post-Delivery - 3 Key Follow-up Clearance Measures

Centralized resolution of housing unit inspection issues, clearing of remaining problems and community inspection tours

"2-7-3" Methodology

¹ The Three Priorities: This refers to the rational arrangement of construction sequences, supported by technical methods. Unlike traditional construction, we simultaneously build underground parking garages, municipal pipelines, landscaping and buildings, enabling early visualization. This approach allows more time for individual construction phases and ensures quality, while shortening the overall project timeline and improving construction efficiency.

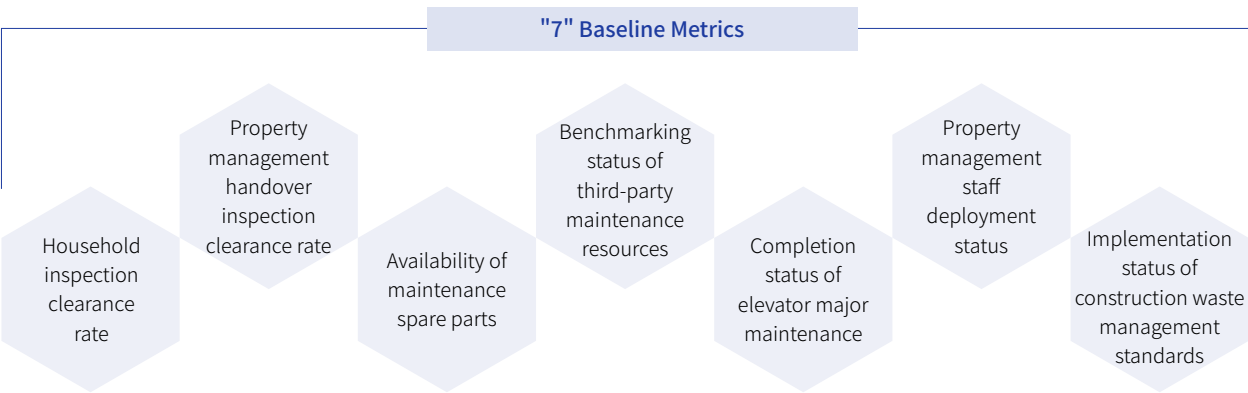
Pre-Delivery Analyze customer risks, ensure on-time delivery

Before project delivery, we conduct thorough reviews through "Delivery Kickoff Meetings" and "Delivery Preparation Meetings" to mitigate engineering quality and customer risks. The project general manager presents updates on progress, resources, delivery planning, delivery proposals, key challenges and potential customer issues. We implement the "Ten-Step Risk Prevention and Control Method" to set indicators that help us manage both engineering quality risks and functional issues that might affect customers.

The "Ten-Step Risk Prevention and Control Method" Tool

Based on feedback from previous post-delivery evaluations, customer complaints, defects and customer surveys, we have established a comprehensive project lifecycle risk control mechanism, the "Ten-Step Risk Prevention and Control Method for Project Customers". This framework addresses over 300 customer sensitivity points and serves as our internal risk inspection standard throughout all project phases, from design to sales, construction and delivery. Using this tool, we have established metrics for the timely completion of risk control checkpoints and the prompt resolution of identified risks. We also assess the effectiveness of our early risk identification processes by retrospectively analyzing negative customer incidents. In 2024, we achieved a 92% timely completion rate for risk control nodes across sales, engineering quality and customer functional usage risks, with a 79% prompt risk closure rate.

Delivery Stage Strictly controlling baseline metrics to ensure customer experience



"7" Baseline Metrics for Customer Experience

During the project delivery phase, we closely track seven baseline metrics that are critical to customer experience. We ensure high clearance rates for both individual unit inspections and property management handover inspections, while also guaranteeing the timely availability of maintenance spare parts and appropriate benchmarking of third-party maintenance resources. Simultaneously, we strictly oversee elevator maintenance programs and the deployment of the property management staff, ensuring that all community facilities and service personnel fully meet customer requirements. Furthermore, we place special emphasis on construction waste management to provide residents with a clean and safe community environment.

Unit-by-Unit Property Inspection to Address Customer Concerns

We have developed the "Operational Guidelines for Household Inspection of Projects", which engage property management companies to conduct comprehensive inspections and rectification of housing units prior to delivery. These inspections follow national standards and group protocols while adopting the customer's perspective. This approach ensures that quality defects and sensitive issues of high customer concern are resolved before delivery, reducing defect rates during delivery and enhancing customer satisfaction. The operational guidelines encompass 9 categories, 32 major items and 130 inspection points for roughcast properties, alongside 8 categories, 46 major items and 200 inspection points for decorated properties. In 2024, property management companies and third-party firms conducted unit-by-unit inspections across more than 90 delivered projects, encompassing nearly 44,000 housing units. Over 930,000 delivery issues were identified, achieving a resolution rate exceeding 90%.

Case Tackling Gas Installation Acceptance Risks on the Front Lines

In 2024, an electromechanical engineering manager of the Tianjin CIFI Park Mansion (天津铂悦公望) immediately went to the front lines to carry out his work after joining the project. During the early coordination with the gas company for pre-installation modeling, he keenly identified acceptance risks in the gas installation phase. He promptly sorted out these issues and developed solutions, while simultaneously coordinating plan adjustments with both the gas installation company and cabinet manufacturers. Ultimately, after multiple adjustments, the gas installation plan successfully met the gas supply acceptance criteria. This effectively ensured the cabinet production schedule and prevented project delivery delays, proactively addressing potential issues before they could arise.



Stringent Construction Waste Management: Creating Clean, Beautiful Community Environments

CIFI adheres to the "Design and Construction Standards for Waste Disposal in New Projects", implementing strict management of construction waste both before and after delivery. We conduct weekly tracking of construction waste collection points and facility development for the current month's delivery batches. Through on-site inspections of existing properties, we verify the setup and management of these collection points to ensure standards are properly implemented.



Temporary storage area for renovation waste at Suzhou Inner Peace (苏州和岸花园)



Construction waste disposal area and waste classification bulletin board at Wuxi Central Palace (无锡铂宸府)

Post-Delivery Addressing remaining issues to ensure customer living satisfaction

Following project delivery, we prioritize resolving property inspection issues, ensuring at least 95% of identified concerns are addressed within two months, tailored to each project's specific circumstances. We also develop comprehensive remediation plans for any outstanding delivery issues to guarantee effective resolution. Additionally, we conduct regular community inspections to continuously enhance the resident experience. In 2024, the three-month rolling resolution rate for property inspection issues reached 95.23%.

Honors of the Year



League of American Communications Professionals LLC (LACP)

ESG Report Competition
"2023 Vision Award"
- Gold Award



ESG Report Competition
"2023 Vision Award"
- Top 100 Reports Worldwide



MSCI

BBB for MSCI ESG Rating



Hang Seng Index

Accepted into the "Hang Seng Corporate Sustainability Index"



Hang Seng Corporate Sustainability Index Series Member 2024-2025

A for ESG Rating



Overall ESG Rating

ESG Report Competition
"2023 Vision Award"
- Top 100 Reports (Asia Pacific Region)



ESG Report Competition
"2023 Vision Award"
- Best Agency Report (Bronze)



Zhitong Caijing

9th Zhitong Caijing Listed Company Award
Most Socially Responsible Listed Company



The 15th China Real Estate Forum

Quality Delivery Enterprise



ESG Report Competition
"2023 Vision Award"
- Top 50 Chinese Reports



ESG Report Competition
"2023 Vision Award"
- Technical Achievement Award



CRIC

S Smile Product Line
2024 National Top 10 Quality Residential Product Series

2024年度全国十大品质美宅产品系	
企业简称	产品系
旭辉集团	S微笑系
华发股份	城市系
万科地产	城系
金地集团	风华系
龙湖集团	冠萃系
绿城中国	海棠系
保利发展	和字系
国贸地产	上系
华润置地	时光系
卓越集团	宸系

Ranked 15th
2024 Top 100 Product Strength of China Real Estate Enterprises

2024年度中国房地产企业产品力TOP100			
名次	房企简称	名次	房企简称
1	绿城中国	51	中海置地
2	保利发展	52	嘉宝集团
3	华润置地	53	大华集团
4	招商蛇口	54	建发集团
5	中海地产	55	中建五环
6	万科地产	56	新世界中国
7	龙湖集团	57	中骏集团
8	融创中国	58	星河地产
9	滨江集团	59	首创城发
10	越秀地产	60	陆家嘴
11	华发股份	61	中建恒和
12	建发房产	62	伟星房产
13	金地集团	63	润开集团
14	中国金茂	64	顺展建设
15	旭辉集团	65	中信泰富
16	仁恒置地	66	龙湖集团

China Real Estate Association, Shanghai E-house China R&D Institute

Ranked 27th
2024 Top 30 Real Estate Development Enterprises with Comprehensive Strength



National Business Daily

2024 China Value Real Estate Overall Rankings
Value Delivering Enterprise of the Year



Gelonghui

6th "Jinge Award" Annual Outstanding Company Selection
ESG Pioneer of the Year Award



Ranked 10th
2024 Top 30 Real Estate Developers in Delivery Capacities in China

2024中国房地产企业交付力TOP30	
- 全国 -	
2024中国房地产企业交付力TOP30	
综合排名	企业名称
1	绿城中国
2	华润置地
3	万科置地
4	融创中国
5	保利发展
6	龙湖集团
7	金地集团
8	国贸地产
9	招商蛇口
10	旭辉集团

Tianjin CIFI Park Mansion
2024 Top Ten Projects with High Delivery Capabilities

2024十大交付力高端作品		
- 全国 -		
2024十大交付力高端作品		
项目名称	所在城市	开发企业简称
融创金茂天津	天津	融创发展
铂悦公望	天津	旭辉集团
绿城·壹号院	杭州	绿城发展
融创金茂天津	天津	融创发展
绿城·壹号院	天津	绿城发展
融创金茂天津	天津	融创发展
融创金茂天津	天津	融创发展
融创金茂天津	天津	融创发展
融创金茂天津	天津	融创发展
融创金茂天津	天津	融创发展



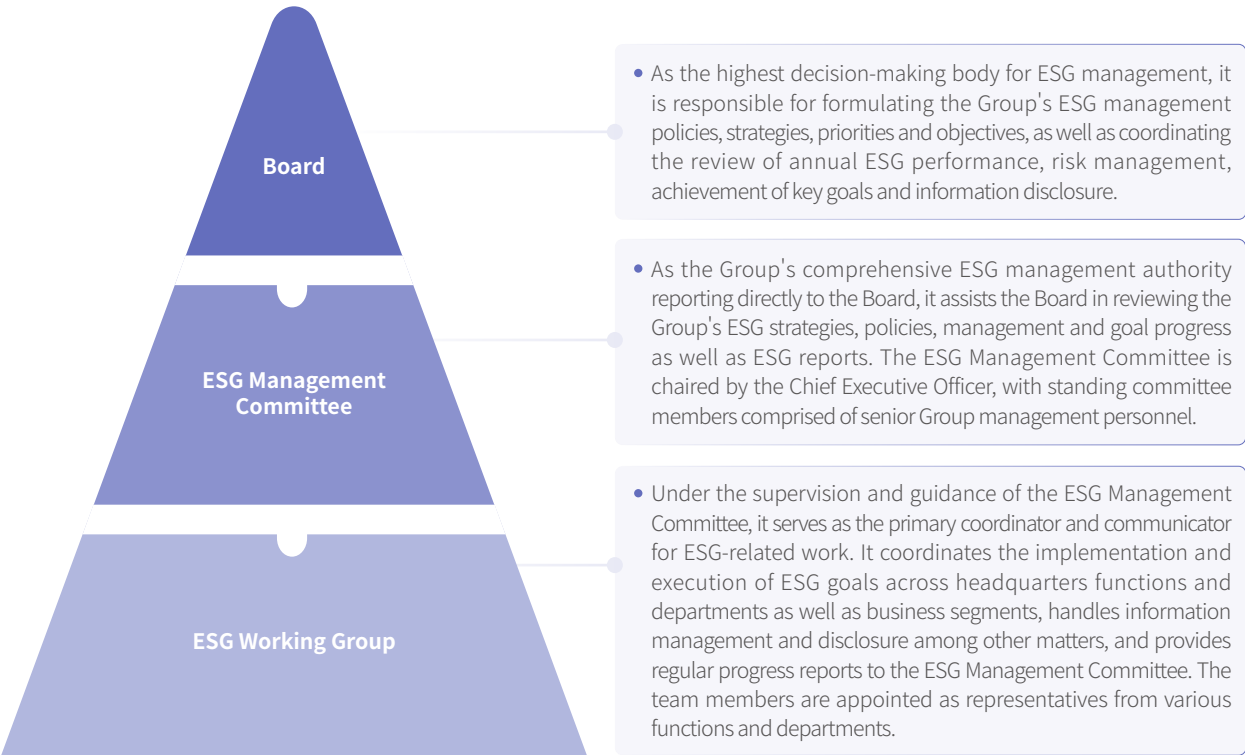
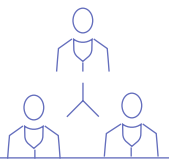
Management

Enhancing Responsibility Management



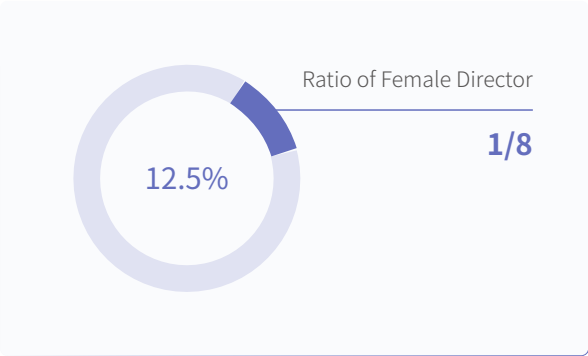
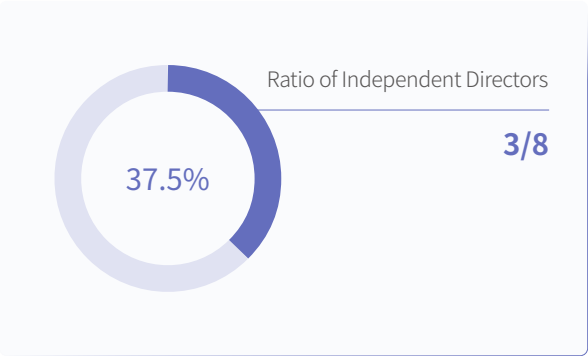
Governance Structure

The Group has integrated ESG governance into its corporate governance framework. After years of practice and continuous optimization, we have established a four-tier working mechanism comprising the "Decision-Making Level, Supervision and Advisory Level, Coordination and Communication Level and Execution Level" to comprehensively manage the Group's ESG performance. At the same time, the Group has further clarified its management objectives, responsibilities and assessment mechanisms while enhancing ESG affairs and risk management. Regular reports are made to keep directors and senior management of the Company informed about ESG risk management, objectives, plans and implementation progress, ensuring systematic and standardized ESG practices.



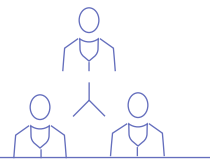
Sustainable Development Management Structure

As of 31 December 2024, the Board comprised eight directors. Five are executive directors and three are independent non-executive directors, including one female director.



Board Statement

CIFI strictly follows HKEX's ESG Reporting Code while monitoring sustainability trends both domestic and international. Drawing from the "IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information" and "IFRS S2 Climate-related Disclosures" published by the International Sustainability Standards Board (ISSB), the Group has enhanced the Board's role in ESG governance, particularly in overseeing climate-related risks and opportunities.

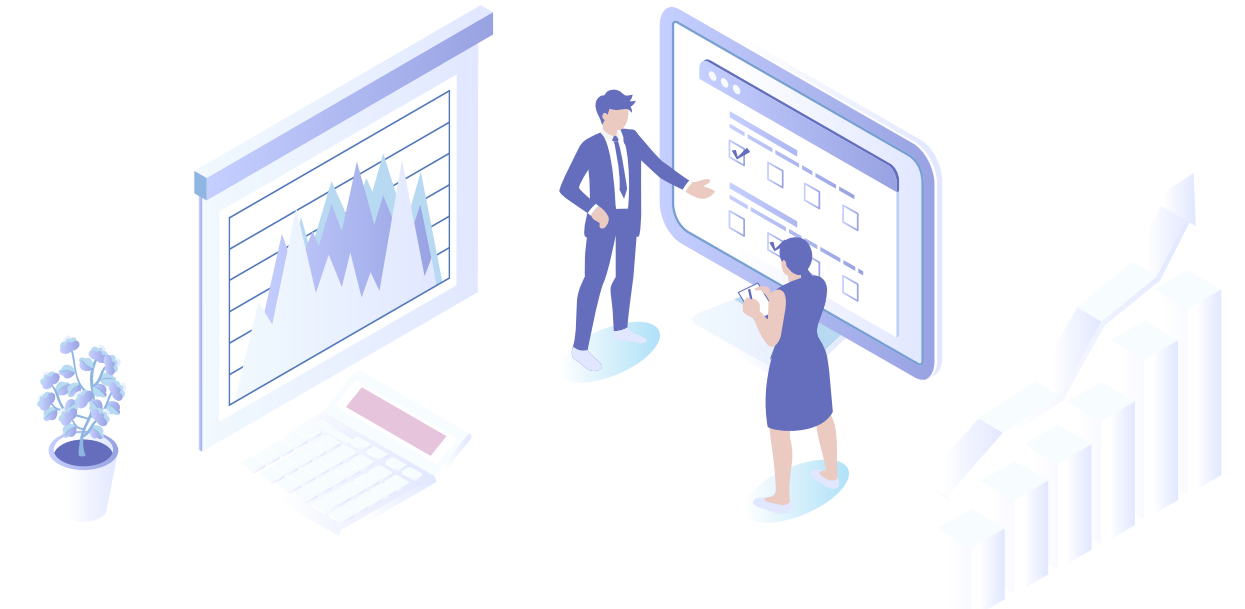


As the highest governing body, the Board bears ultimate responsibility for CIFI's ESG management policies, strategies, goal-setting and overall performance, among others. The Board is responsible for establishing and maintaining effective ESG management and internal control systems, reviewing the Company's ESG reports annually and assessing the annual achievement of the Company's key ESG goals. The ESG Management Committee, comprising the Chief Executive Officer, senior management and heads of relevant functions and departments, regularly reports significant ESG matters to the Board. Under this committee, an ESG Working Group is set up to implement the Group's ESG execution plans.

CIFI fully recognizes the significant potential impact of ESG risks and opportunities on the Group, so we regularly assess ESG issues comprehensively by evaluating ESG risks, reviewing macro policies and analyzing stakeholders engagement feedback. The Board reviews analysis results of material issues and categorizes the materiality management and improvement as the annual key task in terms of sustainability. Regarding the identification, assessment and management of climate change risk, the Board actively participates in reviewing and deliberating of relevant goal-setting while following the ISSB's "IFRS S2 Climate-related Disclosures" and HKEX's "Guidance on Climate Disclosures" to enable timely disclosure of climate-related risks and response measures.

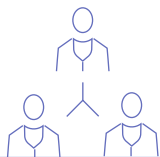
During the Reporting Period, CIFI has established environmental and social goals directly aligned with its business operations. The Board has reviewed these goals and will continue monitoring progress towards their achievement.

This Report has been reviewed and approved by the Board.



Stakeholders Communication

To better understand stakeholder expectations and feedback on CIFI's ESG performance, the Group has established regular communication channels with all stakeholders. These stakeholders include government and regulators, investors and shareholders, customers, employees, suppliers and partners, industry associations and communities, among others. This mechanism enables us to listen to diverse perspectives promptly, providing a strong basis for enhancing CIFI's ESG practices. It ensures that as we pursue economic benefits, we also better fulfill our social responsibilities and achieve sustainable development.



Stakeholder Category	Main Communication Channels	Response
<div>Government and Regulators</div> <div></div>	<ul style="list-style-type: none">Strategic CooperationInformation ReportWork ReportStatistic Statement	<ul style="list-style-type: none">Respond to national policies and fulfill government's management requirementsReinforce corporate compliance management and operationDevelop and continuously optimize corporate strategic positioning, industrial direction and operational practices
<div>Investors and Shareholders</div> <div></div>	<ul style="list-style-type: none">Regular Report PublicationGeneral MeetingsCorporate CommunicationsInvestor Interviews and Press Conference	<ul style="list-style-type: none">Identify and assess risks, then formulate relevant measures to strengthen corporate governance and risk managementPeriodically disclose business updates, ESG information and performanceActively respond to ESG performance ratings
<div>Customers</div> <div></div>	<ul style="list-style-type: none">"CEO Direct Line"Customer Satisfaction SurveysWeChat Official AccountCustomer Service CenterProperty Management CenterMarketing and Sales SitesCustomer Reporting System"Executive's Listening Campaign"EmailSMS	<ul style="list-style-type: none">Maintain technological innovation while enhancing product and service quality through stronger oversightEnsure project safety and quality to safeguard customer well-beingEstablish a comprehensive and effective customer service systemImprove customer communication mechanisms and provide open complaint channelsEnhance marketing and sales management and information security

Stakeholder Category	Main Communication Channels	Response
<div>Employees</div> <div></div>	<ul style="list-style-type: none">Staff TrainingStaff ForumChairman's LuncheonGeneral Manager's Communication MeetingMorning MeetingsPerformance Review MeetingCEO Talk ColumnRegular ESG Progress InterviewsCIFI Four SessionsCEO's Q&A Box	<ul style="list-style-type: none">Improve remuneration systems and welfare mechanismsOrganize staff training and improve career promotion mechanismsStrengthen the safety management system to ensure employee health and safetyOrganize employee care activities, maintain open communication channels and conduct employee satisfaction surveys
<div>Suppliers and Partners</div> <div></div>	<ul style="list-style-type: none">Supplier EvaluationSupplier ConferenceEmailSMS	<ul style="list-style-type: none">Refine supplier management mechanisms to manage environmental and social risks, among othersAdvance the development of green supply chainsEstablish supplier communication platformsImplement transparent procurement practices to build a responsible supply chain
<div>Industry Associations</div> <div></div>	<ul style="list-style-type: none">Industry Seminars and Exchanges	<ul style="list-style-type: none">Provide recommendations for industry standards while promoting sustainable development across the sectorPromote fair competition within the industry
<div>Communities</div> <div></div>	<ul style="list-style-type: none">Social Welfare ActivitiesUrban Landscape MaintenanceRural Revitalization	<ul style="list-style-type: none">Provide local employment opportunitiesSupport urban renewal with a focus on cultural preservationTake active parts in educational donations, disaster relief, rural revitalization and environmental protection

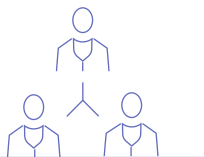
Stakeholder Communication Channels and Responses

As of 31 December 2024, CIFI has expanded its investor communication channels, hosting over 155 communication events in total. Notable among these was the "Go Into CIFI" corporate visits, which drew significant attention across multiple locations including Chengdu, Changsha, Wuhu and Fuyang, providing a comprehensive showcase of our corporate strengths. At the same time, CIFI actively engaged in both domestic and international broker strategy meetings, maintaining regular exchanges with stock and bond investors to foster strong partnerships.

In terms of industry engagement, CIFI actively participated in seminars and symposiums organized by government and industry associations, submitting more than 20 well-prepared reports that covered industry trends, corporate developments and policy recommendations. These reports accurately identified practical challenges in policy implementation, helping drive sales recovery, risk mitigation and confidence renewal. They also contributed valuable insights toward the industry's long-term development and innovative business models, strongly supporting steady progress across the sector.

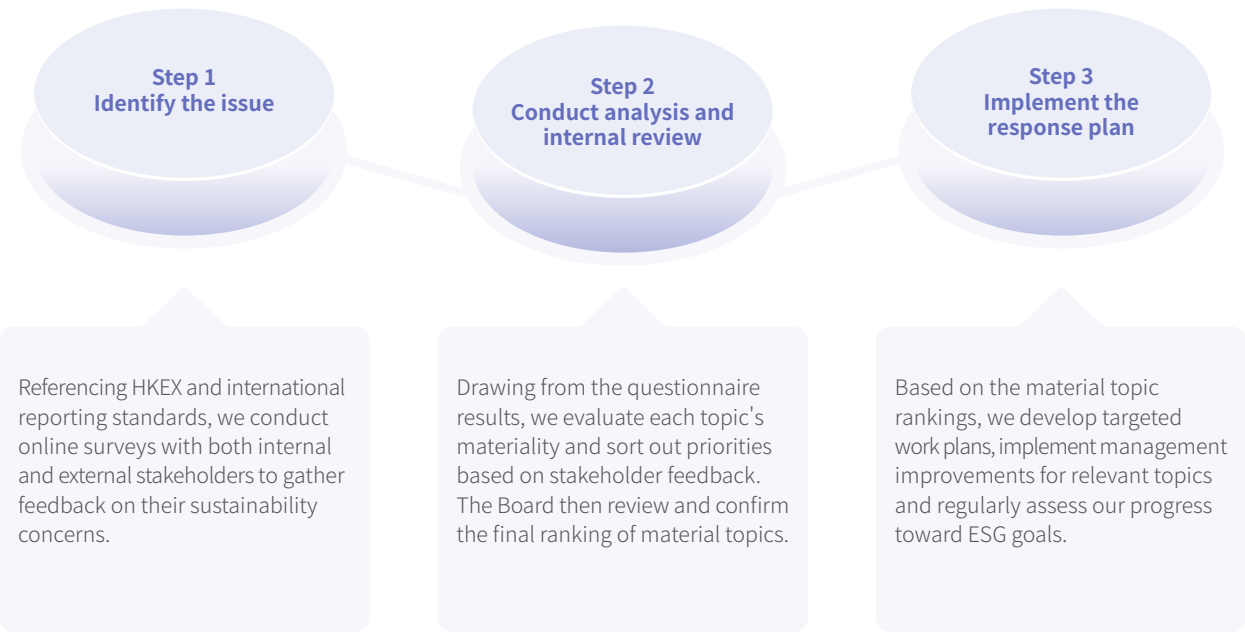
Materiality Management

After carefully considering regulatory disclosure requirements and stakeholder concerns and benchmarking against industry best practices, we have identified 26 material issues that align closely with CIFI's operational realities and industry trends. Based on our in-depth analysis of material topics, we will provide comprehensive and detailed coverage of these material issues in the Report to ensure CIFI continues to meet stakeholder expectations and industry trends throughout its steady growth journey.



Materiality Assessment and Analysis

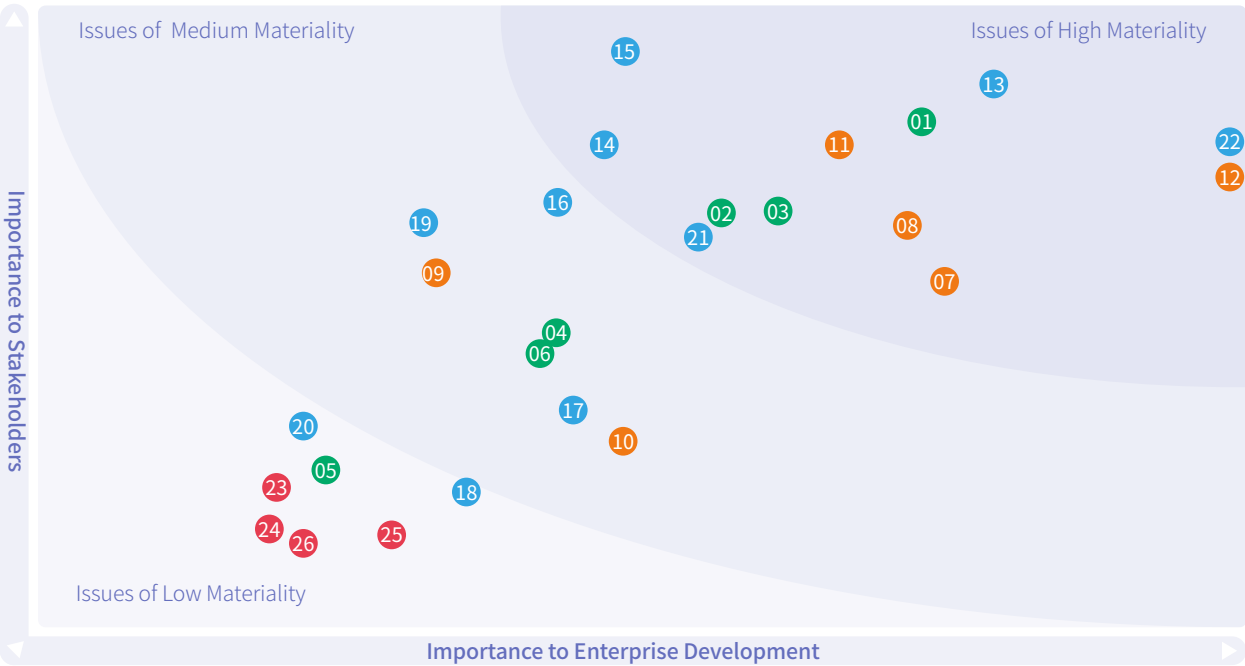
To meet stakeholder expectations and requirements, CIFI continuously improve its ESG management system. The Group employs a three-stage process to identify material issues effectively and drive forward their management vigorously. The process encompasses the entire lifecycle from initial issue screening, in-depth evaluation, to issue determination and implementation. Each step closely aligns with the Group's development path and stakeholder interests. This approach builds a strong foundation for the Group's sustainable development while maximizing stakeholder value.



Assessment Procedures for Material Issues

Materiality Matrix

CIFI Group has performed an in-depth assessment of ESG issues and developed a materiality matrix accordingly. This matrix covers issues across three materiality levels—high, medium and low—accurately reflecting their importance to both the Group's development and stakeholder concerns, which provides clear direction for the ensuing resource allocation and management strategy development.



2024 CIFI Materiality Matrix

● Environment ● Employment ● Operations ● Communities

No.	Scope	Material Issues
01	Environment	Green and Healthy Building Design and Promotion
02	Environment	Energy Conservation and Emissions Reduction
03	Environment	Waste Management
04	Environment	Water Efficiency Improvement
05	Environment	Climate Change Response
06	Environment	Rational Development and Ecological Protection
07	Employment	Talent Recruitment and Team Building
08	Employment	Employee Rights Protection
09	Employment	Employee Training and Development Opportunities
10	Employment	Equal Participation and Diversity
11	Employment	Occupational Health and Safety
12	Employment	Employee Remuneration and Benefits
13	Operations	Product Safety and Quality

No.	Scope	Material Issues
14	Operations	Customer Service and Satisfaction
15	Operations	Customer Information Security
16	Operations	Fair Customer Treatment and Reasonable Marketing
17	Operations	Green Procurement
18	Operations	Supply Chain Environment and Social Risk Management
19	Operations	Intellectual Property Rights Protection
20	Operations	Stakeholder Communication and Collaboration
21	Operations	Anti-Corruption and Integrity Training
22	Operations	Compliance and Sound Operation
23	Communities	Philanthropy and Community Service
24	Communities	Contribution to Urban Renewal
25	Communities	Local Economic Growth Promotion
26	Communities	Industry Collaboration and Development

2024 CIFI Materiality Material Issues List

Management

Laying Down Solid Bedrocks for Development

CORE ISSUES

- Compliance and sound operation
- Anti-corruption and integrity training
- Intellectual property rights protection
- Supply chain environment and social risk management
- Green procurement
- Stakeholder communication and cooperation

KEY ACTIONS IN 2024

- The Audit and Supervision Department this year focused on three areas: preventing both group and management fraud, optimizing cost efficiency and identifying and resolving issues to improve the Company's lean management practices.

IN RESPONSE TO SDGs



KEY PERFORMANCE IN 2024

No. of corruption related litigation	No. of participants to the "CIFI Military Regulations and Discipline Training" and self-assessment test	Participation rate
0	2,156	100%
Coverage in integrity training	No. of suppliers	Percentage of suppliers signing the "Letter of Undertaking of Integrity"
100%	1,872	100%



Integrity Management

Upholding integrity management as its core principle, CIFI continuously improves its integrity governance structure, monitors risks rigorously and maintains strict business ethics red lines to advance sustainability governance. The Group strictly complies with local laws and regulations, advocating an integrity culture of "doing the right thing, upholding the long-termism and being honest and transparent". Through its "343 Integrity Ecological Governance System" and "CIFI Six Military Regulations", the Group ensures stable operations, creates long-term value for stakeholders and leads the industry in sustainable development.



Anti-Corruption Governance

To foster an ethical and transparent internal environment, CIFI Group has developed and enhanced its institutional framework through key policies, including the "CIFI Group Manual of Business Conduct Code for Employees" and the "CIFI Group Administrative Measures of the 'Four Responsibilities' Integrity Ecological Governance". These policies provide clear guidelines for employee conduct and ethical standards. Building on this foundation, the Group has further expanded its integrity governance across the entire value chain. By implementing anti-corruption measures like the "Supervision and Whistleblowing Guidance Notes", the Group ensures these regulatory requirements extend to both suppliers and other business partners. The Group's supervision and reporting system is now publicly accessible through official channels, including the corporate website, welcoming oversight from all sectors of society.

The Group's Audit and Supervision Department manages business ethics and anti-corruption matters, reporting directly to the Board of Directors to ensure top-level decision-making and oversight. Headed by the Chief Executive Officer, the Audit and Supervision Department maintains complete independence and autonomy in performing its duties. This structure ensures the department can conduct its work objectively and fairly, free from undue influence by other departments or personnel. The department submits regular reports to the Board of Directors and Chief Executive Officer, ensuring prompt information flow and swift issue resolution.

When employees or relevant persons discover fraudulent activities and report them to their immediate supervisors or department heads, those leaders must promptly forward the reports to the Audit and Supervision Department for professional investigation and handling. In accordance with Group regulations, any employee found engaging in favoritism or fraud will face immediate dismissal with no leniency. If an employee's conduct violates criminal law, the Group will refer the case to judicial authorities for legal action. The Group maintains a firm "zero-tolerance" stance against violations of laws and regulations. In 2024, the Group achieved remarkable anti-corruption performance, with zero corruption-related litigations occurring throughout the year.

Whistleblowing System

The Group has formulated public policies, including the "Supervision and Whistleblowing Guidance Notes", that apply to both internal employees and external business partners. Under these public policies, the Group offers multiple reporting channels for stakeholders, including employees, customers and suppliers, through letters, hotlines, emails and the official website. Through these channels, whistleblowers can confidentially or anonymously report any misconduct or issues within the Group to either the Company's Audit Committee or a designated committee of independent non-executive directors.

Furthermore, in accordance with the "CIFI Group Management Policy of Supervision", we strictly prohibit the disclosure of whistleblowers' reports and their personal information, including names, addresses and phone numbers. Throughout the investigation process, protecting whistleblowers' safety remains our highest priority. To prevent retaliation in any form, CIFI publicly commits to ensuring fair treatment of whistleblowers who make truthful reports under this policy. This includes protecting them from unfair dismissal, harassment, or improper disciplinary actions. The Group will also take severe disciplinary measures against anyone who retaliates against whistleblowers or witnesses.

Whistleblowing Channels

Whistleblowing Section on CIFI's Official Website

<https://www.cifi.com.cn/contact/check.html>

Whistleblowing Channels

- Mail**

CIFI Center, Lane 1088, No. 39 Shenhong Road, Minhang District, Shanghai, PRC
Zip code: 201106
Attn: Chairman of the Board/Chairman of the Supervisory Committee
- Whistle-blowing Email**

jubao@cifi.com.cn
- SMS**

(86) 18516702393
- Tel**

(86) 8009880268
- Board Chairman Email**

ldsz@cifi.com.cn
- Online**

CIFI official website and WeChat Official Account "Incorruptible CIFI"

Integrity Training

To effectively prevent fraudulent behavior, the Group has conducted a comprehensive series of anti-corruption and business ethics training and awareness campaigns. These activities encompass onboarding orientation, routine trainings, integrity commitments and supplier integrity management. The Group combines both online and offline methods to ensure broad coverage and effective delivery of training materials. As of 31 December 2024, "CIFI Military Regulations and Discipline Training" and its self-assessment test reached 2,156 participants—a high participation rate of 100%. We also provided anti-corruption training to all employees (including part-time employees) and suppliers with each person receiving 30 minutes of training on average.

Regarding supplier management, we require all suppliers to sign the "Letter of Undertaking of Integrity", ensuring their strict adherence to integrity standards during their collaboration with the Group. At the same time, marketing personnel must sign the "Marketing Personnel's Letter of Undertaking of Responsibilities" when onboarding. Through this document, they pledge to reject all forms of kickbacks in marketing and procurement and commit to preventing corruption and misappropriation of funds in sales. This proactive measure helps eliminate potential integrity risks at their source.

2024

No. of participants of CIFI Military Regulations and Discipline Training and self assessment test

2,156

Participation rate

100%

Risk Control and Management

Risk management serves as the cornerstone of the Group's stable development. In strict compliance with the "Company Law of the People's Republic of China" and other relevant regulations, CIFI has established a comprehensive system for risk compliance and internal control management. Through interdepartmental collaboration, CIFI has established key policies, including the "CIFI Group Management System of Audit", to effectively manage operational risks and build a solid foundation for sustainable development.



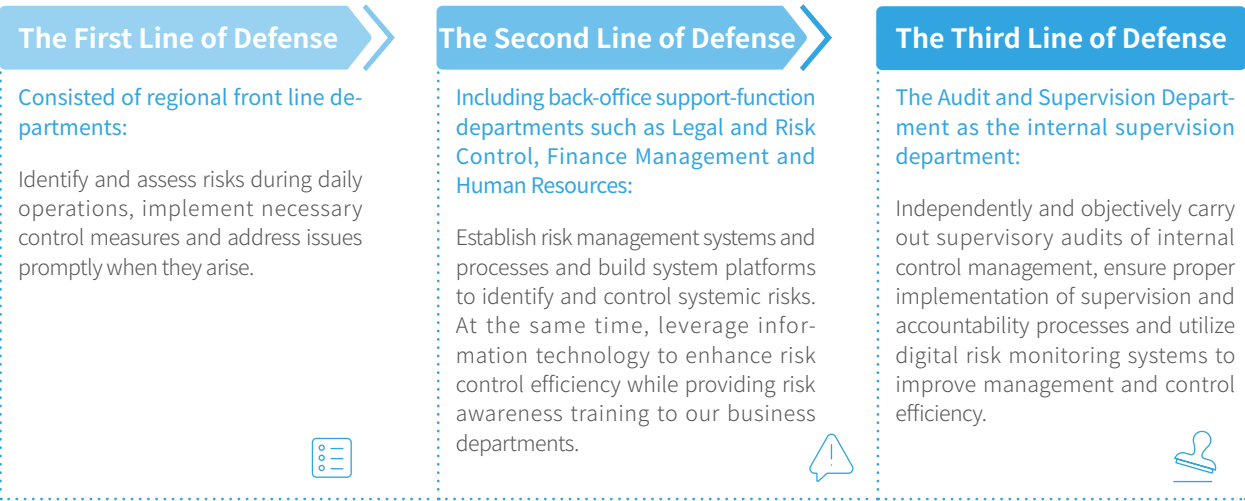
Risk Management System

The Group has established a Risk Management Committee as its highest risk management authority. This committee is responsible for developing a comprehensive risk management framework, defining clear risk management responsibilities and ensuring accountability in risk management practices.



CIFI Group's Risk Management Structure

Building on the Group's risk control structure, we have established a three-lines-of-defense system for risk prevention and management:

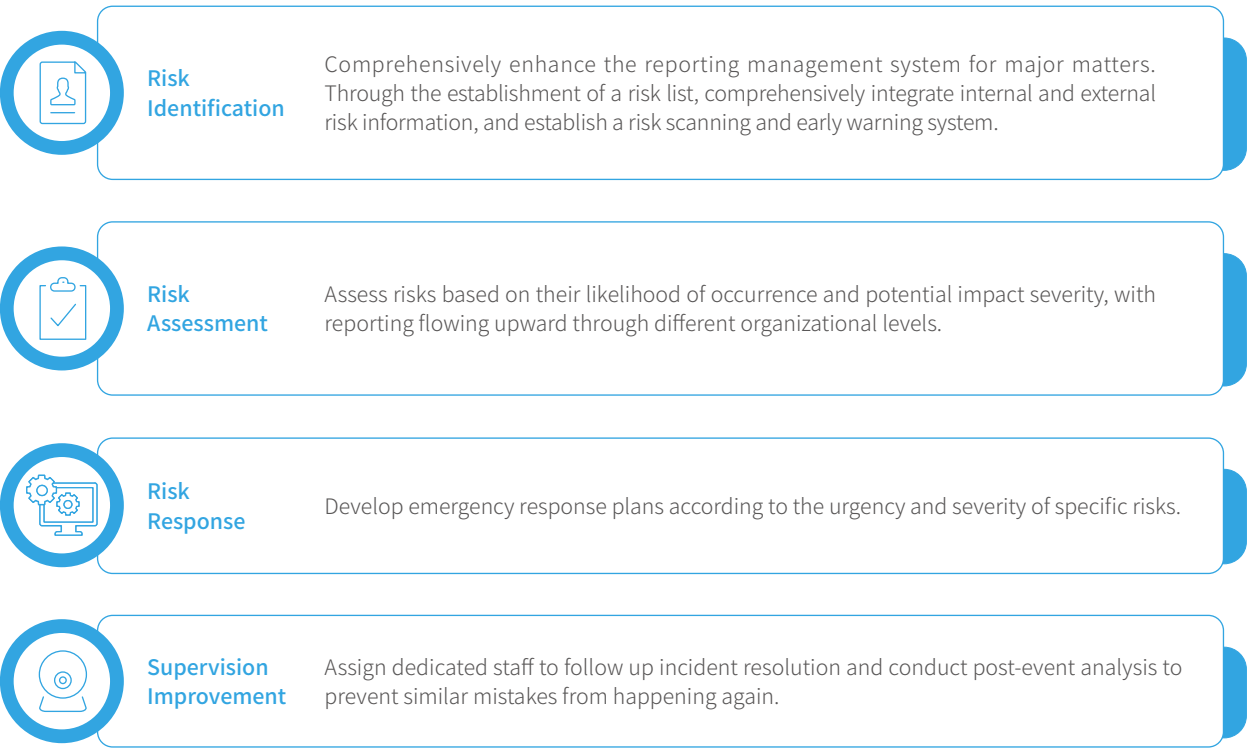


Three Lines of Defense for Risk Management

Risk Control Process

Adhering steadily to a systematic approach to risk management, CIFI Group has forged a comprehensive management system that encompasses risk identification and assessment. We regularly conduct headquarters-level discussions of major litigation risks and maintain an early warning system for detecting regional contract execution anomalies as part of our standard operations. Moreover, we continuously refine and enhance our risk response strategies to adapt to changing real-world circumstances.

In 2024, all business departments enhanced their key information reporting processes and implemented clear standards and response protocols for various potential risks. The Group has made significant efforts in this regard. We have not only optimized reporting channels for major risks, but also strengthened our accountability system. Through internal self-inspections, on-site audits and big data analysis, we can promptly identify potential issues. At the same time, we have enlisted external independent institutions to conduct reviews, ensuring swift supervision and correction of any issues whenever they are detected.



Risk Management Process

Digital Applications

The Group continuously advances its digitalization initiatives to improve the efficiency and effectiveness of risk control and management. By implementing advanced system platforms, relevant departments now maintain systematic control over authorization processes through automatic risk monitoring, real-time incident tracking and comprehensive data analysis and management, among others. This series of measures ensures timely identification and management of risks at every stage, thereby effectively elevating the overall level of risk control.

Risk Management Training

To enhance risk management awareness and improve risk identification skills, the Group has carried out a series of comprehensive activities, including the implementation of institutional guidelines and key topic presentations and organized practical training with assessments. In 2024, more than 200 employees participated in risk management training. Our risk management training covered various key areas such as the comparison of the new "Company Law of the People's Republic of China", customer risk response strategies, strict seal usage controls and preventive measures for delivery delays, ensuring employees can appropriately handle various risk scenarios.

Internal Audit Practices

The Group has established and complied with institutional documents such as the "Manual of Business Conduct Code for Employees", the "Administrative Measures of the 'Four Responsibilities' Integrity Ecological Governance", the "Management System of Audit", the "Management System of Supervision", the "Management System for Accountability", the "Administrative Measures of Declaration of Conflict of Interest" and the "Administrative Measures for Inspection of Supervisory Cases". In 2024, we further refined our internal audit processes and upgraded our risk management tools to enable automated risk alerts and swift responses to alert results.

Audit Supervision

The Group implements a comprehensive audit system that combines regular audits, special audits and surprise audits. Through a comprehensive review of high-risk areas within the Group and proactive interim inquiries, we have significantly improved the effectiveness of our internal controls. We have integrated business ethics standards and their implementation into our audit supervision framework and stipulated that all operating units must undergo comprehensive business audits and supervisory inspections at least once every two years.

This year, the Group has focused on three key areas: preventing fraud at both group and management levels, enhancing cost-effectiveness and driving corrective actions—all aimed at strengthening the Company's lean management excellence. In 2024, the Audit and Supervision Department completed 13 audit projects and 7 supervision projects, identified 90 management issues and implemented 48 improvement measures. The 13 audit projects included business ethics standard audits for real estate operations and "Real Estate+" sectors, covering regions such as Nanjing, South China, West China, Southeast China, Wuhan, Shandong and Hefei and having achieved 80% coverage across all business functions.

Risk Warning

Regarding risk alert management and control, the Group adheres to the principle of "combining audit supervision with risk prevention" and has incorporated key risk indicators into both its smart audit and neural network systems. By preset risk alert logic and based on lessons from major cases, we can monitor and address critical operational risks in real time.

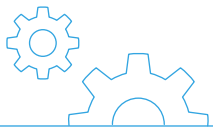
By the end of 2024, we have developed and launched 21 modules. Building on this foundation, we continue to utilize the established risk alert indicators to conduct comprehensive, ongoing risk monitoring of critical issues including change orders, malicious claims and contract settlements. When anomalies are detected during monitoring, we will take proactive follow-up actions and recover losses through targeted measures—including stop-loss interventions and cost optimization—thereby protecting the Group's financial interests and operational stability. At the same time, we use payment-related risk alert indicators to track overdue accounts receivable, thereby strengthening our sales collection process. Additionally, using four cost-related neural network alerts, we monitor procurement prices for key materials and processes—including steel reinforcement materials and installation, concrete materials and placement, formwork, provisional costs and earthwork excavation and backfilling. We have issued 22 alerts to ensure procurement costs stay reasonable and controllable.

Protection of Intellectual Property Rights

Strictly complying with the "Copyright Law of the People's Republic of China", the "Trademark Law of the People's Republic of China" and the "Patent Law of the People's Republic of China", along with other relevant laws and regulations, CIFI Group implements unified management of all parties' intellectual property rights to ensure no infringement of trademarks, patents, copyrights, software rights, or other intellectual property rights occurs during operations. We have established internal management measures such as the "Administrative Measures of Trademark", the "Administrative Measures of VI" and the "Notice on Strengthening the Management of Intellectual Property Rights in External Advertising" to standardize our intellectual property management. To strengthen intellectual property rights protection, we actively defend our rights through formal correspondence and legal action, thereby safeguarding our intellectual property while respecting the rights of others. As of 31 December 2024, the Group has submitted 4 trademark oppositions, resolved 5 infringement disputes and secured 2 trademark registrations.

Responsible Supply Chain

CIFI actively fulfills its responsibilities to partners through comprehensive systems and processes that standardize supplier management and foster mutual benefits and support to collaboratively build a responsible supply chain.



Supply Chain Sustainability Management

The Group actively conducts supply chain sustainability audits to evaluate suppliers' environmental management systems and labor practices. Through these audits, we strengthen supply chain management, implement green procurement practices and promote supply chain sustainability.

Strengthening Supply Chain Management

To promote supply chain sustainable development, with the Group's realities in mind, we have developed a series of systems such as the "Engineering Procurement Management Measures", the "Engineering Supplier Management Measures", the "Guidelines for Procurement Management of Cooperative Projects" and the "Strategic Procurement Management Measures". Additionally, this year we revised and publicly released the "CIFI Group Supplier Conduct Code" and refined the "Engineering Procurement Management Measures". These updates clarified the bidding process for engineering projects, contract and order signing procedures and technical disclosure protocols—all to strengthen our management effectiveness.

During the bidding process, the Group provides standard contracts with mandatory attachments including the "Letter of Undertaking of Integrity" and the "CIFI Group Supplier Conduct Code", which contain fixed terms that cannot be modified. This measure aims to ensure that all suppliers adhere to unified standards and requirements, thereby maintaining consistent policies. Through these fixed terms, the Group aims to enhance transparency, promote fair competition, minimize risks from term inconsistencies and misinterpretations and ensure smooth cooperation.

Additionally, the Group has implemented regional-level protocols with more detailed supplier management and inspection requirements to build a comprehensive supplier management system. This system encompasses supplier onboarding, evaluation and discontinuation phases, among others, ensuring systematic and consistent management while enhancing the supply chain's overall efficiency and reliability.



Supplier Management Process

In supplier evaluations, the Group emphasizes their ESG performance across key areas including environmental management, occupational health and safety, labor and human rights, business ethics and anti-corruption. We prioritize suppliers with excellent ESG performance for inclusion in our supplier database, while excluding those with negative ESG-related records. During performance assessment phase, we regularly assess supplier service quality to identify and address potential issues promptly to ensure timely delivery of all contractually specified items. During the Reporting Period, the Group assessed 1,655 suppliers' performance, identifying 9 medium risks and 19 low risks. Each region used the assessment results to prepare supplier performance analysis reports. They then actively engaged with underperforming suppliers and monitored their improvement efforts to ensure all suppliers could meet our performance standards.

Advancing Green Procurement

CIFI Group firmly upholds the principle of "purchase only green supplies", exercising strict oversight of procurement activities to ensure all selected suppliers and their products comply with environmental and safety standards. Since joining the Green Supply Chain Action for China's Real Estate Industry ("Green Chain Action") in 2016, we have steadily enhanced the sustainability of our procurement processes. To systematically enhance our green procurement standards, we have created a "Green Product Procurement Catalog" listing enterprises and materials with national green certifications. In 2024, CIFI further expanded its green procurement program by introducing seven new categories. We continuously drive our supply chain toward greener, more sustainable practices.

In implementation practice, CIFI Group actively promotes green procurement through the Green Chain Action to ensure supply chain compliance with environmental standards. In 2024, as the rotating chair of the 7th China Urban Realty Association ("CURA") Green Realty Joint Purchasing program, CIFI Group reviewed the 14th batch of CURA-shortlisted units through the IPE platform. Upon discovering that some suppliers had missing registrations and unreported environmental compliance records, the Group promptly notified them of these issues and oversaw their rectifications. By the time of the bid selection meeting, all winning bidders had completed their environmental compliance rectifications, with 17 companies being selected for the green list. In the end, CIFI Group successfully organized the 14th CURA Joint Purchasing campaign, partnering with 18 real estate enterprises to complete procurement across 36 categories. The total procurement value reached RMB 1.45 billion, including six new green procurement categories. In the categories of paint, waterproofing materials and lighting fixtures, all winning suppliers were green-listed companies. This initiative successfully drove environmental compliance among suppliers while showcasing CIFI's leadership in green procurement.

In 2024, all 103 of the Group's strategic suppliers have obtained ISO 14001 Environmental Management Systems and ISO 9001 Quality Management Systems certifications.

Case | Green Supply Chain Training Supports Industry Sustainable Development

CIFI Group collaborated with CURA Joint Purchasing and the Beijing Entrepreneur Environmental Protection Foundation (SEE Foundation) to host the "2024 Green Supply Chain Training for China's Real Estate Industry" online. The training drew more than 100 enterprise representatives and professionals from the construction and real estate sectors. Sessions covered green supply chain policy interpretation, real-life case studies and digital tool applications. The training was well-received, further enhancing participants' knowledge and practical skills in green supply chain management while providing strong support for industry-wide sustainable development efforts.



Developing Supply Chain Integrity

The Group continues to strengthen its commitment to business integrity, actively fosters a culture of integrity and firmly prohibits corruption in procurement processes. We require all suppliers to sign a "Letter of Undertaking of Integrity", committing strictly to business ethics and establishing their own anti-corruption policies. Upon discovery of fraudulent activities such as commercial bribery and bid rigging or collusion, the responsible suppliers will be immediately blacklisted and barred from participating in any Group project bidding for two years. After this period, suppliers must undergo a thorough re-evaluation and can only return to the qualified supplier database with headquarters' approval. As of 31 December 2024, all 1,872 of the Group's suppliers have signed the "Letter of Undertaking of Integrity".

As at 31 December 2024

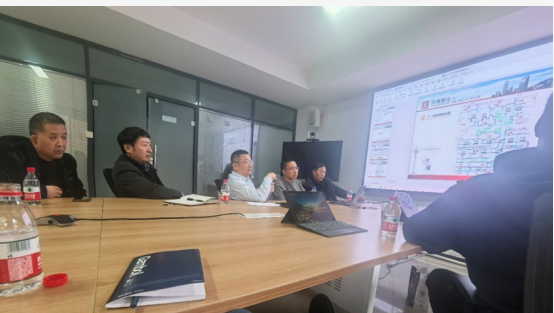
No. of suppliers	Percentage of suppliers signing the "Letter of Undertaking of Integrity"
1,872	100%

Supplier Communication and Engagement

CIFI Group has established a comprehensive tiered supplier communication system. The Group organizes regular conferences and symposiums while conducting evaluations and award presentations to foster collaboration and mutual trust. At the same time, the Group has set up a dedicated delivery team that sorts out supplier coordination matters weekly. The Group Procurement Department then monitors supplier feedback to ensure smooth communication and timely resolution of issues.

Case | "Face-to-Face" with General Contractors: Building New Partnerships

In November 2024, the Group issued its "Notice on Maintaining Year-End Supplier Relations", which emphasized maintaining strong supplier partnerships during year-end and guided regional offices in implementing tiered communication strategies. The Group Assistant President and Head of Operations Center chaired successful one-on-one discussions with key general contractors. Participating companies included Nantong Daxin Engineering Co., Ltd., Shanghai Jiashu Construction Group Co., Ltd., Zhongtian Construction Group Co., Ltd. and China Railway No. 5 Engineering Group Engineering Co., Ltd. These one-on-one discussions effectively strengthened partnerships between the Group and its suppliers, ensuring sustainable, long-term supply chain development.



Case | CIFI Took the Lead of the CURA Green Purchasing

In 2024, as the rotating chair of the 7th CURA Joint Purchasing, CIFI Group demonstrated its full commitment to advancing green procurement and sustainable development. Under CIFI's leadership, CURA Joint Purchasing conducted site visits to suppliers, including Zhejiang Transfar Paint, AUPU Smart Technology and Yankon Lighting, to evaluate their green manufacturing facilities and innovative products and support the industry's transition toward sustainability. These site visits strengthened CURA Joint Purchasing's understanding of green and low-carbon practices while establishing a solid foundation for future joint purchasing. This approach further demonstrated CIFI Group's leadership in advancing industry sustainability.



Case | CIFI Promoted Development of Green Procurement Technical Standards

CURA Joint Purchasing invited technical support representatives from the six green procurement categories in the 14th batch who attended the tender planning meeting to explain in detail the technical requirements for the green list and the supplier evaluation process. This meeting aimed to help suppliers better understand and implement green procurement standards through technical guidance, thereby further improving the environmental performance of the supply chain. The meeting covered technical standards interpretation, evaluation process explanation and case studies, providing clear guidance for suppliers and ensuring scientific and standardized green procurement practices.



Practice

Improving Quality with Concrete Steps

CORE ISSUES

- Product safety and quality
- Occupational health and safety
- Customer service and satisfaction
- Fair customer treatment and reasonable marketing
- Customer privacy information security

KEY ACTIONS IN 2024

- Enhanced project quality control systems and mechanisms by implementing full lifecycle project quality management.
- Provided quality and safety training to all employees, construction contractors and supervision units.
- Implemented responsible marketing practices and conducted customer satisfaction surveys to improve customer service experience.

IN RESPONSE TO SDGs



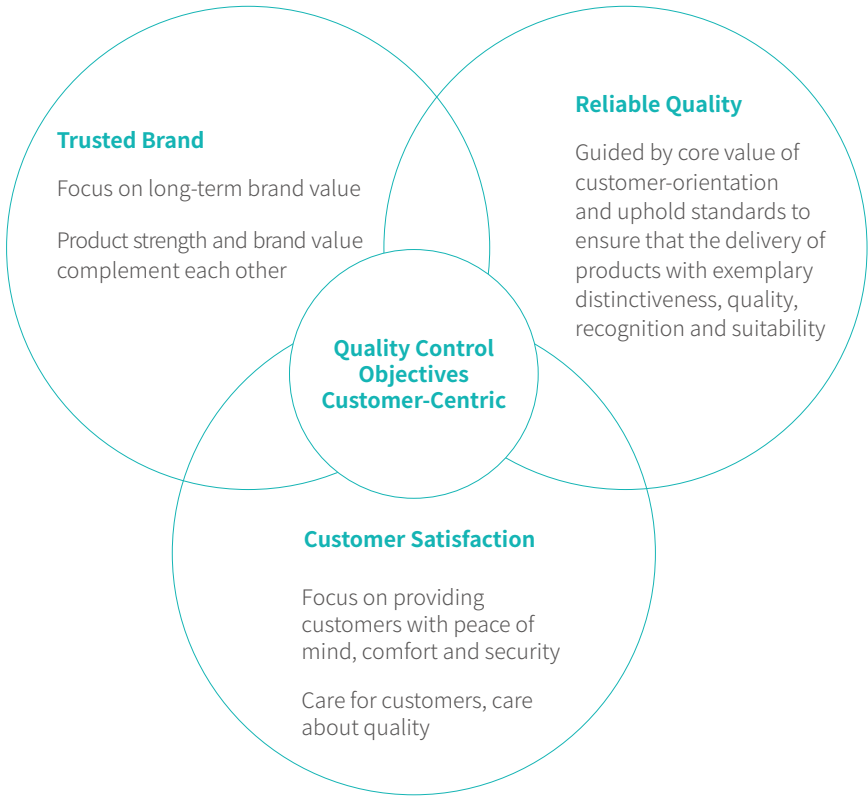
KEY PERFORMANCES IN 2024

Coverage of employee quality and safety training	Average training hours per person	Project under construction
100%	132hours	100%
"Wholehearted Maintenance" completed	serving over	"Wholehearted Renovation" completed
338	13,800	482
on-site maintenance visits across 90 projectst	homeowners	renovation projects across 224 communities



Building Excellence in Quality

CIFI Group upholds a customer-centric quality assurance philosophy steadfastly. We strive for product excellence by establishing and refining a full-lifecycle project management and control system. Taking customer needs as our starting point, we deliver safe, comfortable and reliable products and services—all while pursuing long-term brand development.



Construction Quality Management and Control Systems

We continuously enhance our construction quality management and control systems and mechanisms while raising standards across the project lifecycle. Through strict oversight of every step—from material procurement to delivery—we ensure our products meet high-quality standards and exceed customer expectations.

Improving Systems and Mechanisms

CIFI Group has established a comprehensive construction management system with standards that span design, production, testing and after-sales warranty. The framework includes 31 standard guidance documents in 6 categories that cover quality, technology, materials, decoration, housing repairs and inspections, ensuring high quality and safety throughout the product lifecycle.

In 2024, we further optimized our construction management system and mechanisms. Following a review of current management practices and this year's inspection findings, we revised and enhanced four key documents: the "Operational Guidelines for Specialized Inspection and Evaluation of Group Basements" the "Operational Guidelines for Comprehensive Inspection and Evaluation of Group Projects" the "Operational Guidelines for Group Project Delivery Inspection" and the "Management Measures for Inspection and Evaluation, Rewards and Penalties of Group Projects". This comprehensive approach—incorporating process inspections, delivery assessments and performance evaluations—enables thorough oversight of construction quality, progress and safety management, ensuring excellence in construction quality and safety.

Technical Management	<ul style="list-style-type: none">• Engineering Technology Management Measures• Guidelines on Project Engineering Planning and Management• Guidelines on the Sequence Construction Method• Standards for Construction of Seepage and Crack Prevention Nodes• Engineering Prohibited Practices• Engineering Micro-Innovation Manual• Visible Building Management Manual• Operational Guidelines of CIFI Construction 2.0 System• Manual of CIFI Construction 2.0 System	Material Management	<ul style="list-style-type: none">• Management Measures for Engineering Materials
Quality Management	<ul style="list-style-type: none">• Engineering Quality Management Measures• Guidelines on Sample-led Practices• Operational Guidelines on Measurement of Construction Quality• Operational Guidelines for Engineering Quality at Hold Point• Guidelines on Leakage Prevention Management• Guidelines for Functional Testing of Projects	Information Management	<ul style="list-style-type: none">• Management Measures for Engineering Information
Safety Management	<ul style="list-style-type: none">• Management Measures for Safety and Civilization• Operational Guidelines for Disposal of Routine Events in Projects• Operational Guidelines for Normalized Management of Project Response to Epidemics• CIFI Group Working Guidelines for Safety Management Committee	Decoration Management	<ul style="list-style-type: none">• Management Measures for Whole-house Decoration• Standard of Nodal Practice for Whole-house Decoration
Progress Management	<ul style="list-style-type: none">• Management Measures for Construction Progress• Guidelines on Risk Management and Control of Works Progress	Delivery and Repair Management	<ul style="list-style-type: none">• Management Practices for Engineering Delivery and Maintenance• Standards for Bottom Line Delivery Practices• Operational Guidelines for Household Inspection of Projects• Operational Guidelines for Property Acceptance Inspection of Projects• Guidelines for Third-Party Maintenance Management of Projects• Room Repair Management Standards and Cost Reservation Standards• Operational Guidelines for Project Maintenance and Management
		Evaluation Management	<ul style="list-style-type: none">• Operational Guidelines for Comprehensive Inspection and Evaluation of Group Projects• Operational Guidelines for Group Project Delivery Inspection• Management Measures for Inspection and Evaluation, Rewards and Penalties of Group Projects• Operational Guidelines for Specialized Inspection and Evaluation of Group Basements• Operational Guidelines for Inspection of Major Quality Risks in Construction Projects• Operational Guidelines for Safety Inspection of Large-sized Machinery in Group Projects under Construction
		Sustainability Management	<ul style="list-style-type: none">• Management Measures for Engineering Sustainability

Standardized Engineering Management Systems

Full-lifecycle Quality Management and Control

CIFI Group monitors and tracks quality at every construction stage from material quality to process quality management to delivery quality assessment. Through regular quality evaluations and audits, we implement comprehensive supplier and contractor inspections. We also leverage third-party inspections to ensure stability and reliability throughout every phase of operations while strengthening our competitive position in the market.

Strict Control of Procurement Quality

We prioritize suppliers with environmental, quality and safety certifications and regularly assess supplier and contractor performance through on-site supervision and inspections. In 2024, we conducted comprehensive evaluations of suppliers and contractors across multiple dimensions—including project progress, contract compliance through spot checks, on-site inspections, operational concerns, daily management practices and both strengths and areas needing improvement, which identified 9 medium risks and 19 low risks. We promptly share inspection results with relevant regions to ensure high-quality management at the procurement stage, providing a solid foundation for smooth project execution and final delivery quality.

To ensure raw materials meet quality standards, we reviewed retest reports for materials like steel reinforcement and ready-mix concrete at project sites, verified material brands on site and took precise measurements of material dimensions. For key materials from tier-one suppliers, the Group engages professional third-party agencies for quality testing. We have also increased both testing frequency and scope to ensure the stability and compliance of material quality and guarantee that the quality of raw materials procured remains consistent and compliant with established standards. At the same time, through procurement contracts, the Group requires tier-one suppliers to communicate quality and safety standards to their tier-two suppliers and raw material suppliers—a requirement that serves as a key metric in evaluating tier-one supplier performance.

Additionally, we updated the "Engineering Procurement Management Measures", stipulating that construction projects above a certain amount are to be centrally procured and managed by headquarters, thereby further enhancing procurement quality control.

Strict Process and Delivery Management

The Group conducts annual inspections of all residential projects under construction, examining civil engineering processes, fine decoration processes and special basement inspections. In 2024, we inspected and assessed 111 projects across 158 bidding sections, achieving 100% coverage of all ongoing construction projects. All identified quality issues were remediated and verified as resolved at the project level.

In addition to internal inspections, we partner with third-party testing agencies to conduct process evaluations for select projects. This helps us identify risks early and allows us to apply appropriate rewards or penalties based on the findings. At the same time, we have implemented a smart quality management and control system using Banyou system to systematically manage all processes, participants and elements throughout the construction project lifecycle, thereby improving both engineering management level and operational efficiency.

2024

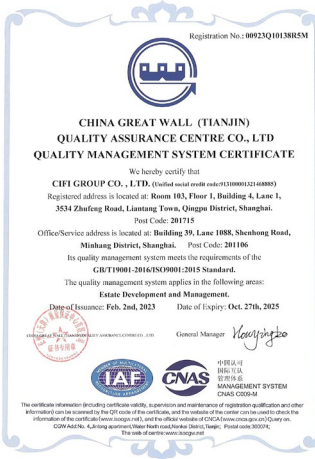
No. of prefabricated buildings in new projects	Passing rate of physical measurements and inspections	Delivery score	Project resumption rate
35	90.33%	79.71	100%

Product Quality Assurance Systems

CIFI Group upholds its commitment to "delivering quality while ensuring delivery", striving to deliver excellent craftsmanship while meeting all project deadlines. We follow the international quality standard ISO 9001 and have established and continuously improve internal product quality and safety assurance systems including the "FABRIC Craftsmanship" system and CIFI product quality control system, ensuring our products meet rigorous quality and safety standards.

We have complied and published two key documents—the "Design Guidelines for Landscape Railing Standardization" and the "Manual of Standards for Residential Project General Specifications and Construction Nodes"—to ensure high-quality project delivery and improve customer satisfaction.

CIFI has obtained the ISO 9001 Quality Management Systems certification. This demonstrates our commitment to continuously improving internal management and maintaining high standards of product quality, safety and reliability.



"FABRIC Craftsmanship" System

In 2024, CIFI Group further deepened the implementation and application of its "FABRIC Craftsmanship" system to ensure that each project could meet high standards of quality, design and sustainability, thereby creating greater value for customers and society.

<div>F</div> <div>Fast</div> <div>High-Efficiency Construction</div> <div>Effectively shorten construction period</div> <div>Digital industrialization</div> <div>Encapsulation</div> <div>Module assembly</div>	<div>A</div> <div>Aesthetic</div> <div>Artistic Aesthetics</div> <div>Structural beauty from inside out</div> <div>Lean structure</div> <div>Spiritual structure</div> <div>Magical structure</div>	<div>B</div> <div>Brace</div> <div>Design Comprehensiveness</div> <div>Achieve product design intention</div> <div>Creative design</div> <div>Firm facade</div> <div>Comfortable structure</div>	<div>R</div> <div>Robust</div> <div>Safety and Durability</div> <div>Robustness, safety and durability</div> <div>Firm structure</div> <div>Durable structure</div> <div>Disaster-resistant structure</div>	<div>I</div> <div>Invention</div> <div>Scientific Innovation</div> <div>Scientific design and innovative materials</div> <div>Innovative design</div> <div>Innovative technology</div> <div>Innovative materials</div>	<div>C</div> <div>Carbon</div> <div>Green and Low-Carbon</div> <div>Ecological protection and sustainability</div> <div>Sustainability</div> <div>Green materials</div> <div>Low-carbon structure</div>
--	---	--	---	--	---

"FABRIC Craftsmanship" System

CIFI Product Quality Control System

Through establishing a comprehensive quality control system that covers "quality control standards, processes, systems and improvements", CIFI Group implements strict quality control standards and management processes to continuously enhance its quality control performance and capabilities, thereby delivering premium products with first-class quality assurance to customers.

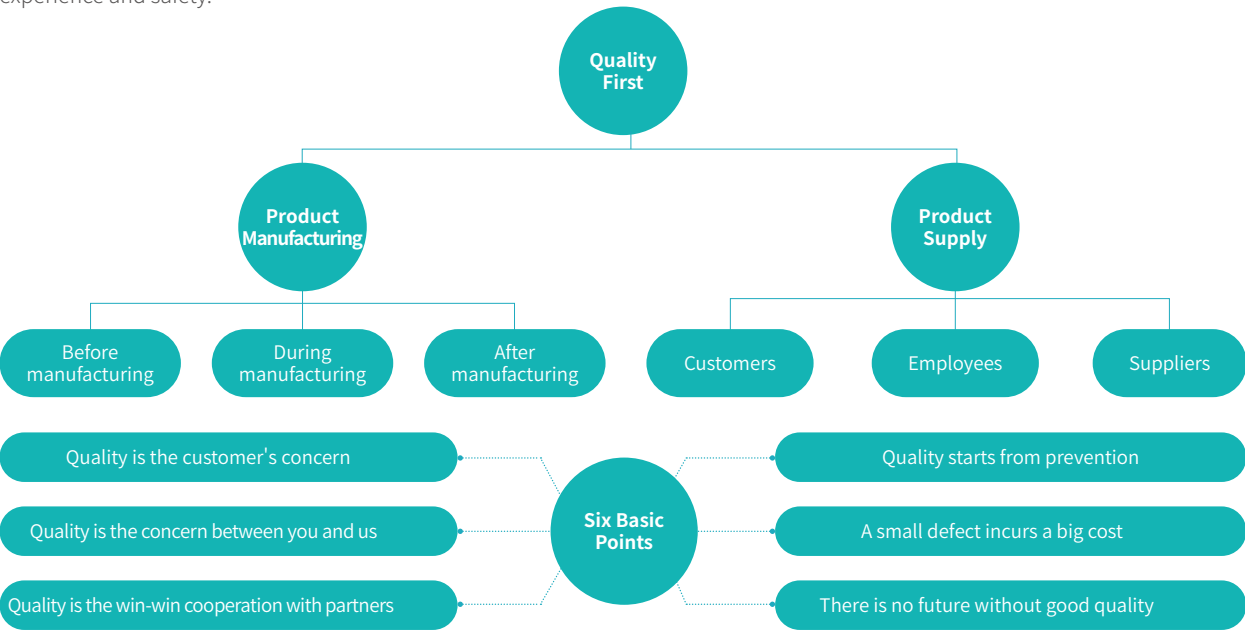


Quality Control Standards	Quality Control Process	Quality Control System	Quality Control Improvement
<ul style="list-style-type: none">Conduct top-level design from the 6 dimensions of high customer perceptionsConsider customer needs in 9 dimensions of customer lives and usage scenariosApply the 18 methods of quality control, craftsmanship system and process standards	<ul style="list-style-type: none">Complete the translation and output of the top level design of value through the product positioning meetingClarify customer demand expectations in the form of Design 1 and 2 meetingsCarry out joint review of regional construction drawings to ensure product quality	<ul style="list-style-type: none">Bi-region inspectionEngineering, elevation and landscape testingEvaluation on delivery satisfactionStatistical feedback via digital online systemSelf-inspection and evaluation mechanism in each region	<ul style="list-style-type: none">Adopt after-action review (AAR) method to review and summarize the data statisticsContinuously improve quality control standards based on the review results

CIFI Product Quality Control System

Quality Management Training

CIFI Group highly prioritizes quality in product delivery, continuously enhancing employees' awareness of quality and safety while fostering a CIFI culture that embraces these values. We have established six core principles for quality and safety that clearly define CIFI's values and philosophy. Through these principles, we take responsibility for both our product quality and our customers' experience and safety.



CIFI's Quality and Safety Culture

To ensure construction quality, CIFI regularly provides quality and safety training to all employees, contractors and supervisors. This training enhances their quality management skills and understanding during construction, leading to improved project quality levels. Every year, we celebrate the "CIFI Engineers' Day" in April and organize "Month of Engineering Safety" and "Month of Engineering Quality" in June and September respectively. In addition, we are steadily implementing specialized initiatives like the "Thunderbolt Action" (focused on preventing leakage) and the "Zero Defect Action" (addressing common quality issues), integrating our safety and quality culture into every aspect of daily operations.



2024

Employee training

Rate of Coverage

100%

No. of average hours per person

132hours

Contractor training

Rate of Coverage

96%

No. of average hours per person

97hours

Supervisor training

Rate of Coverage

100%

No. of average hours per person

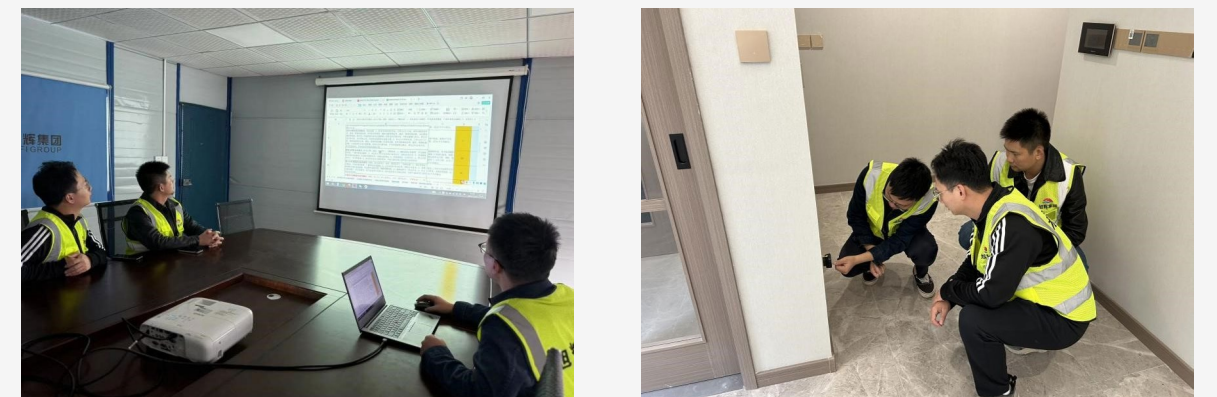
104hours

Case | Special Training on the Functional Testing of Delivery Assessment—Delivering Projects That Exceed Customer Expectations

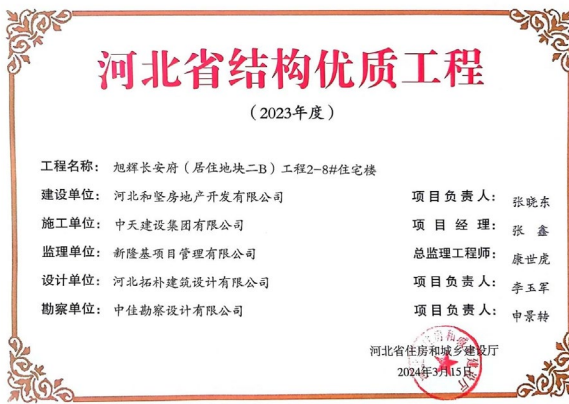
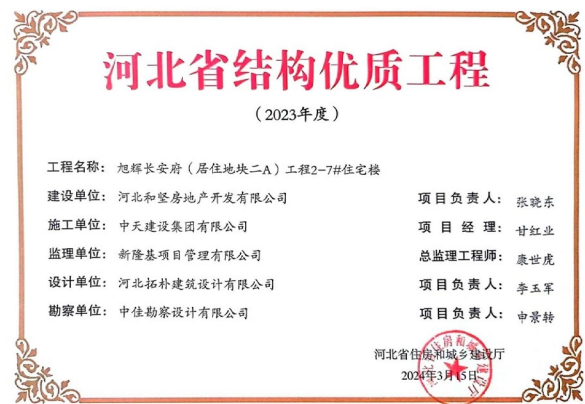
In September 2024, CIFI Tianfu Future Center's (旭辉天府未来中心) Project Engineering Department conducted specialized training on the functional testing component of the delivery assessment system.

The training aimed to enhance the engineering team's practical skills and professional capabilities for the delivery phase, covering both specific requirements and step-by-step procedures for functional testing. Following the training, the entire Engineering Department conducted practical exercises in vacant delivery units. They focused specifically on areas that homeowners frequently scrutinize, ensuring all team members thoroughly mastered the necessary skills.

Following this, the Project Engineering Department adopted a goal-oriented approach throughout construction that prioritizes functional testing. They also delivered specialized training to supervisors, inspectors and construction personnel to ensure the completion of functional testing during the delivery phase-all to achieve results that exceed customer expectations.



In 2024, several CIFI construction projects earned prestigious recognition. The Urumqi CIFI Plaza (乌鲁木齐旭辉广场) was selected as a "Observation Site" during the Xinjiang Uygur Autonomous Region's Housing and Urban-Rural Development System Safety and Quality Standardization Site Observation Campaign. Three sections of the Urumqi Zhihui Plaza (乌鲁木齐置汇广场) and Urumqi CIFI (乌鲁木齐旭辉广场) Plaza were recognized as "Autonomous Region Standardized Site Demonstration Model Projects". Additionally, two sections of the Shijiazhuang CIFI Chang'an Mansion (石家庄旭辉长安府) project received "Hebei Province Structural Excellence Project" award. These honors demonstrate CIFI's steadfast dedication to craftsmanship and delivery excellence, even in the face of complex external challenges.



CIFI Chang'an Mansion (旭辉长安府) project received "Hebei Province Structural Excellence Project" award

Workplace Safety Management

CIFI Group strictly follows the "Workplace Safety Law of the People's Republic of China" and other relevant laws and regulations. The Group continuously enhances its health and safety management system while integrating Workplace Safety principles throughout its operations. Through regular safety training and improved workplace protection measures, CIFI ensures the comprehensive physical and mental well-being of its employees.



Safety Management System

The Group prioritizes employee safety through a series of comprehensive internal policies that apply to all workers—including contractors and contract staff. These policies include the "Management Measures for Safety and Civilization" and the "Operation Guidelines for Standardized Management of Safety and Civilization". These specifications establish clear rules for safety and civilization supervision and management for real estate developers, safety protocols for daily construction work for contractors and specific requirements for routine construction safety inspections for supervisors. All contractor agreements have included health and safety-related clauses, with corresponding rewards and penalties to ensure compliance with and standardize safety and civilization management process. We measure and disclose health and safety performance using same standards for both contractors and employees, ensuring everyone's safety and well-being while working to prevent all safety incidents.

In 2024, we continued enhancing our systems by implementing the "Management Measures for Safety and Civilization" and the "Operation Guidelines for Standardized Management of Safety and Civilization". At year-end, we also reviewed and revised our comprehensive engineering inspection and evaluation system based on project scale and management status quo.

CIFI has established a clear work safety management system. We have set up a Quality and Safety Committee chaired by the Company's Chief Executive Officer to oversee all quality and safety initiatives and hold accountability for it. At the same time, we have established a new Safety Management Committee and implemented a three-tier safety control structure according to the "CIFI Group Working Guidelines for Safety Management Committee". This structure can effectively manage engineering safety at regional, city/district and project levels. The Safety Management Committee, comprised of operational heads and core staff across all levels, enhances engineering safety management through routine site inspections, safety training sessions and emergency drills, among others. Additionally, we conduct annual reviews of our health and safety systems and use regular inspections, audits and risk assessments to identify and address potential safety hazards promptly.



Structure	Roles and Responsibilities
Regional Safety Management Committee	<ul style="list-style-type: none">Make annual safety management goals for this region.Guide the region's work safety management and take responsibility for work safety in this region.Enhance organizational structure across all levels of the Safety Management Committee and refine the regional safety management system.Organize regular regional Safety Management Committee meetings to guide and address the Committee's various tasks periodically.
City/District Safety Management Committee	<ul style="list-style-type: none">Establish safety management goals for both the city and its affiliated projects based on the regional Safety Management Committee's requirements.Implement the city's work safety management and take responsibility for work safety in this city.Carry out various safety activities according to regional safety management system requirements.Organize regular city-level Safety Management Committee's meetings to guide and address each project's safety management tasks periodically.
Project Safety Management Team	<ul style="list-style-type: none">Make work safety management goals for this project and its major suppliers per regional engineering functions and city-level Safety Management Committee requirements.Implement the project's work safety management and execute every safety management actions.Conduct regular safety meetings and inspections for this project and promptly address any identified safety hazards.Promptly review major suppliers' safety measure investments to ensure effective project safety measures.Handle project safety incidents promptly and report major safety accidents according to the Group's reporting protocols.

Safety Management Committee - Three-Tier Management Structure

Safety Risk Management and Control

CIFI Group has implemented a full-cycle standardized safety management process. We not only set construction safety and civilization goals for the Group and its suppliers and contractors, but also continue improving safety management facilities, conducting various safety inspections and strengthening the management and control of safety risk. In 2024, we recorded 3 work-related injury, 0 work-related fatalities and 101 lost workdays due to work-related injuries.

- The occurrence rate of severe injuries and above was 0;
- The general annual injury frequency rate is ≤ 0.2%;
- Minor injury incidents must not exceed 3 victims;
- Prevent major incidents such as fires, traffic accidents, explosions and equipment malfunctions;
- Prevent the loss, damage, or contamination of hazardous materials

Safety and Civilization Engineering Goals

	2024	2023	2022
Occurrence rate of severe injuries and above	0	0	0
General annual injury frequency rate	0.2%	0%	0.2%
No. of injured minor victim	3	0	0
Occurrence of major incidents such as fires, traffic accidents, explosions and equipment malfunctions	0	0	0
No. of hazardous material loss and damage pollution incident	0	0	0

Achievement Status of Safety and Civilization Engineering Goals

Safety Risk Management Measures

CIFI Group conducts regular safety management risk assessments and safety and civilization supervision and inspection across all operational projects. The Group has implemented full-cycle safety risk management measures covering safety risk assessment, safety and civilization supervision, safety accountability, problem resolution and incident handling processes.

Safety Management Risk Assessment: We conduct safety risk identification and assessment to identify, analyze, evaluate and monitor major safety risks across all Group operations. This process aims to detect potential hazards in advance, thereby allowing us to develop targeted measures, including special control protocols, for ensuring work safety.

Safety and Civilization Supervision and Inspection: The Group maintains a two-tier safety management and control system operating at both headquarters and frontline levels. Following national and local safety inspection regulations, we perform regular inspections through daily site patrols, specialized checks and holiday and pre-holiday assessments, among others. Additionally, we engage third-parties for comprehensive audits including safety inspections. Through a system of monthly rankings with incentives and penalties, we continuously enhance our safety hazard identification and management effectiveness. Through technological solutions, we reduce accident occurrence rate by identifying and classifying potential issues detected. We maintain 24-hour safety surveillance with HD cameras at tower cranes and basement areas, while using facial recognition and smart alert systems at construction site entry points. This allows us to strictly monitor the number and status of on-site construction personnel. All data is uploaded to our cloud platform via the Banyou system, enabling real-time project monitoring and swift response to any dangers.

Safety Management Accountability: Based on our "Management Measures for Inspection and Evaluation, Rewards and Penalties of Projects" and other relevant systems, we first clearly define safety responsibilities for personnel at all levels, then link both employee and management performance evaluations to comprehensive engineering inspection results—including health and safety assessments—to determine appropriate rewards and penalties.

Problem Resolution and Incident Handling: Following the Group's internal procedures, when an accident occurs, we will take immediate action to rescue any injured persons, eliminate dangers and preserve the scene. An investigation team will be set up to analyze accident causes, determine responsibility and propose appropriate handling measures. We then promptly implement preventive actions to avoid similar accidents in the future.

Safety Accident Accountability

We implement a safety accident accountability system and continuously improve our internal reward and penalty guidelines, linking both employee and management performance to comprehensive engineering inspection results—including health and safety assessments. When safety accidents occur on a project, the project engineering manager, project general manager and regional general manager will be held accountable. The project and regional general managers will receive warnings with deductions made from the regional annual bonus pool. Conversely, for projects that achieve outstanding safety and civilization performance, especially when they receive municipal-level or higher recognition, we will reward special incentive bonuses. The Group's senior management performance evaluations, both semi-annual and annual, are also tied to safety and civilization performance.

2024

Projects under construction

100%

utilize digital management platforms for safety and civilization management

No. of major safety accident

0

since 2019

106

Visible Buildings have been completed and delivered

Safety Awareness Training

To enhance safety awareness among project staff, construction teams and supervisors, we implement multi-level, comprehensive safety management measures. Every six months, we conduct work safety meetings for all engineering staff, highlighting best practices and addressing poor ones and ensure 100% participation across relevant staff. At the regional level, we conduct monthly safety training for all engineering staff and perform weekly safety inspections with educational components for relevant personnel. Workers in specialized roles must complete specific safety operation technical training, while all construction personnel must pass a "three-level"¹ safety education training before beginning work officially. At the project level, we and supervisors lead weekly comprehensive safety inspections across all construction units to ensure complete coverage. Additionally, construction unit managers must also take monthly safety examinations. For major construction projects and high-risk engineering operations, we will definitely provide targeted safety training to staff before work begins.

We measure and disclose health and safety performance using same standards for both contractors and employees. In 2024, the workplace safety training we conducted reached 100% of employees, with an average of 62 training hours per person. Among contractors, training coverage was 96%, with an average of 97 training hours per person. All supervisors (100%) completed training, with an average of 104 training hours per person.



Monthly Meeting of Shanghai Regional Group's Residential Engineering Division on Staff Safety Awareness

Case | VR Safety Experience Center—Immersively Enhancing Employee Safety Awareness

To enhance employee safety awareness, we've created a VR Safety Experience Center that allows employees to immersively experience typical safety accident scenarios through VR headsets, including fires, falls and objects falling from heights. In the fire safety experience zone, we've developed a virtual simulation training system using 3D imaging technology. The system features basic fire scenarios and different types of fire extinguishers to help participants master fire response skills. In the interactive safety risk inspection game zone, we have set up construction industry safety hazard screening games using virtual reality technology and animated games to help frontline personnel enhance their safety awareness and skills.

¹ "Three-level" safety education refers to training at the following three levels: company, project department and construction team. Workers must complete this mandatory process before they can enter the worksite and begin their duties.

Quality Service Experience

CIFI Group steadily maintains a customer-centric service philosophy, protecting customer interests through honest marketing practices. We strive to deliver high-quality service across all dimensions and throughout the entire lifecycle, living by our principle of "Quality First with Top Service" to enhance customer experience and satisfaction.

Protecting Customer Rights and Benefits

CIFI Group prioritizes protecting customers' information and privacy security and other rights. Through responsible marketing practices, we provide safe and reliable services while building rapport with our customers based on mutual trust and respect.

Responsible Marketing

Strictly complying with laws and regulations such as the "Urban Real Estate Administration Law of the People's Republic of China" and the "Measures for Administration of the Sale of Commodity Properties", we have established responsible marketing systems such as the "Sales Personnel's Letter of Undertaking of Responsibilities", the "Marketing Personnel's Letter of Undertaking of Responsibilities", the "Seven Major Disciplines on Marketing, Bidding and Procurement Expenses" and the "Client Management System for Sales Personnel". Through these measures, we prevent any exaggerated or misleading information in our marketing campaigns and stick to responsible marketing practices.

Information Disclosure



In accordance with the "Operational Guidelines on Transparent Disclosure in Sales Offices", we display licenses, contracts and pricing information at all project sales offices. We also disclose any uncertainties about surrounding facilities, highlight differences between unit types and clearly publish our delivery standards. Furthermore, we display complaint hotlines at our sales sites and in delivery notices to safeguard customers' rights to information and appeals, helping them make informed purchasing decisions.

Compliant Marketing



We continuously enhance our external communication standards, requiring the legal department to rigorously review all Group content before publication to ensure promotional materials are compliant, open and transparent. In 2024, building on our existing framework, we focused on online marketing and introduced new guidelines called the "Prohibited Words for Real Estate Livestreaming". These guidelines address advertising law compliance and platform-specific restrictions, establishing clear standards for marketing conduct.

Marketing Training



To strengthen employees' compliance awareness and commitment to responsible marketing, we provide regular targeted training for all sales personnel. In 2024, we conducted specialized marketing training programs, including our Online Marketing Bootcamp and Grand Strategist Training Camp. During our Online Marketing Bootcamp, we provided specialized online training to all marketing personnel, focusing on advertising law compliance and platform-prohibited words. In the first month following the training, the Group saw significant growth in Douyin visits, online transaction volume, brand exposure and lead generation.

Marketing Audit



CIFI Group has set up a dedicated audit team that conducts regular internal audits and monthly third-party mystery customer visits. Through surprise inspections of sales halls, display areas and show homes, the team thoroughly reviews sales service management and compliance. In 2024, the Group conducted 84 third-party mystery customer visits across all 8 regional companies and 73 projects, achieving an overall annual score of 91 points.

In October 2024, we evolved our mystery customer visits into a dual-dimensional customer service inspection system, focusing on two key areas: business operations and marketing integrity. This inspection system particularly evaluates customer experience, facility presentation, finished property offerings and marketing risk controls. Each inspection was tailored to individual projects using a bi-section assessment method. We conduct cross-regional inspections under headquarters' supervision, with the results factoring into performance evaluations for both regional and platform managers and staff. During the Reporting Period, the Group conducted spot checks on a total of 21 projects, all achieving perfect scores.

2024

No. of third-party mystery customer visits

84

Overall annual score

91points



Case | Grand Strategist Training Camp Improved Advertising Compliance in Value-based Marketing

In August 2024, CIFI Group held its Grand Strategist Boot Camp in Jinan. The camp provided specialized training on the "Advertising Risk Control" module to 32 Group strategists, strengthening their compliance awareness in value-based marketing. The Grand Strategist Boot Camp incorporated real project scenarios through 9 case studies, substantially enhancing strategists' abilities to communicate project value effectively and compliantly in a competitive market. This approach ensures responsible marketing practices while delivering trustworthy services to consumers.



Grand Strategist Training Camp in Jinan

Information Security and Privacy Protection

Strictly adhering to the "Cybersecurity Law of the People's Republic of China" and other relevant laws and regulations, CIFI Group has formulated and implemented the "CIFI Group Information Security Technical Standards and Working Guidelines" to standardize the handling of customer data. These guidelines establish protocols for information encryption, data desensitization, access control and operation log retention throughout all stages of information collection, storage and usage.

We have established a top-down confidentiality management mechanism and issued our the "Information Confidentiality Management Measures". For all sensitive information—including business data, data assets and third-party information held by the Group—we assign specific confidentiality levels and differentiated access permissions. To ensure information security and customer privacy, we implement comprehensive confidentiality management measures across technical, physical and personnel defense dimensions.

Technical Defense: We employ multiple technical measures such as protection software, malicious IP detection on office networks, internal network access controls and email gateways. We also restrict third-party software usage and implement keyword filtering and attachment monitoring to prevent information leakage.

Physical Defense: We perform daily and weekly dynamic safety scans and conduct regular security audits to thoroughly check PC and server endpoints for vulnerabilities, trojans and other potential risks. We also conduct monthly inspections to update virus databases and security patches, preventing potential problems before they arise. Each quarter, we issue notices requiring all staff—both at headquarters and in regional offices—to change their passwords.

Human Defense: We restrict customer data access to authorized personnel only. Employees handling sensitive information must sign both a "Confidentiality Agreement" and an "Undertaking of Attribution of Intellectual Property Rights of Functional Achievements". We maintain a zero-tolerance policy for information leaks and will take serious disciplinary action against any violations.

In 2024, we particularly strengthened our focus on asset management and control and personnel access management. For core system applications, we implement our "Four Controls" measures covering personnel, permissions, data flow and operations. For non-core systems, we adopt the management policy of "Request Permissions and Monitor Operations."

At the same time, we also conducted thorough inspections of public network domains and internal servers, blocked unnecessary public domains, performed port scanning and ensured vulnerable servers had received immediate protection. Furthermore, in compliance with the "Cybersecurity Law of the People's Republic of China", we have adopted security products from multiple vendors. We implement cross-validation through security controls, behavior management and vulnerability scanning to ensure we can detect risks promptly, fix vulnerabilities quickly and address potential issues immediately.

During the Reporting Period, the Group provided specialized training for key business teams at headquarters and the Digital Technology Department, focusing on phishing email awareness, weak password risk and prevention and daily cybersecurity practices. At the same time, we conducted specialized training at both headquarters and regional offices, including simulation drills and security briefings. These sessions focused on protecting against information security risks such as phishing emails, cyber fraud, email ransomware, online chat scams and domain hijacking.

2024

No. of customer privacy data leakage incident

0

No. of information security notices and safety briefings covering all employees

3times

Participation rate

100%



Heeding Customer Satisfaction

CIFI Group values listening to customers' voices by establishing and improving customer feedback mechanisms that ensure timely responses and resolutions to every customer's concerns. Based on customer feedback, we continuously enhance our services to become an enterprise that earns both customer satisfaction and trust.

Refining Customer Feedback Mechanism

CIFI has established comprehensive customer communication and feedback channels, including its WeChat Official Account "CEO Direct Line", 400 service hotline and dedicated complaint email. Through the "Joyful Heart Assistant" system, all complaints are directed to responsible staff members, who must respond to customer concerns within 30 minutes and maintain ongoing communication until the complaint is fully resolved. In 2024, we received 21,087 customer service and quality complaints with a 100% response rate within 24 hours and a 93.9% closure rate. Of these, the "CEO Direct Line" received 5,226 customer feedback cases, achieving a 100% processing rate and a 93.9% closure rate. Overall customer satisfaction with complaint handling reached 56.7%.



2024

Customer service and quality complaints

24 hours timely processing rate

100%

Closure rate

93.9%

CEO Direct Line

No. of customer feedback received

5,226

Processing rate

100%

Closure rate

93.9%

Additionally, the Group has implemented "Voice of Customers" initiatives across multiple regions to enhance customer awareness. These initiatives focus on addressing product and service issues that cause customer dissatisfaction, sorting out and resolving top priority concerns and highlighting typical real case studies to promote customer awareness training among all staff. Moreover, through our company-wide customer engagement initiatives (the "Executive's Listening Campaign"), we identify customer pain points, resolve key issues and improve both sales and delivery rates.

We compile customer feedback from all channels into "Product Defect Feedback" and share them with our Design Department. This helps us update design standards—for example, improvements to non-motorized vehicle lanes and drainage grates—so as to continuously enhance our product quality and service levels.



"Voice of Customers" of West China Region



"Voice of Customer" of Jiangsu-Anhui Region

Case | 2024 "Executive's Listening Campaign" Helped Resolve Delivery Issues

In 2024, CIFI Group launched its "Company-wide Customer Face-To-Face Initiative" (the "Executive's Listening Campaign") to embed the core value of "Customer-Centric" into specific work of both management and staff across all operational levels. The initiative required management teams and frontline staff to gather customer insights through regular property delivery inspections, home visits and ready-built property tours. This systematic approach aims to strengthen CIFI's reputation for quality products and service while improving the team's effectiveness in selling completed properties—ultimately helping to achieve our business objectives. Following the "Executive's Listening Campaign", several key customer concerns saw improvement, including property inspections and property management fees. For example, customer concerns about quick repairs dropped from 36% in the first quarter to 25%, while concerns about property inspections decreased from 16.17% to 11.98%.

"Executive's Listening Campaign" has effectively resolved delivery issues, ensuring customers receive more professional and efficient service during the delivery process. According to statistics, a total of 1,249 employees took part in this initiative. As of 31 December 2024, the Group has conducted 2,124 face-to-face listening sessions with customers.



Providing more reassuring quality



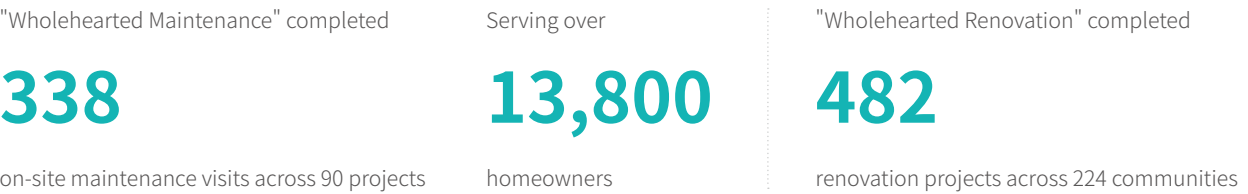
Executive's Listening Campaign On Site

Improving Customer Satisfaction

CIFI continuously optimizes its customer service through regular satisfaction surveys to consistently enhance the customer service experience. In 2024, we continue delivering quality service to our customers across three key areas.

- ◆ The "CIFI Club House" Platform: Our integrated online and offline customer service platform offers complaint filing, repair services, virtual property tours and satisfaction surveys. The platform serves as a channel for customers to rate and evaluate CIFI's products and services, thereby driving our continuous improvement in quality and service delivery.
- ◆ "Wholehearted Maintenance" Service: We provide homeowners with property maintenance and repair services. In 2024, "Wholehearted Maintenance" completed 338 on-site maintenance visits across 90 projects, serving over 13,800 homeowners. Moving forward, we will continue our "Wholehearted Maintenance" service to ensure a positive living experience for our customers.
- ◆ "Wholehearted Renovation" Initiative: We implement renovation programs for older communities to maintain homes in a consistently fresh and modern condition. In 2024, we completed 482 renovation projects across 224 communities, revitalizing these neighborhoods and delivering a more fulfilling and enjoyable living experience.

2024



Case | Road Surface Renovation at Shandong CIFI Yinshengtai · Gongyuan Jinli (山东旭辉银盛泰·公园锦里)

The north gate of CIFI Yinshengtai · Gongyuan Jinli serves as the main entrance and exit for homeowners and visitors. Its road surface conditions directly affect both resident safety and the overall appearance of the complex. However, the north gate's stone pavement allowed water to accumulate in the base layer after rain, which loosened the stone foundation as time passed by. Furthermore, the high traffic volume in this area leads to frequent vehicle passage, causing extensive damage to the stone pavement and creating inconvenience for residents.

Despite multiple repair attempts by the property management department, the problems persisted and the repairs proved ineffective. To permanently resolve the issue and ensure safe, convenient access for homeowners, we removed the original pavement and installed an asphalt surface. Compared to stone pavement, asphalt surfaces provide better water resistance and compression strength, effectively preventing damage from water accumulation in the base layer. This solution has resolved the persistent pavement issues that long troubled homeowners, enhanced their daily commute experience and demonstrated CIFI's dedication to both homeowner satisfaction and property maintenance.



Before and After Road Surface Renovation

During the Reporting Period, CIFI evaluated customer satisfaction combining both its in-house survey system and third-party research firms. The surveys were conducted via telephone interviews and online questionnaires, evaluating aspects including property management, daily operations and responsiveness and shopping mall amenities, among others. In 2024, CIFI focused on delivery quality and customer service to maintain its reputation among customers. It achieved an overall customer satisfaction rate of 66.7%, remaining stable compared to 2023.

Practice

Leading the Low-Carbon Future

CORE ISSUES

- Climate change response
- Green and healthy building design and promotion
- Water efficiency improvement
- Energy conservation and emissions reduction
- Product safety and quality
- Rational development and ecological protection
- Industry collaboration and development
- Waste management

KEY ACTIONS IN 2024

- Led the organization of the 14th CURA Joint Purchasing and continued to enhance the "Green Product Procurement Catalog", adding seven new green procurement categories.
- Focused on all aspects of project operations, sorted and mapped out an "Energy Saving Map" covering 18 specific items across 5 major categories, with energy conservation and consumption reduction as the key priorities.
- Actively promoted the implementation of distributed photovoltaic with CIFI's Cmall projects in Shaoxing, Huai'an and Feixi gradually achieving self-generation and self-consumption of electricity.
- Continued to carry out the "Green Office for a Better Carbon Future" series of activities, calling on everyone to take part in "Low Carbon Transport" and "Joint Resource Creation".

IN RESPONSE TO SDGs



KEY PERFORMANCES IN 2024

Percentage of delivered projects using renewable energy reached

69.8%

Water consumption in office areas decreased by approximately

↓ 3.1%

compared to 2023

Percentage of prefabricated buildings in new projects

85.3%

Administrative office energy consumption intensity decreased by more than

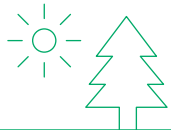
↓ 8%

compared to 2023



Response to Climate Change

Referencing the climate-related disclosure standards in International Financial Reporting Standards (IFRS S2) and the HKEX's climate information disclosure requirements, CIFI Group actively identifies relevant physical risks and transition risks and thoroughly assesses their potential impacts on the Group's business operations. At the same time, we also formulate targeted measures to continuously improve the management of climate-related risks, thereby minimizing their financial impacts across the entire value chain.



Governance

CIFI has established a climate governance structure with clearly defined responsibilities, with the Risk Management Committee serving as the highest authority overseeing risk management. We have integrated climate-related risk management into the Group's comprehensive risk management system and implemented coordinated management, aligning climate governance with our corporate operating philosophy to efficiently drive the orderly implementation of climate actions.

Strategy

CIFI is committed to deepening its understanding of climate change's impacts on the Company along with its risks and opportunities, while enhancing the Company's business resilience. Based on the risk categories recommended in IFRS S2 and HKEX consultation documents, CIFI conducts risk identification and assessment from the perspective of its business type and operations, while taking into account national policies, industry trends and stakeholder concerns.

Through in-depth research of various policy consultations, market changes and technological development trends, we have analyzed and summarized climate-related risks and opportunities relevant to CIFI, identifying 22 high-impact and high-probability climate-related risks, including 10 physical risks and 12 transition risks.

We assess risks along two dimensions: likelihood of occurrence and impact on the Group. All relevant departments participated in the assessment process to ensure our results reflect the Group's actual operations, culminating in the following risk matrix.

2024

22

climate-related risks

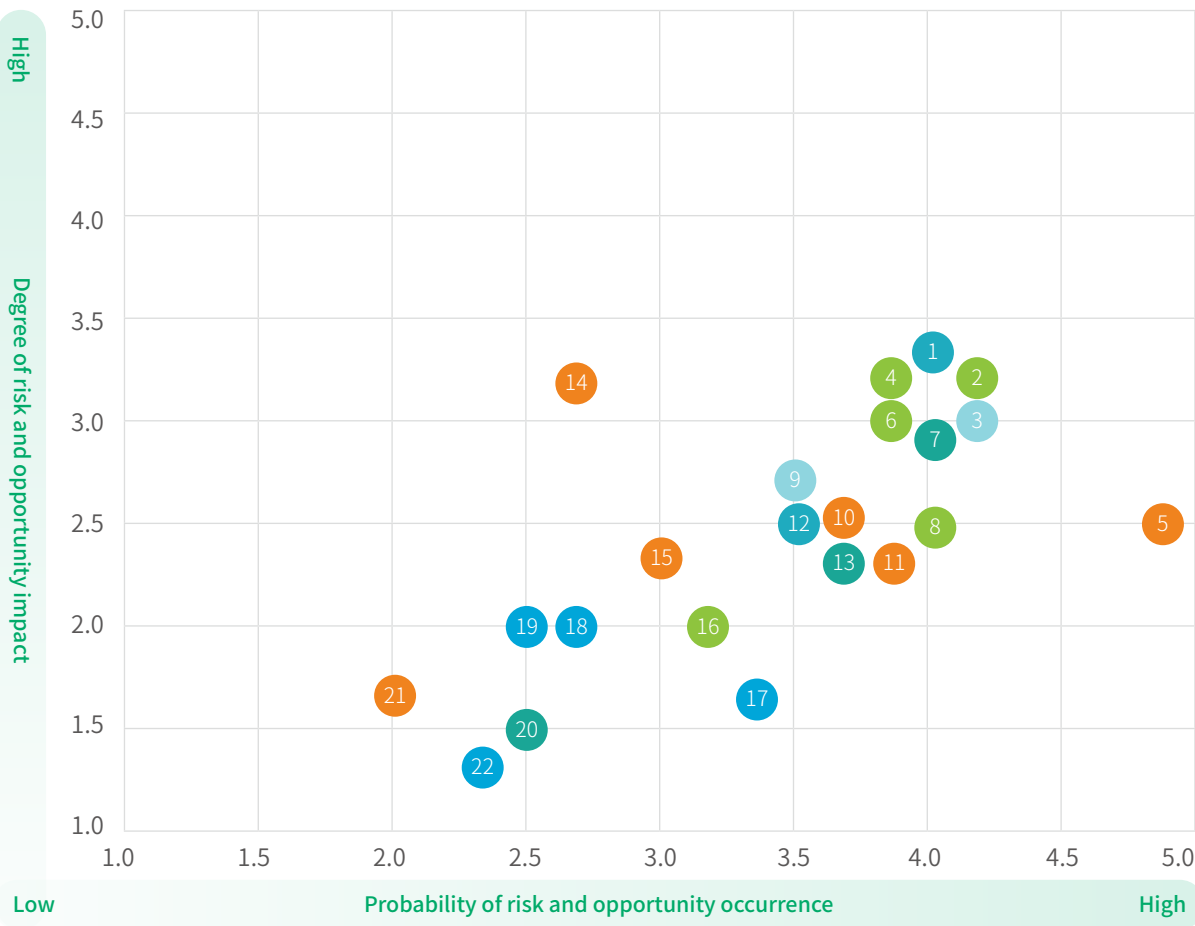
including

10

physical risks

12

transition risks



Risk and Opportunity Matrix

Market Risk	Changes in customer preferences	1
Policy & Legal Risk	Green building goals and standards	2
Technology Risk	Green building technology	3
Policy & Legal Risk	Energy structure and usage	4
Acute Risk	Typhoon	5
Policy & Legal Risk	Carbon pricing	6
Other Stakeholder Impact	Supply chain (upstream and downstream)	7
Policy & Legal Risk	Waste management standards	8
Technology Risk	Energy technology	9
Acute Risk	Extreme precipitation	10
Acute Risk	Extremely hot weather	11

Market Risk	Raw material costs and supply	12
Other Stakeholder Impact	Investors	13
Acute Risk	Flood	14
Acute Risk	Extremely cold weather	15
Policy & Legal Risk	Environmental disclosure	16
Chronic Risk	Rising temperatures	17
Chronic Risk	Water stress and supply instability	18
Chronic Risk	Sea level rise	19
Other Stakeholder Impact	Local communities	20
Acute Risk	Drought	21
Chronic Risk	Land desertification	22

Risk Assessment Ranking

Risk Management

CIFI Group deeply recognizes that managing climate change risks and seizing related business opportunities are vital for creating sustainable value and achieving long-term, stable corporate development. Therefore, we have established and continuously improve our risk management framework and control system, truly integrating climate change-related factors proactively into our Company's risk management system.

Physical Risk

CIFI has always attached great importance to the impact of extreme weather events on construction projects and has thus formulated the "CIFI Group Operational Guidelines for Disposal of Routine Events in Projects". These guidelines incorporate high-impact weather events and establish a comprehensive, effective response mechanism for acute climate risks. This helps minimize adverse effects of extreme weather on project construction and prevents resulting losses. In practice, project teams closely monitor weather warning information and notices from higher authorities to ensure early preparation and preemptive deployment. For example, during extreme weather conditions like high temperatures or typhoons, CIFI will dynamically adjust working hours in accordance with national regulations and implement effective temperature control measures to protect the safety of both personnel and property.

In addition, CIFI is committed to strengthening buildings' resistance to extreme weather, ensuring both the safety of residents and their property while enhancing their quality of life. During the project design phase, CIFI fully considers physical risk factors, such as typhoon-resistant design in coastal areas, enhanced mechanical drainage grades for sunken plazas and depressed sites and appropriately elevated ground floor heights for riverside projects to reduce flooding risks. At the same time, CIFI continues to improve the "CIFI Group Guidelines on Mechanics and Electronics Anti-Freezing and Insulation Design" to meet the design requirements of various regions in dealing with extremely low temperatures. These measures not only enhance the safety and comfort of buildings, but also demonstrate CIFI's commitment to sustainable development and social responsibility.

Policy & Legal Risk

We comply with and respond to national regulations and policies related to carbon emission reduction and strive to reduce carbon emissions and lower carbon emission intensity starting from our own operations. At the same time, we closely monitor relevant laws and regulations, analyze policy trends regarding "carbon peak" and "carbon neutrality", and proactively initiate preparation. Through our "CIFI Group Design Guidelines for the FABRIC Craftsmanship System", we incorporate sustainable development into structural design, using eco-friendly materials and low-carbon structures to achieve carbon peak and carbon neutrality goals while fulfilling our corporate social responsibility.

Market Risk

The government's commitment to reducing carbon emissions strongly aligns with consumers' willingness to elevate their consumption philosophy. CIFI Group conducted timely customer segment analysis to precisely identify shifts in consumer preferences. In the "CIFI Group Design Guidelines for HUMAN Intelligent Healthy Life 3.0", design requirements were proposed in accordance with the WELL certification system, addressing the growing emphasis customers place on low-carbon and health aspects. Additionally, building on sustainable principles, we have developed the "FABRIC" craftsmanship system. This system maintains architectural aesthetics, safety and cost-effectiveness while incorporating eco-friendly materials and low-carbon structures to create innovative, environmentally conscious buildings, thereby establishing our product leadership in the green building sector.

Technology Risk

We are committed to implementing renewable energy across all projects. The Group strictly follows the guidance of relevant policies such as the "Design Guidelines for Solar Water Heating System of CIFI Group" to guide each region in rationally planning their energy structure so as to maximize the application of renewable energy. In response to local government requirements, we are actively exploring ultra-low energy consumption technology systems.

Furthermore, we actively employ intelligent energy efficiency management systems to provide lean energy management for buildings' daily operations and user consumption. By introducing smart sensors and automated systems, we can adjust building's internal parameters, such as temperature, humidity and lighting, in real time to achieve energy-efficient operations. At the same time, we employ passive design and energy modeling approaches to optimize building layouts, reducing dependency on high-energy-consumption equipment to support low-carbon, energy-efficient operations.

Opportunities

Driven by global sustainable development and green building trends, CIFI Group has seized market opportunities and continuously advances innovation in green building-related fields. We extensively implement prefabricated construction in our new projects, enhancing building efficiency and quality, while reducing building energy consumption and carbon emissions through ultra-low-energy building design.

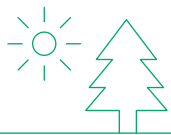
Indicators and Targets

CIFI Group is gradually collating its greenhouse gas emissions inventory, improving its indicator database system and formulating medium and long-term carbon reduction action plans. We will regularly review our carbon reduction results, striving to reach "carbon peak" by 2030 and achieve "carbon neutrality" by 2060. Looking ahead, CIFI will continue strengthening its building energy management, incorporate green energy and recyclable building materials and pioneer new low-carbon technologies—all to advance the nation's "dual carbon" goals and promote sustainable development across society.



Practicing Green Construction

Complying with laws and regulations such as the "Law of the People's Republic of China on Land Administration" and the "Regulations of the People's Republic of China on Nature Reserves", CIFI has established relevant internal regulations regarding greenfield and brownfield development, as well as biodiversity protection. We incorporate environmentally friendly technologies into our building design and development, actively advancing innovative technological research and its practical applications in green healthy buildings, construction industrialization, sponge cities, energy conservation and carbon reduction and smart management and control systems, among other areas. Leveraging our strong R&D and technical breakthrough capabilities, we uphold green building innovation concepts and are committed to working with all parties to promote sustainable development in the construction industry.



Green and Healthy Building Design and Promotion

We integrate sustainability principles into our architectural structural design and continuously uphold commitments outlined in the "CIFI Group Design Guidelines for the FABRIC Craftsmanship System", including the procurement of environmentally friendly materials and implementation of low-carbon energy-efficient structures, striving to achieve our "carbon peak" and "carbon neutrality" goals. In terms of R&D and innovation in green building technologies, including prefabricated construction and low-carbon structures, we actively promote the design and application of green, healthy building systems. Rigorously following design guidelines such as the "CIFI Group Design Guidelines for HUMAN Intelligent Healthy Life 3.0", we implement comprehensive green management throughout a building's lifecycle from design to construction to drive the high-quality development of green buildings.

Case | Changsha CIFI Yujin Plaza (长沙旭辉雨金广场): Illuminating a New "Forest" Living Experience

The Changsha CIFI Yujin Plaza project incorporates multiple functions including high-end residential units, premium shopping mall, quality apartments and prestigious educational institutions. Known as "homes growing in the park", both its residential and commercial components have achieved the two-star certification under Hunan Province's green building evaluation standards.

- The roofs feature thermal insulation or vegetation on 50% of the usable roof area, reducing heat loss and thereby lowering energy consumption for air conditioning and cooling systems.
- The building features a rainwater harvesting system that collects roof runoff for ground sprinkling and landscape irrigation after treatment. This design helps achieve water efficiency through natural rainwater utilization.
- The building uses energy-efficient lighting with zoning and infrared controls in basement and public areas, which not only reduces lighting waste but also minimizes light pollution. Through sub-metering systems, we can monitor equipment energy usage in real time, adjust operational strategies promptly and avoid unnecessary energy consumption.
- We prioritize local building materials and recyclables, including timber, steel, glass, recycled bricks and crushed stone. They make up over 10% of total materials used in the project, helping reduce both resource waste and environmental pollution.

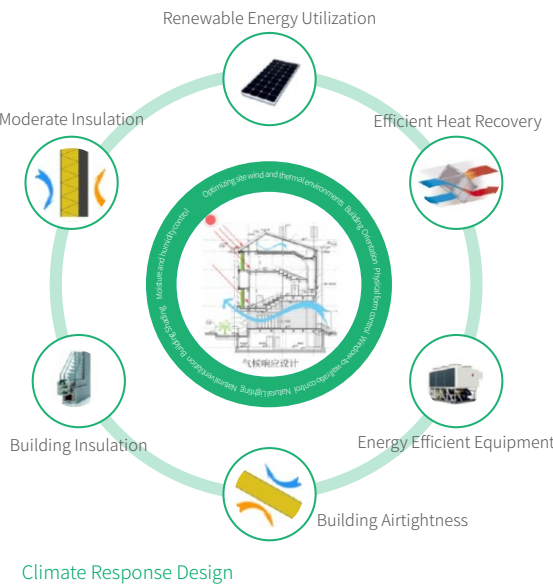


Water Conservation and Consumption Reduction

Through implementing advanced energy management and water conservation technologies, we closely monitor the building's energy and water consumption to establish a model for efficient, eco-friendly architecture.

In 2024, we continued to implement our "Ultra-Low Energy Building Technology System" by deploying highly efficient energy-saving equipment, such as high-performance air conditioning systems and LED lighting systems, maximizing energy conservation and carbon emission reduction while ensuring a satisfactory living experience for residents. Meanwhile, we continue to optimize our tiered energy classification and management system, steadily improving comprehensive energy management capabilities across all project entities.

Through a series of innovative water-saving measures, CIFI is committed to achieving efficient utilization of water resources. In 2024, CIFI implemented high-efficiency water-saving equipment and established rainwater recycling facilities across multiple projects in Changsha, Chengdu and other locations to achieve integrated rainwater treatment and water resource recycling.



Case | Chengdu Wenjiang CIFI Center (成都温江旭辉中心) implementing water-saving equipment to improve water resource utilization efficiency

We use infrared control technology to automatically adjust water usage based on actual needs, avoiding unnecessary water waste. Additionally, the project extensively utilizes Grade 2 water-saving fixtures, which significantly reduce water consumption while maintaining full functionality. We have also established a rainwater recycling system that collects and treats roof runoff for use in landscape irrigation and ground cleaning purposes.



Clean Water Tank in the Rainwater Recycling Facility



Integrated Rainwater Treatment Equipment in the Rainwater Recycling Facility

In 2024, CIFI actively adopted green energy technologies in its construction projects

No. of renewable energy projects in delivered projects

74

Accounting for

69.8%

Comfortable Living

CIFI Group consistently prioritizes social responsibility, dedicated to creating a friendly and accessible environment for people with disabilities. In 2024, during the design process of Changsha CIFI Yujin Plaza and Chengdu Wenjiang CIFI Plaza, we thoroughly incorporated accessibility measures to meet the needs of diverse groups of people. They are both equipped with accessible elevators and stairs to accommodate wheelchairs and other assistive devices. Additionally, the project features accessible restrooms with level entrances to facilitate use by people with disabilities. All these designs comply with the national "Codes Accessibility Design" standards, ensuring reasonable layout and comprehensive functionality of accessible facilities.

Sponge City

In its urban development and construction, CIFI Group actively implements green development concepts, continuously advances the "CIFI Group Design Guidelines for Sponge City" and remains committed to creating exemplary sponge city projects. In 2024, CIFI implemented sponge building technology in construction projects across Wuxi, Suzhou, Kunshan and other locations. These achievements were highlighted in reports to local governments.



Case | CIFI Implemented Sponge City Practices, Living in Harmony with Nature

CIFI Group has achieved remarkable success in sponge city construction. Over four years, CIFI has evolved its community sponge system from version 1.0 to 3.0, integrating buildings, roads, squares, ground cover vegetation and landscapes. The system also incorporates specialized sponge facilities such as bioswales, rain gardens and sunken green spaces designed to match each component's specific function.

CIFI's sponge city projects have been successfully implemented in dozens of projects across the Jiangsu-Anhui region. Additionally, Jiangsu-Anhui CIFI has earned the Sponge City Demonstration Project Award from the Suzhou and Kunshan governments for three consecutive years—a strong testament to CIFI's expertise in sponge city construction and its dedication to sustainable development.



Wuxi Boyue Xishang (无锡铂悦溪上)



Suzhou Hefeng Garden (苏州和风花园)



Kunshan Lanting Dajing (昆山兰亭大境)

Prefabricated Construction

In 2024, CIFI continued to strengthen its efforts in prefabricated construction, keeping pace with industry development trends. We actively implement emerging prefabricated construction technologies, such as the SPCS/EVE prefabrication system and prefabricated basement technology. Meanwhile, CIFI also emphasizes technical exchange and cooperation with industry peers to jointly promote sustainable development in the field of prefabricated construction.

2024

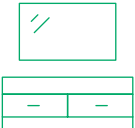
No. of new projects	No. of prefabricated projects	Proportion
34	29	85.3%
GFA of the new projects	GFA of the prefabricated projects	Proportion
1,223,000sq.m.	1,062,000sq.m.	86.8%

2025

We are committed to

100%

compliance with prefabricated construction requirements in land transfer conditions.



Green and Healthy Building Certification

CIFI consistently maintains green building as one of its core development strategies, committed to integrating green and sustainable concepts throughout the entire lifecycle of buildings. We continuously increase the proportion of projects that meet green building certification requirements, making positive contributions to promoting urban low-carbon development and ecological civilization construction, which demonstrates our corporate social responsibility and industry leadership.

In 2024, we continue to follow our 2023 green building targets:

- All residential products must meet at least One-Star Green Building design standards, with "SMILE Series"¹ product line projects 100% meeting One-Star or Two-Star green building standards and "TOP Series"² projects 100% meeting Two-Star or Three-Star green building standards;
- All newly-acquired commercial projects must 100% meet Two-Star Green Building design standards, with high-end projects striving to achieve Three-Star certification in both green building and healthy building standards. Projects are encouraged to meet LEED, WELL, BREEAM and other certification requirements, with certification applications to be submitted based on project circumstances.

¹ SMILE series - urban prime residential products in mainstream section

² TOP series - high-end residential products in core urban areas

Green Procurement

Following the principle of "only purchasing from green supplies", the Group incorporates environmental protection principles into its supplier management mechanism while conducting fair, just and transparent procurement. We work with multiple parties to continuously promote the China Urban Realty Association Green Real Estate Joint Purchasing ("CURA Joint Purchasing") to reduce negative environmental impacts in raw material procurement and other aspects.

Since joining the green supply chain initiative for China's real estate industry in 2016, we have implemented requirements for suppliers and their products across four aspects - resources, energy, environment and quality - through methods such as "whitelisting" and joint purchasing. In 2024, as the rotating chair unit of the 7th CURA Joint Purchasing initiative, CIFI led the organization of the 14th batch of CURA joint purchasing, conducted on-site inspections of relevant enterprises, engaged in field exchanges with enterprise representatives and technical teams and gained further insights into quality suppliers' key practices in product strength and green, low-carbon development. Additionally, to promote sustainable development among upstream and downstream enterprises, we have continued enhancing the "Green Product Procurement Catalog", adding seven new green procurement categories in total, including entrance doors, pipe fittings and materials, solar water heating systems, water purification equipment, fresh air systems, macromolecule waterproofing membranes and polyamide profiles.

No.	Name of the green product	No.	Name of the green product
1	Chromium-free aluminum alloy profiles	11	Lead-free or low-lead faucets
2	LED lighting fixtures	12	Water-saving toilet
3	Solar water heater	13	Variable speed air conditioners
4	Air source water heater	14	Entrance door
5	Anti-smog and fresh air system	15	Pipe fittings and materials
6	Grade 1 energy efficiency wall-mounted heating boiler	16	Solar water heating systems
7	Reflective thermal insulation coating	17	Water purification equipment (reverse osmosis water purifier, nanofiltration water purifier, water softener, general water treatment unit)
8	Precast concrete sandwich insulation wall panels and SW silicone graphene non-removal molded insulation panels	18	Fresh air system
9	Low-e glass	19	Macromolecule waterproofing membranes
10	E1 grade artificial boards	20	Polyamide profile

Green Product Procurement Catalog

Green Construction

CIFI Group has formulated a series of internal systems including "Green Building Operation Form" "Administrative Measures for Green Construction" "Management Measures for Safety and Civilization", and "Operation Guidelines for Standardized Management of Safety and Civilization" to regulate environmental protection measures at construction sites and ensure that construction activities have minimal impact on the surrounding environment.

Energy Consumption: Adhering to the concept of reducing energy consumption, we implement measures such as shaft elevators and energy-efficient lighting, while comprehensively promoting the use of electrified mechanical equipment to gradually replace high energy-consuming and highly polluting mechanical tools.

Resource Utilization: Using mechanical rebar connection methods, thin plastering or plastering-free techniques, pre-paved anti-adhesive waterproofing materials and high-precision flooring to reduce the consumption of rebars, cement and concrete. For example, in wall construction, we use high-reusability aluminum formwork to replace traditional wooden formwork, saving timber consumption while ensuring high quality.

Comprehensive Dust Control: Adhering to the "Six 100%s" principles, i.e., site perimeter barriers, material pile coverage, wet construction methods for earthwork excavation, ground hardening, vehicle washing at entry/exit points and enclosed transport of construction waste. In terms of "material pile coverage", among others, we actively implement the "Underground Engineering Canopy System" to replace traditional manual soil covering, thereby significantly reducing dust pollution.

- We use commercial concrete, pre-mixed mortar and other materials to reduce the amount of on-site mortar mixing operations.
- For eligible projects, we encourage implementing the "Three Priorities" approach—starting with underground garages, municipal infrastructure and landscaping—in their interspersed operations. This method reduces dust pollution for nearby residents by minimizing exposed soil.

Waste Management: Strictly implementing the "Operation Guidelines for Standardized Management of Safety and Civilization", we use designated areas for centralized waste storage, which is then uniformly collected and processed by the general contractor.

Wastewater Management: We install drainage ditches, water collection pits, mud tanks and sedimentation tanks, while establishing a regular cleaning system to remove sediment from the sedimentation tanks to prevent overflow of rainwater and sewage due to tank blockage. Meanwhile, we employ a rainwater recycling system to use the treated rainwater and wastewater for construction site road cleaning and landscape maintenance.

Gas Exhausts Management: We strictly control air-polluting activities such as welding and cutting. At project sites, we prohibit burning construction waste and using open flames for heating, among others. We ban vehicles and equipment that don't meet emission standards and prioritize electric vehicles for on-site transport. We also use municipal power supply rather than generators whenever possible.

Focusing on energy consumption, resource utilization, comprehensive dust control, waste management, wastewater management and gas exhausts management, CIFI comprehensively considers the needs of environment and surrounding communities and reduces the negative environmental impacts of construction, creating a clean, tidy, comfortable and safe construction workspace.

Optimizing Low-Carbon Operation

The Group adheres to the concept of green development, continuously exploring low-carbon operations for commercial and residential projects. Through landing energy-saving and consumption-reduction projects, managing water resources, steadily deepening green leasing practices, promoting green office initiatives and working together with partners, we are jointly building a green society.



Energy Conservation and Consumption Reduction

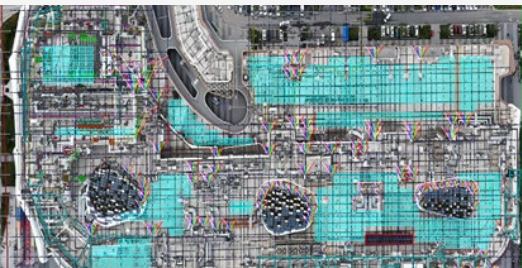
CIFI Group strictly follows internal standards, including the "Management System for Energy Saving and Consumption Reduction", and manages energy through its smart energy system "CIFI Cloud" platform, which covers, for example, CIFI Cmall projects in Xindu, Wenjiang and Nanchang. In 2024, focusing on all aspects of project operations, we sorted and mapped out an "Energy Saving Map" covering 18 specific items across 5 major categories, with energy conservation and consumption reduction as the key priorities. Among these, photovoltaic installation and air conditioning renovation, as one of the key strategies for energy-saving retrofits, play a vital role in optimizing the energy structure and promoting energy conservation and emissions reduction.

In 2024, CIFI actively promoted the construction of distributed photovoltaic in projects such as Cmall in Shaoxing, Huai'an and Feixi, achieving self-generation and self-consumption of electricity while increasing the proportion of renewable energy in the energy structure, which demonstrated both economic and environmental benefits.



Case | Making full use of building rooftop resources to promote the construction of distributed photovoltaic

The Huai'an CIFI Cmall (淮安旭辉 Cmall) distributed photovoltaic project utilizes approximately 8,500 square meters of rooftop area. It adopts a grid-connected solution of "self-generation and self-consumption with excess power fed to the grid". The project was completed through partnerships using an energy management contract model. The project is expected to achieve an installed capacity of approximately 956.98 kWp, with an average annual power generation of 1.0754 million kWh in 2025. This will save CIFI approximately RMB 0.25 per kWh and the project is scheduled to be connected to the grid in April 2025.



Distributed Photovoltaic of the Huai'an CIFI Cmall Project



Case | Advancing energy-saving renovation initiatives to unlock energy conservation potential across multiple sectors

In 2024, the Feixi CIFI Cmall (肥西旭辉Cmall) project commissioned a professional third party to carry out specialized energy renovation of its air conditioning system. The renovation work covered five key areas: cooling towers, equipment room piping, equipment room electrical systems, terminal fans and the energy-saving system platform. The upgrades included installing 28 hydraulic pressure stabilizers, 12 electric meters for monitoring water pump and chiller energy usage, power meters, fan control cabinets and wireless temperature and humidity panels. Through the addition of an energy efficiency control platform, we achieved remote automated energy-saving operation of all equipment, enabling functions such as data recording and analysis.



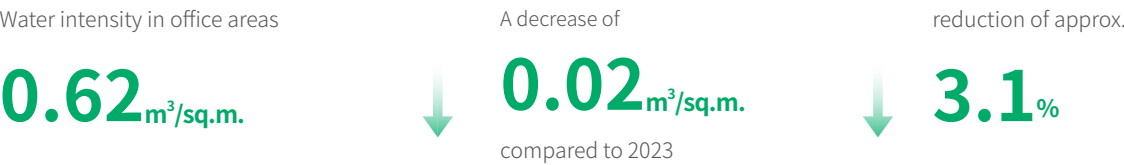
Energy-saving System Platform of the Feixi CIFI Cmall Project

Water Consumption Management

The Group emphasizes water resource management. We not only strictly follow internal policies and implement water conservation measures but also encourage staff and tenants to save water thereby improving water consumption efficiency.

CIFI fully considers water resource usage risks across project investment, design, development and operational phases, striving to minimize resource waste and wastewater generation. We display water conservation reminders and signage at water points throughout our business and office areas to promote mindful usage. At the same time, we are implementing water-saving upgrades that include replacing sensor faucets, optimizing self-cleaning cycles for drinking water dispensers, reducing landscape water replacement, decreasing faucet flow rates and harvesting rainwater for irrigation purposes to reduce water consumption for landscaping.

In 2024, water consumption in office areas exceeded the target



Green Leasing

CIFI Group actively engages with commercial tenants, promoting energy-efficient operations and the use of eco-friendly decoration materials through tenant move-in processes, daily operations, environmental advocacy and supervision, among others, thereby gradually deepening green leasing practices. We follow established guidelines such as the "Decoration Manual Guidelines" and "Limit of Hazardous Substances in Wallpaper of Interior Decoration Renovation Materials". These regulations set requirements for tenant decoration and operation, including limiting the use of spotlights, high-heat metal-halide lamps and heat-generating equipment.

Additionally, in our contracts, we specify or provide recommendations regarding the electrical materials and electronic equipment power ratings chosen for tenant decoration, as well as exhaust emissions, oily wastewater discharge and waste disposal during operations, to ensure compliance with national and regional environmental requirements and standards. Following local waste disposal requirements, we sort tenants' domestic and kitchen waste before sending it to designated recycling agencies for processing and reuse.



Bulky waste, recyclable waste, construction waste, disposable tableware and other waste must be segregated for disposal.



Waste oil and kitchen waste should be uniformly processed by professional recycling companies.



Hazardous waste such as paint and used fluorescent tubes must be stored separately and not disposed of carelessly. They should be regularly collected and processed by professional recycling agencies.

To promote green leasing, we strengthen tenants' environmental awareness through daily morning meetings, training sessions, presentations, knowledge competitions and seminars, among other forms. We also regularly track tenants' compliance with electricity, water usage and exhaust emissions standards, demonstrating our commitment to sustainable development through concrete actions. In 2024, CIFI conducted a total of 22 specialized energy and water conservation training sessions for tenants; monitored tenants' water usage, electricity consumption and exhaust emissions monthly, with a total of 241 communications with tenants throughout the year; conducted quarterly inspections of tenants' water and electricity usage, totaling 60 inspections for the year; and performed 90 inspections of tenants' exhaust ventilation ducts throughout the year.

Green Office

Strong environmental awareness and practices are indispensable for sustainable corporate development. CIFI Group views sustainable operations as a key objective for its growth. To achieve this goal, in 2023 the Company planned and launched four phases of cultural promotion and development activities themed "Green Office for a Better Carbon Future".



Joint Resource Creation

- We encourage conducting meetings and events through online video or livestream formats to improve meeting efficiency.
- We encourage sharing and transferring work documents online (such as in the form of cloud documents), which is both instant and environmentally friendly.
- We encourage sharing office resources, workstations and office supplies to efficiently utilize resources.
- We encourage reducing the use of disposable items and choosing products made from biodegradable and recyclable materials instead.
- We encourage using computers, desks, chairs and other furniture properly, checking them regularly and repairing them promptly to extend their service life.

In 2024, the final two phases of: "Low Carbon Transport" and "Joint Resource Creation" were launched.

Low Carbon Transport

- We encourage reasonable planning of business travel arrangements and routes, avoiding unnecessary trips and private car services unless essential.
- For daily travel, we encourage taking public buses and subways or commute by walking or cycling.
- In both work and daily life, we encourage using stairs rather than elevators for trips of three floors or less.
- We encourage using online meetings as the primary method of communication.
- We encourage traveling light and minimizing entourage—when on business trips, keep the accompanying personnel to a minimum.



Green Transport "135"



Eliminate Always-On Lights

2024

Administrative office energy consumption intensity decreased by more than

↓ 8%

compared to 2023

Practice

Growing Together with Our Employees

CORE ISSUES

- Talent recruitment and team building
- Employee remuneration and benefits
- Employee rights protection
- Equal participation and Diversification
- Employee training and development opportunities

KEY ACTIONS IN 2024

- Updated the compensation and benefits system by introducing a tiered, categorized incentive mechanism.
- Established a "Merit and Honor" system for timely recognition of milestone achievements.
- Planned and implemented targeted training programs to develop essential skills and empower key personnel.
- Launched the 5th "Elite Morning Glory Talents" intensive training program with customized practical modules to foster growth.
- Achieved comprehensive coverage of our digital training platform with newly added "Delivery Assurance" courses.
- Implemented the "Heartfelt Care" program comprehensively and organized employee care activities to boost employee well-being.

IN RESPONSE TO SDGs



KEY PERFORMANCES IN 2024

Percentage of ethnic minority employee

8%

Total employee training hours

20,164^{hours}

Total training investment

RMB 700,000

Internal cadre growth rate

100%



Protecting Employee Rights and Benefits

CIFI Group steadfastly maintains high standards of responsibility and ethics. We rigorously adhere to compliant employment practices while leveraging our comprehensive compensation system to unlock employee potential so that we can work together to achieve our shared vision.



Compliant Employment

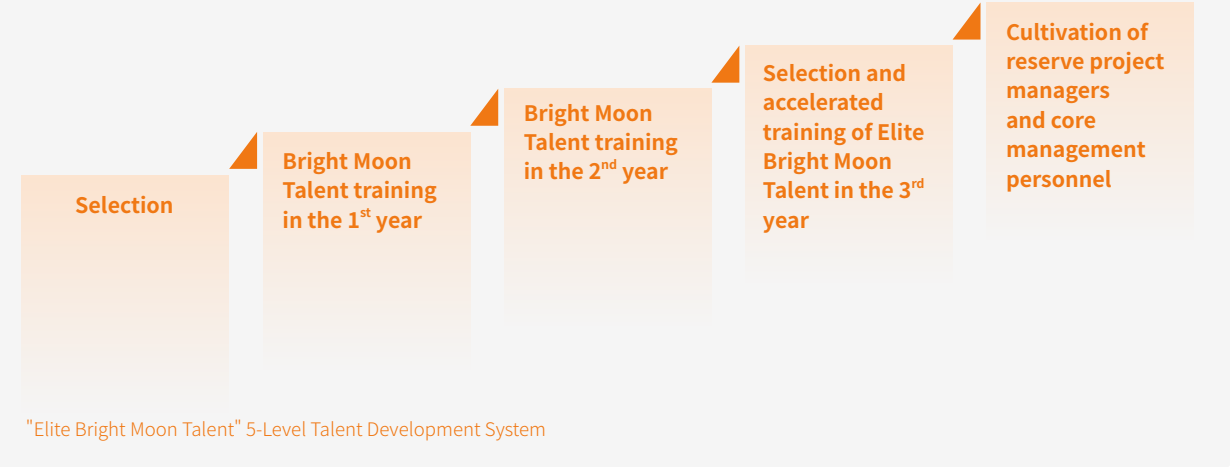
CIFI Group always strictly complies with the "Company Law of the People's Republic of China", the "Labor Law of the People's Republic of China" and the "Interim Provisions on Labor Dispatch", along with other relevant laws and regulations. In our recruitment process, we firmly uphold principles of equality and diversity while actively safeguarding our employees' legal rights and benefits. Based on the People's Republic of China's "Provisions on the Prohibition of Using Child Labor" and international labor standards, the Group has formulated the "Administrative Measures for Labor Employment" to standardize employment practices and foster harmonious labor relations. We strongly oppose the use of child labor and forced labor, ensuring all hired employees meet legal labor requirements.

Furthermore, the Group upholds the principle of non-discrimination, avoiding any bias based on gender, age, ethnicity, religious beliefs, or race, among others. Individual merit serves as our sole recruitment criterion, and we treat all employees fairly and justly while fostering an open, diverse, equal, and inclusive workplace. In 2024, the Group focused on building its talent pipeline by systematically improving its professional recruitment system, and successfully introduced fresh talent into key positions. As of 31 December 2024, the Group's employees totaled 2,156¹.

Case | CIFI's "Bright Moon Talent(皓月生)" Recruitment Program: Shaping Future Leaders in Sales and Marketing Management

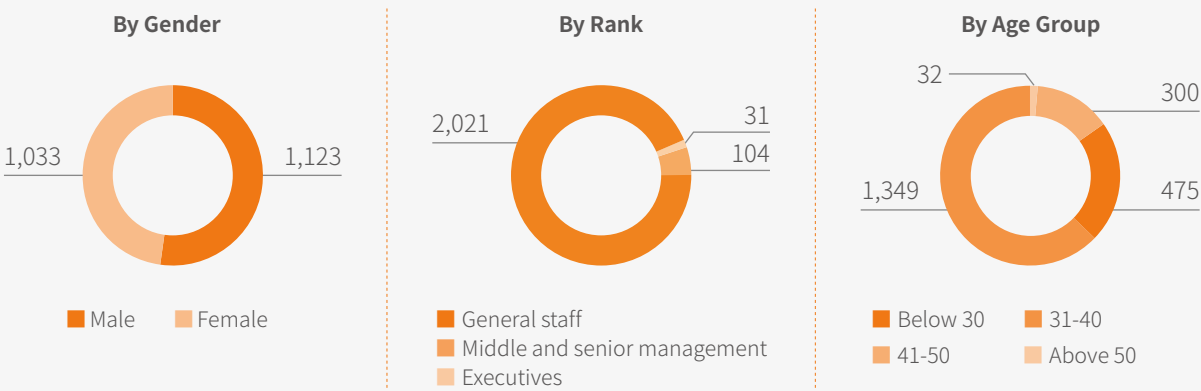
Since 2014, CIFI Group has operated the "Bright Moon Talent" elite recruitment program, focusing on in-depth talent development and long-term career planning. Through a series of carefully designed development initiatives, this program helps "Bright Moon Talents" quickly adapt to their roles, steadily enhance their performance, and strengthen their professional skills.

In 2024, CIFI has continued its external recruitment efforts while focusing on developing and promoting internal talent, flexibly adjusting its hiring scale according to actual position needs. Through all-scenario learning paths, tailored role-specific training, and a "five-in-one" comprehensive development system, "Bright Moon Talents" gradually evolve into top-tier sales professionals and marketing leaders who embody CIFI's unique qualities.

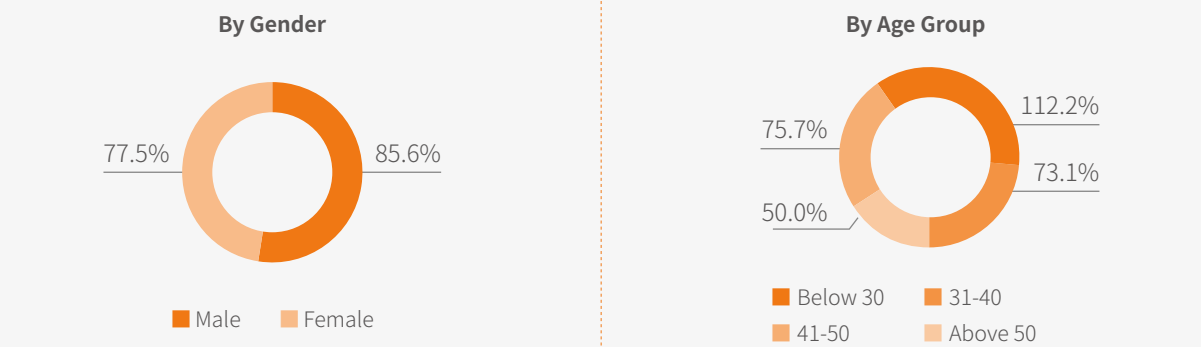


¹ Excluding Ever Sunshine Services

Employee Overview



Employee Turnover Rate



Employee Data



CIFI Group received the **"2024 Global Outstanding HR Team"** award at the 2024 GHR Lib Human Resource Industry Selection held by the GHR Lib.

Remuneration and Benefits

CIFI Group has issued its "Administrative Measures for Performance," which transforms performance management into a tool for empowering performance. These measures also standardize evaluation criteria, key processes, cultural values orientation, and overall performance management practices. Following these measures, we implement different evaluation cycles tailored to different employee group and provide feedback through monthly face-to-face performance reviews to help employees enhance their performance.

We regularly update our remuneration and benefits system by introducing tiered and categorized incentive mechanisms. These mechanisms blend short-, medium-, and long-term differentiated incentive strategies, combining both tangible rewards and intangible incentives. This approach allows us to adapt our incentives flexibly to both extraordinary circumstances and routine management requirements. Additionally, based on our "Overtime Work Management System," we clearly define overtime compensation and overtime pay to fully protect our employees' legal rights and interests.

Limited resources are strategically allocated to provide appropriate incentives for key contributors and teams, ensuring their stability and morale.

Individual rewards are distributed promptly, without being tied to target completion rates, motivating teams to persistently tackle and overcome challenges.

Main incentives are distributed at year-end and tied to annual target completion rates—higher completion rates result in greater rewards.

Remuneration and Benefits System Highlights

We follow a remuneration system where salaries are determined by position and adjusted when roles change. This approach ensures fairness while motivating employees to reach their full potential, improving management effectiveness, and supporting organizational growth. We ensure employees receive fair and competitive compensation that supports their career development. Moreover, we actively encourage talent mobility through incentives including out-of-town assignment allowances and city relocation subsidies.

Case | "Merit and Honors" Illuminates the Path to Excellence

In 2024, CIFI Group introduced its "Merit and Honors" system, which recognizes milestone achievements through timely, comprehensive, and ceremonial awards. The system features monthly commendations alongside quarterly and annual awards, establishing "Merit and Honors" as a cornerstone of CIFI's recognition framework. This program celebrates employees who make outstanding contributions to the Group while inspiring them to pursue excellence continuously—achieving higher, faster, and stronger breakthroughs in both capabilities and performance.



Supporting Employee Development

CIFI Group upholds the core value of "people-oriented", placing employee interests at its foundation while making talent empowerment its higher goal. Through diverse training strategies and a comprehensive promotion system, we provide employees with clear career paths and broad growth opportunities. This enables every employee to shine on CIFI's stage while creating mutual success for both individual growth and corporate development.



Diverse Training

In 2024, CIFI Group actively organized and implemented employee training programs. These initiatives emphasized leadership development and core skill building to enhance their overall capabilities and business competencies. We also regularly offer a variety of training programs—from leadership development and business ethics to professional skills—that foster personal growth, build team unity, and create a strong talent base for our long-term success.



"Bright Moon Talent (皓月生)" Training Program



CIFI Grand Strategist Training Camp

Key Personnel Empowerment Training

2024 "Bright Moon Talent (皓月生)" Onboarding Integration Training

Our standardized training process helps management trainees quickly adapt to their roles and maintain consistent performance. This shapes them into a disciplined, high-performing frontline sales team with a strong sense of corporate identity. This training effectively mitigates the risk of losing top sales performers during industry downturns while maintaining team stability. It also develops and deploys excellent sales talent to support our new construction management business, enabling sustained business growth.

Elite Project Manager Training Camp

We launched the Elite Project Manager Training Camp program in 2024. On the mental level, we boost employee morale, inspire team spirit, and reinforce our corporate culture to enhance team cohesion and unity. In terms of capabilities, the training camp focuses on enhancing participants' professional skills and solidifying their expertise through systematic training. At the same time, it strengthens management capability training and promotes the improvement of lean management practices, laying a solid foundation for future real-world applications.

Key Capability Forging Training

Online Marketing Bootcamp

In advancing our online marketing efforts, we implemented a "horse racing mechanism" across 14 key projects. The launch of this online bootcamp brought tangible progress. In the first month following the training, the Group saw significant growth in Douyin visits, online transaction volume, brand exposure, and lead generation.

Non-Residential Approach Empowerment

Building upon our existing approach, we update our traditional methods while consolidating new strategies, combining special approaches with practical case studies from corresponding projects. We implement proven methods according to project types and strengthen regional business inspections. For new approaches, we conduct pilot programs with selected projects and document best practices to eventually enhance our operational tools.

Grand Strategist Training Camp

Based on actual project circumstances, we combined grand strategic planning with value transformation initiatives, successfully implementing 9 case studies while iteratively enhancing our grand strategic empowerment capabilities.

2024 Key Personnel and Capability Training

Leadership Training

CIFI Group launched the "Leadership Rebuilding in Times of Crisis" course and successfully delivered 6 offline training sessions to 211 managers, achieving an average satisfaction score of 4.94. This training helps managers develop self-awareness and strengthen their leadership skills while guiding teams to align on goals and achieve coordinated success. Additionally, the Group also conducts leadership behavior studies based on training outcomes, regularly assesses managerial competencies, and adjusts personnel when needed to continuously develop leadership skills among its managers.

Business Ethics Training

CIFI continues to conduct business ethics training to help employees improve their business ethics and professionalism and prevent commercial bribery and other improper behaviors to build a positive business image. By the end of the Reporting Period, CIFI had conducted military-style discipline training for 2,364 employees, ensuring that the training covered every employee in the Group.



Professional Competency Training

We place strong emphasis on product quality and safety. Our engineering division has particularly launched the course "Engineering Management Requirements in the New Era" and our customer relations division has introduced the course "Key Points of Customer Satisfaction Enhancement Management and Control and Best Practice Case Sharing". These courses cover the latest product quality and safety standards to enhance frontline personnel's focus on these critical aspects of product quality and safety.



Diversified Training System

We continuously conduct Kirkpatrick Four-Level evaluations for our training programs to help departments assess employee learning outcomes. CIFI regularly conducts Level 1 satisfaction evaluations and Level 2 test assessments internally. For key talent development programs, such as Elite Morning Glory Talent (精英旭日生) and Marketing Expert, we conduct Level 3 behavioral assessments, requiring participants to engage in action learning in teams and report their results after training. Level 4 results transformation assessments are primarily used for marketing talent development programs, such as bootcamps, where learning effectiveness is evaluated by tracking actual performance improvements after training.

Case | Our Digital Training Platform Achieved Comprehensive Coverage

In 2024, CIFI Group's digital training platform achieved comprehensive coverage with newly added "Delivery Assurance" courses to further improve project management efficiency and quality. The platform has launched five major specialized training programs in various practical fields, covering operations, customer relations, cost management, procurement, and engineering. These seven professional courses have benefited more than 500 frontline employees and significantly enhanced overall team capabilities.



Course on Digital Training Platform

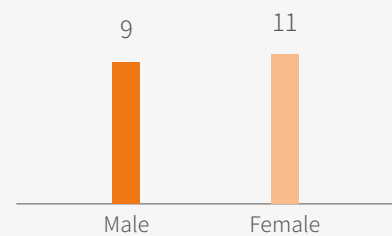
Total training hours

20,164

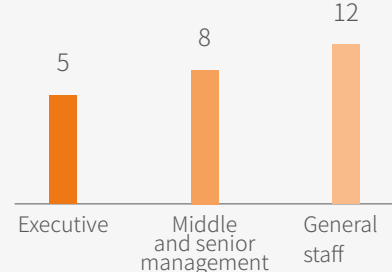
Total Training Investment

RMB 700,000

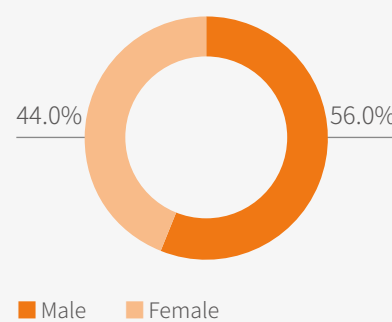
Average training hours per employee by gender



Average training hours per employee by rank

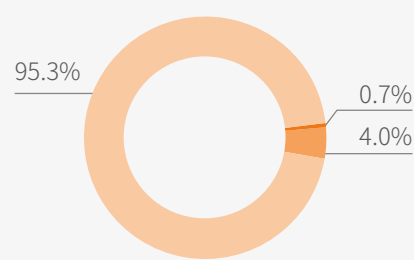


Employee training rate by gender



Male Female

Employee training rate by rank

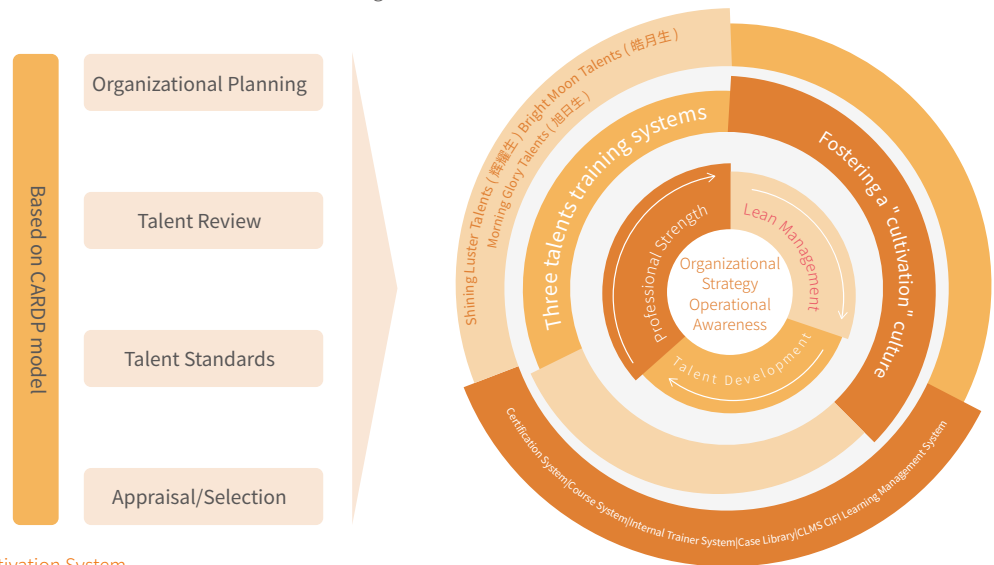


Executive
Middle and senior management
General staff

Employee Training Overview

Promotion and Development

The Group continuously enhances organizational planning and talent assessment, establishes clear talent standards, and improves evaluation and selection processes. Through its Three-Talents¹ development system and culture cultivation, the Group enables rapid growth and effective motivation of both managers and elite talent.



CIFI Talent Cultivation System

CIFI Group has established a Cadre Management Committee to continuously strengthen cadre development and enhance their professional capabilities. Throughout 2024, the Group has achieved a 100% internal growth rate for cadre personnel, and optimized the succession pipeline through talent assessment, implemented personalized development paths, and effectively strengthened the comprehensive capabilities of the entire cadre team. At the same time, the Group maintains efficient and flexible cross-regional transfers for cadres, continuously strengthens the reserve talent pool for key positions, and maintains an internal growth rate above 90%. In addition, we have implemented a key position review mechanism to optimize our workforce and promote organizational vitality. Through comprehensive position and salary reviews, we ensure talented employees receive proper incentives—injecting fresh momentum into the Company's sustainable development.

Case | The 5th "Elite Morning Glory Talents (精英旭日生)" Training Program

In 2024, CIFI officially launched its fifth "Elite Morning Glory Talent" training program, consisting of four themed sessions.

- Session One: Strategic Clarity and Career Planning
- Session Two: Business Perspective and Holistic Thinking
- Session Three: Functional Enhancement and Professional Breakthrough
- Session Four: Management Foundations and Leadership Launch

The training program covered 40 outstanding campus recruits and adopts a four-in-one mentoring model. Through a hybrid learning approach combining online and offline formats, including coursework, experience sharing, executive seminars, and research projects, the program comprehensively enhanced participants' professional capabilities, management skills, and cultural identification, cultivating an elite team that values both professional expertise and management abilities. By implementing an action learning team project operational mechanism, facilitating cross-departmental collaboration, creating personalized training to-do lists, and supporting practical application after training, the program achieved an outstanding satisfaction rating of 4.9.



The 5th "Elite Morning Glory Talents" Training Program

¹ Three Talents: Shining Luster Talents (辉煌生), Morning Glory Talents (旭日生), Bright Moon Talents (皓月生).

Enriching Employee's Life

CIFI fosters boundaryless communication and warms hearts with thoughtful care, ensuring every voice is heard and every need is seen. We value employee communication, conduct employee satisfaction surveys, and strengthen internal information sharing and emotional connections. At the same time, we have fully rolled out the "Heartfelt Care" program, meticulously designing every detail from rich benefits to daily care activities, striving to create a workplace that feels like a happy home.



Employee Communication

We value employee communication and conduct employee satisfaction surveys. Meanwhile, we have established bottom-up employee feedback channels, including morning meetings, senior executive talks, departmental meetings, and the CEO mailbox, among other forms, to quickly respond to and effectively resolve employee concerns, enhance their sense of participation and belonging, and effectively promote internal harmony and stability.

In 2024, CIFI Group conducted an internal employee satisfaction survey, achieving a 90% response rate and an overall satisfaction score of 4.86. Employees generally express satisfaction with work requirements, support, career development opportunities, team collaboration atmosphere, and learning and growth opportunities. We will continue to pay heed to employee needs and improve their satisfaction.



Case | Leveraging Morning Meetings to Celebrate the Mid-Autumn Festival Together

We strengthened our morning meeting platform and continued to promote the "Senior Executive Talks" livestreams, conducting a total of 8 sessions in 2024. At the same time, each region regularly organizes bi-weekly in-person morning meetings to ensure effective top-down communication of core corporate strategies, deepen internal communication, build team consensus, and boost overall morale.

Additionally, during the Mid-Autumn Festival, the Group headquarters and regional and city offices specially organized a "Mid-Autumn Joy, Chasing Light Forward" morning meeting event, with nearly 200 people participating in person. The traditional holiday was celebrated in a simple yet warm manner, allowing everyone to feel the warmth of the collective outside of work, which further enhanced team cohesion and sense of belonging.



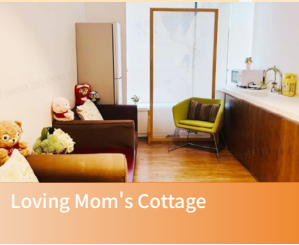
Employee Care

CIFI Group deeply cares about employee wellbeing and has fully implemented the "Heartfelt Care" program. This program not only encompasses various care activities at both headquarters and regional offices, but also establishes a detailed employee service guide, subdivided into three categories: basic administrative services, administrative resource services, and administrative care services, comprehensively catering to employee needs.

We provide employees with a series of benefits, including basic benefits such as social insurance, housing provident fund, paid annual leave, etc., as well as supplementary benefits such as holiday benefits, points-based benefits platform, employee care fund and employee housing financial assistance. Additionally, we have arranged various daily welfare activities, including afternoon tea, holiday gift-giving, employee birthday celebrations and warm festival greetings.



We regularly organize employee care activities, and specially launched a summer care program during the Lixia (Start of Summer) solar term. We provide comprehensive facility management for the headquarters building, including elevator maintenance, air conditioning system cleaning and sanitization, drinking water quality monitoring, exterior cleaning and maintenance, fire safety checks, pest control and overall environmental quality management.



Practice

Driving Social Development

CORE ISSUES

- Industry cooperation and development
- Social welfare charity
- Urban revitalization
- Promote local economic growth

KEY ACTIONS IN 2024

- Provided dedicated funding to support public welfare projects, such as helping underprivileged students complete their education and assisting disadvantaged groups in accessing medical care.
- The high resettlement ratio at Fuzhou Shidai Jianglai won acclaim, achieving satisfactory delivery.
- Officially launched Chengdu Wenjiang CIFI Cmall, driving regional commercial upgrading.
- CIFI Yuhua Lane premiered in Changsha, establishing itself as a popular social media destination while enhancing the residential environment.

IN RESPONSE TO SDGs



KEY PERFORMANCES IN 2024

No. of employee volunteers

126

Employee volunteers dedicated in service for

1,197 hours



Advancing Industry Development

CIFI Group remains committed to the industry's sustainable development. We actively explore innovative models while continuously enhancing operational project quality and efficiency through advanced management practices and technical solutions. At the same time, we emphasize in-depth collaboration with industry peers to jointly promote standardized, intelligent, and environmentally-conscious industry development. Through continuous technological innovation and streamlined business processes, CIFI has not only strengthened its competitive edges but also set benchmarks for the entire real estate industry, leading the sector toward greater quality, efficiency, and sustainability.



During the Reporting Period, CIFI Group actively participated in industry seminars and discussions organized by government and industry associations. We submitted over 20 industry analysis reports and policy recommendations, provided feedback on policy implementation, and helped restore market confidence through sales recovery and risk mitigation. Additionally, we offered corporate perspectives on long-term development and new business models, contributing to the industry's stable and healthy growth in the long term. At the same time, we have strengthened partnerships with multiple institutions on various fronts and formed a long-term collaboration with the Building Research Establishment (BRE)—the world's leading integrated building environment science center-in the "Green + Real Estate" sector to jointly promote sustainable development and ESG principles.

Deepening Philanthropic Commitment

Guided by its mission of "Building for a Better Life", CIFI Group has long been an active participant in charitable causes, helping advance society's vision of sustainable development. We have established the CIFI Foundation to take concrete action to create lasting, positive impacts on society. We focus on four key charitable causes: educational support, environmental protection, rural development, and earthquake relief and rescue. Through sustained efforts, we aim to contribute to societal harmony and progress by improving educational conditions, protecting nature, fostering rural prosperity, and responding effectively to natural disasters.



During the Reporting Period, CIFI invested a total of RMB 200,000 in public welfare projects aimed at supporting underprivileged students in completing their education and assisting disadvantaged groups in accessing medical care. We also established a team of 126 volunteers to carry out ongoing support efforts. Over the year, the team contributed a total of 1,197 volunteer service hours, forming a support network that covered multiple communities and benefited numerous families in need.

2024

No. of employee volunteers

126

Employee volunteers dedicated in service for

1,197 hours

Building Urban Ecosystem

CIFI Group actively engages in building high-quality urban development. We address fundamental livelihood needs by providing affordable housing for residents, actively identifying important cultural and historical sites in cities, and combining heritage preservation with innovative development. At the same time, we address residents' needs by developing essential commercial spaces in surrounding neighborhoods, creating convenient living experiences that enhance their comfort and quality of life. Recognizing that cities increasingly seek distinctive identities, we are launching a series of urban complexes that reflect each city's unique character. These developments create differentiated consumer experiences while helping strengthen and refresh city identities.



Providing Affordable Housing

Through strategic planning of available space, CIFI Group has developed a series of high-quality affordable housing projects that integrate seamlessly into urban layouts, helping address key challenges facing major cities. By the end of 2024, LingYu had more than 45,000 affordable housing units recognized across the country, spanning major cities including Shanghai, Beijing, Hangzhou, Nanjing and Chengdu.

Following our "customer-centric" philosophy and after three years of research and development, LingYu launched its 3.0 product in 2024. The product creatively organizes living spaces into three zones: private zones for high-frequency use, semi-private zones for medium-frequency use, and public zones for low-frequency use. This design precisely meets tenants' needs for diverse, personalized, and community-oriented spaces, delivering a "villa-like experience within 25 square meters".

In 2024, LingYu partnered with the Industry Council For China Rental Apartment to establish an ESG Practice Research Base at the Youmi Community project in Shanghai's Songjiang Western Science and Technology Park. This initiative conducts research on ESG practices on enterprises in the housing rental sector to provide practical insights for the industry.

Case | Fuzhou Shidai Jianglai (福州时代江来) — Quality Homes Winning Acclaim for High Resettlement Ratio

The CIFI Group adheres to a customer-centric principle, ensuring that both commercial and resettlement housing follow the same construction standards. During the initial launch, the project achieved exceptional sales of RMB 100 million, setting a new record in Fuzhou's market for combined resettlement and commercial housing unit sales. Despite facing multiple external challenges, including the pandemic and market fluctuations, the project upheld its contractual commitments during the delivery phase, presenting homeowners with satisfactory results. To date, the Shidai Jianglai project has achieved an occupancy rate of over 70% for its resettlement housing, earning high recognition and satisfaction from homeowners.

Creating Affordable Commercial Projects

CIFI Group is committed to fostering a more convenient living experience for community residents by introducing diversified community commercial and service facilities. We support small and micro businesses and merchants, encourage residents' entrepreneurship, and actively create a commercial environment that aligns with urban development and community characteristics while ensuring both affordability and innovation. Our commercial amenity model features fresh food supermarkets, small-scale dining, daily retail, children's education, and leisure and entertainment options, thoughtfully catering to the diverse living needs of community residents. At the same time, we are dedicated to making community businesses a vital engine of urban economic growth, transforming communities into integrated living spaces where residents can live comfortably, work with joy, learn with purpose, and flourish through thoughtful commercial development.

Operating Urban Complexes

CIFI Group deeply appreciates the distinctive role urban culture plays in shaping and advancing urban development and construction. We take inspiration from each city's unique character and geographic features and harness our two flagship product lines, "CIFI Cmall" and "CIFI Lane," to craft distinctive urban complexes tailored for every city.

Two Flagship Product Lines under CIFI, "CIFI Cmall" and "CIFI Lane"

旭辉Cmall

CIFI Cmall

Designed for urban youth aged 20 to 45, stylish families, and young middle-class individuals, it establishes itself as a lifestyle trendsetter and a hub for creative exploration. Embracing the philosophy of REFRESHING LIVING, it weaves together diverse elements—retail, dining, entertainment, services, family-oriented activities, and distinctive spaces for trendy, novel experiences. Its mission is to pioneer new lifestyle trends while infusing cities with enduring vitality and innovative energy for high-quality development.



Case | Chengdu Wenjiang CIFI Cmall (成都温江旭辉 Cmall) — The sixth "CIFI Cmall" project in the product line landed

In May 2024, Chengdu Wenjiang CIFI Cmall officially opened, spanning approximately 120,000 square meters. As the first commercial complex to debut among Chengdu's initial 16 TOD projects, it fills a significant void in the market for high-quality shopping centers within a 5-kilometer radius. With vibrant and trendy consumption options, it caters to university students and young families in the Wenjiang University Town business district, revitalizing regional commerce, elevating its quality, and establishing a fresh commercial landmark.



旭辉里

CIFI Lane

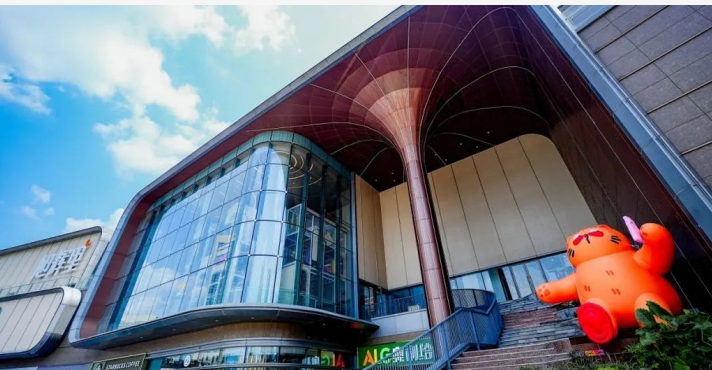
A lifestyle space tailored for urban families and fashionable professionals. Just like a captivating companion that brings you new taste of life, it seamlessly fulfills people's needs in everyday high-frequency consumption scenarios—living, socializing, cultural entertainment, and parent-child interactions—while weaving a beautiful tapestry of life with every visitor.



Case | Changsha Yuhua CIFI Lane (长沙雨花旭辉里) — The community business product line "CIFI Lane" made its debut in Changsha

In August 2024, Changsha Yuhua CIFI Lane — the community business product line "CIFI Lane" debuted in Changsha, completing the final piece of the puzzle for the 460,000-square-meter urban complex of CIFI Yujin Plaza. With "fun" at its core, Changsha Yuhua CIFI Lane defines itself as a "breathable living space", featuring distinctive architectural designs that make it a must-visit social media hotspot while reshaping the commercial blueprint of the city's district.

As the fifth "smiling face" urban complex by CIFI nationwide, CIFI Yujin Plaza contributes to its district not only by reshaping the commercial landscape but also by delivering a holistic enhancement to the living environment. The 460,000-square-meter CIFI Yujin Plaza showcases Changsha's first 75,000-square-meter ocean-themed garden, seamlessly merging nature with the urban landscape to bring ideal living to life—offering yet another compelling testament to the "CIFI Lane" brand.



By delving deeply into family consumption needs, CIFI has meticulously crafted over 30 uniquely styled commercial complexes across the nation. With a total building area exceeding 2.78 million square meters, these developments achieve full coverage from East China to Central China, North China, Northwest China, and even the central and western regions. We fully recognize that a city's image is shaped not only by its meticulously crafted architecture but even more profoundly by the people who live within it and find poetry in their way of life.

For consumers, we have created three distinct spaces—the "OPEN HOUSE", the "Kids' Wonderland" and the "Nine Alley Street"—designed to cater to people across various age groups, modes of expression, and consumption preferences, ensuring our urban complex brand evolves with greater adaptability and vitality.

Looking ahead, CIFI will continue to commit itself to developing premium commercial projects, leveraging its meticulously crafted designs to continually elevate the quality of urban living.

Appendix I

2024 ESG Key Performance Indicators

Table of Environmental Key Performances

Key Performance Indicator		Unit	Administration ¹	Construction in Progress ²	Commercial Operation ³
A1	Emissions				
A1.1	Types of emissions and respective emissions data				
	Total wastewater discharge	ton(s)	-	725,944.13	-
	Cyclic water consumption	ton(s)	-	50,697.39	-
A1.2	Direct and indirect greenhouse gas emissions				
	Greenhouse gas emissions (Scope I) ⁴	ton(s) of CO ₂ e	224.43	-	2,456.65
	Greenhouse gas emissions (Scope II) ⁴	ton(s) of CO ₂ e	506.24	15,433.64	22,750.53
	Greenhouse gas emissions (Scope I, II)	ton(s) of CO ₂ e	730.67	15,433.64	25,207.18
	Greenhouse gas emission intensity	ton(s) of CO ₂ e/sqm GFA	0.03	0.0012	0.03
A1.3	Total hazardous wastes produced				
	Waste cartridges/toner cartridges	ton(s)	1.42	-	-
	Waste batteries	ton(s)	0.08	-	-
	Waste lamps	ton(s)	0.45	-	-
	Waste electronic products	ton(s)	0.18	-	-
	Density of hazardous waste	kg/sqm GFA	0.09	-	-
A1.4	Total non-hazardous wastes produced				
	Domestic wastes	ton(s)	58.23	-	58,984.00
	Metal scraps	ton(s)	-	1,768.19	-
	Earthworks	ton(s)	-	5,579,485.24	-
	Concrete	ton(s)	-	72,591.83	-
	Bricks	ton(s)	-	8,635.84	-
	Wood	ton(s)	-	4,561.35	-
	Density of non-hazardous waste	tons/sqm GFA	0.002	0.42	0.08

Key Performance Indicator		Unit	Administration ¹	Construction in Progress ²	Commercial Operation ³
A1.4	Non-hazardous waste recycled				
	Rebars	ton(s)	-	383,610.71	-
	Wooden battens	ton(s)	-	14,556.89	-
	Concrete	ton(s)	-	9,852.96	-
	Formwork	ton(s)	-	15,887.02	-
A2	Use of Resources				
A2.1	Direct and/or indirect energy consumption by type				
	Total energy consumption ⁵	kWh	2,426,672.14	28,761,914.30	54,693,486.40
	Direct energy consumption	kWh	741,625.35	-	12,295,920.34
	Indirect energy consumption	kWh	1,685,046.79	28,761,914.30	42,397,566.06
	Energy intensity	kWh/sqm GFA	97.74	2.15	70.59
	Electricity consumption	kWh	943,421.44	28,761,914.30	42,397,566.06
	Diesel consumption	liter(s)	82,304.35	-	-
	Diesel consumption	liter(s)	564.00	-	-
	Natural gas consumption	m ³	0.00	-	1,136,217.00
	LPG consumption	kg	0.00	-	-
A2.2	Water consumption				
	Water consumption ⁶	m ³	15,393.96	1,606,275.78	513,318.68
	Water intensity	m ³ /sqm GFA	0.62	0.12	0.66

Description on the scope of data and data calculation

¹ The environmental data collection for administrations covers the Group's headquarters and 8 domestic subordinate regions, business divisions and municipal companies.

² The environmental data collection for ongoing construction projects covers 113 projects under construction across 8 regions and business divisions under the Group.

³ The environmental data collection for commercial operations covers 13 commercial projects operated by the Group.

⁴ Scope I greenhouse gas emissions mainly come from direct energy consumption by official vehicles and staff cafeterias; Scope II greenhouse gas emissions arise from indirect energy consumption through purchased electricity, with data sourced from relevant payment receipts and administrative statistical ledgers. Among these, the greenhouse gas emission factors for direct energy are referenced from the "Reporting Guidance on Environmental KPIs" published by the HKEX, while the greenhouse gas emission factors for purchased electricity are referenced from the "Guidelines for Accounting and Reporting of Enterprise Greenhouse Gas Emissions - Power Generation Facilities (2022 Revision)" published by the Ministry of Ecology and Environment of the PRC.

⁵ In 2024, the Group's energy consumption types include official vehicle fuel, staff cafeteria fuel, and purchased electricity, with data sourced from relevant payment receipts and administrative statistical ledgers. Among these, the energy consumption coefficients are converted using conversion factors provided by the International Energy Agency and the national "GB2589-2020 General Rules for Calculation of the Comprehensive Energy Consumption".

⁶ The Group's water consumption mainly comes from municipal water supply networks, with data sourced from water bill payments, financial reimbursement records, and administrative ledger records.

Table of Social Key Performances

Key Performance Indicator			2024	
B1	Employment			
B1.1	Total workforce by gender, employment type, rank, age group and geographical region and proportion			
			Number of employees	Ratio (%)
	By gender	Male	1,123	52.1%
		Female	1,033	47.9%
	By employment type	Full time	2,156	100.0%
		Part time	0	0.0%
	By rank	Executive	31	1.4%
		Middle and senior management	104	4.8%
		General staff	2,021	93.8%
	By age group	Under 30	475	22.0%
		31-40	1,349	62.6%
		41-50	300	13.9%
		Above 50	32	1.5%
	By geographical region	Mainland China	2,144	99.4%
		Hong Kong, Macao and Taiwan regions	10	0.5%
		Overseas	2	0.1%
	Total number of employees ¹		2,156	
B1.2	Employee turnover rate by gender, age group and geographical region			
			Number of employees turned over ²	Turnover rate ³
	By gender	Male	961	85.6%
		Female	801	77.5%
	By age group	Under 30	533	112.2%
		31-40	986	73.1%
		41-50	227	75.7%
		Above 50	16	50.0%

Key Performance Indicator			2024	
	By geographical region	Mainland China	1,762	82.2%
		Hong Kong, Macao and Taiwan regions	0	0.0%
		Overseas	0	0.0%
	Total employee turnover rate		1,762	81.7%

Key Performance Indicator		2024	2023	2022
B2	Health and Safety			
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year			
	Number of work-related fatalities		0	0
	Rate of work-related fatalities		0.00%	0.00%
	Number of work-related injuries		3	4

Key Performance Indicator			2024		
B2.2	Lost days due to work injury				
	Lost days due to work injury				101
B3	Development and Training				
B3.1	Number of employees trained and average number of hours of training by gender and rank				
			Number of trained employees	Average training hours per employee ⁵	Rate of trained employees (%) ⁴
	By gender	Male	1,152	9	56.0%
		Female	905	11	44.0%
	By rank	Executive	15	5	0.7%
		Middle and senior management	82	8	4.0%
		General staff	1,960	12	95.3%
	Overview of all trained employees		2,057	10	95.4%

Key Performance Indicator		2024
B5	Supply Chain Management	
B5.1	Number of suppliers by geographical region	
	Total number of suppliers	1,872
	Suppliers from Mainland China	1,872
	Suppliers from Hong Kong, Macao, Taiwan and overseas regions	0
B5.2	Number of suppliers where practices on the engagement of suppliers are being implemented	
	Number of suppliers where relevant policies (especially environmental protection and social policies) are being implemented	1,872
	Number of suppliers having signed Letter of Undertaking of Integrity	1,872
B6	Product Responsibility	
B6.1	Number of products and service related complaints received ⁶	
	Time(s) of complaints received	21,197
	Time(s) of complaints handled	21,197
	Rate of complaints handled	100%
B7	Anti-corruption	
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period	
	Number of corruption lawsuits	0
B7.3	Anti-corruption training provided for directors and staff	
	Number of anti-corruption training session	10
B8	Community Investment	
B8.2	Resources contributed to the focus area	
	Cumulative charitable donations (RMB 10,000)	20
	Number of staff volunteers	126
	Total hour(s) of service by staff volunteers	1,197

Description on the scope of data and calculations

¹ The total number of employees includes current employees engaged in real estate development, Shanghai Xinzhi Construction Co., Ltd. and Shanghai CIFI Health Technology Development Co., Ltd., excluding Ever Sunshine Services. This data represents the end-of-period figures as of 31 December 2024.

² The employee turnover figures include both voluntary and involuntary departures within the scope of total employee count data. This data represents the end-of-period figures as of 31 December 2024.

³ Employee turnover rate is calculated with reference to the "Reporting Guidance on Social KPIs" issued by the HKEX, of which Total turnover rate of employees = Total number of employees leaving/Total number of employees*100%; Turnover rate of the specified category = Employees in the specified category leaving /Number of employees in the specified category leaving*100%.

⁴ The percentage of employees and employees in a specified category who took part in training is calculated with reference to "Reporting Guidance on Social KPIs" issued by the HKEX, i.e. Percentage of trained employees = Number of trained employees/Total number of employees*100%; and Percentage of trained employees in the specified category = Number of trained employees in the specified category/Number of trained employees*100%.

⁵ The average training hours for trained employees and trained employees in a specified category is calculated with reference to "Reporting Guidance on Social KPIs" issued by HKEX, of which the Average training hours for trained employees = Total number of training hours/Total number of employees; Average training hours for trained employees in the specified category = Total number of training hours for employees in the specified category/Number of employees in the specified category.

⁶ The statistics for product and service complaints are sourced from CIFI's "Joyful Heart Assistant" system.

Appendix II
List of Policies and Regulations

ESG Indicators	Laws and Regulations	Internal Policies
A1: Emissions	Environmental Protection Law of the PRC	CIFI Group Design Guidelines for HUMAN Intelligent Healthy Life 3.0
A2: Use of Resources	Water Pollution Prevention and Control Law of the PRC	CIFI Group Design Guidelines for the FABRIC Craftsmanship System CIFI Group Design Guidelines for Sponge City
A3: Environment and Natural Resources		Design Guidelines for Solar Water Heating System of CIFI Group CIFI Group Standard for Green Residence CIFI Group Standard for Healthy Residence Green Building Operation Form Administrative Measures for Green Construction Management Measures for Safety and Civilization Operation Guidelines for Standardized Management of Safety and Civilization
	Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste Law of the PRC on Prevention and Control of Environmental Noise Pollution Regulations of the PRC on the Prevention of Pollution Damage to the Marine Environment by Land-sourced Pollutants Law of the PRC on Land Administration Regulations of the PRC on Nature Reserves National Catalogue of Hazardous Wastes Measures on the Management of Hazardous Waste Manifests Regulations of Waste Separation	Standards for Sewage Discharge of Construction Sites Administrative Measures for Transportation and Reuse of Construction Waste Management System for Energy Saving and Consumption Reduction Design Guidelines of Leakage Prevention for Fabricated Projects Decoration Manual Guidelines Limits of Hazardous Substances in Wallpaper of Interior Decoration Renovation Materials
	Company Law of the PRC Labor Law of the PRC Contract Law of the PRC Employment Promotion Law of the PRC Social Insurance Law of the PRC Interim Provisions on Labor Dispatch Provisions on Minimum Wages	Administrative Measures for Labor Employment Annual Incentive Rules Overtime Work Management System Administrative Measures for Performance
	Labor Law of the PRC Law of the PRC on the Prevention and Treatment of Occupational Diseases Work Safety Law of the PRC Fire Protection Law of the PRC Emergency Response Law of the PRC Regulations on Reporting, Investigation and Handling of Production Safety Accidents Interim Provisions on the Investigation and Treatment of Hidden Dangers of Safety Production Accidents Regulation of the PRC on Work-Related Injury Insurance Provisions on the Administration of Occupational Health at Workplaces Regulations on Safety Production Management of Construction Projects Classification and Catalogue of Occupational Diseases	CIFI Group Management System for Accountability Management Measures for Safety and Civilization Operation Guidelines for Standardized Management of Safety and Civilization CIFI Project CI Image Standard Operational Guidelines for Disposal of Routine Events Green Building Operation Form
B1: Employment		
B2: Health and Safety		

ESG Indicators	Laws and Regulations	Internal Policies
B3: Development and Training	--	Training Management System Evaluation Management System
B4: Labor Standards	Labor Law of the PRC Provisions on the Prohibition of Using Child Labor Law of the PRC on the Protection of Minors Administrative Measures for Labor Employment	Organizational and Human Resources Management Principles Administrative Measures for Labor Employment Administrative Measures for Performance Overtime Work Management System
B5: Supply Chain Management	Tendering and Bidding Law of the PRC	Cost Management System Procurement Management System Engineering Procurement Management Measures Engineering Supplier Management Measures Strategic Procurement Management Measures Group Procurement Inspection Management Measures Operational Guidelines for Supplier Graded Management Green Product Procurement Catalog CIFI Group Supplier Conduct Code
B6: Product Responsibility	Securities Law of the PRC Anti-Unfair Competition Law of the PRC Interim Provisions on the Prohibition of Commercial Bribery Anti-Monopoly Law of the PRC Law of the PRC on Protection of Consumer Rights and Interests Cybersecurity Law of the PRC Personal Information Protection Law of the PRC Patent Law of the PRC Copyright Law of the PRC Regulations on the Protection of Computer Software	Administrative Measures of Trademark Administrative Measures of VI Undertaking of Attribution of Intellectual Property Rights of Functional Achievements Confidentiality Agreement Engineering Quality Management Measures Hold Point List Engineering Technology Management System Operational Guidelines for Inspection and Assessment of Group Project Delivery Standard of Nodal Practice for Whole-house Decoration Operational Guidelines for Project Delivery Inspection Transparent Disclosure in Sales Offices 2.0 Letter of Information on Subscription Guidelines on Site Opening Activities Management Measures for Delivery Operational Guidelines for External Public Announcement of Project Cases Management Measures for Customer Incidents Management Measures for Customer Group Complaints of CIFI Group CIFI Group Information Security Technical Standards and Working Guidelines Warm Neighbors Convention Administrative Measures for Information Confidentiality Product Quality Control Management Manual of CIFI Group Marketing Personnel's Letter of Undertaking of Responsibilities Sales Personnel's Letter of Undertaking of Responsibilities Operation Guidelines for Unified Management of Projects and Customers Seven Major Disciplines on Marketing, Bidding and Procurement Expenses Notice on Strengthening the Management of Intellectual Property Rights in External Advertising 2022 CIFI Group Administrative Measures of Technical Design

ESG Indicators	Laws and Regulations	Internal Policies
B6: Product Responsibility	Advertising Law of the PRC Trademark Law of the PRC Product Quality Law of the PRC Urban Real Estate Administration Law of the PRC Construction Law of the PRC Regulation on the Quality Management of Construction Projects Regulation on the Administration of Development and Operation of Urban Real Estate Regulation on Realty Management Measures for Administration of the Sale of Commodity Properties	2022 CIFI Group Design Guidelines of Excavation Support 2022 CIFI Group Management Guidelines for Geo-technical Engineering Investigation Demonstration Zone Standard Module and Standard Building Encapsulation 2022 CIFI Group Non-Residential Electric and Mechanical Design Guidelines Product Configuration and Quota Design Guidelines for Residential Projects in 3rd-and-4th Tier Cities 2022 CIFI Group Quota Design Guidelines for Residential Projects 2022 Edition Design Fee Quota Standards and Design Supplier Base 2021 CIFI Group Guidelines of 18 Methods for Cost Reduction and Efficiency Improvement on Residential Structure Design 2021 CIFI Group Guidelines of 18 Methods for Cost Reduction and Efficiency Improvement on Residential Electric and Mechanical Design 2022 CIFI Group Design Guidelines for Sponge City 2022 CIFI Group Design Guidelines for Central Ventilation System 2022 CIFI Group Design Guidelines for Distribution Box System 2022 Group CIFI Design Guidelines for Residential Building Construction and Detail Drawing 2022 CIFI Group Electric and Mechanical Proposal Template 2022 CIFI Group Intelligent Proposal Template Demonstration Zone Standard Module and Standard Building Encapsulation 2022 CIFI Group Standard Template of Design Contract 2022 CIFI Group Standard Template of Design Contract 2022 CIFI Group Excavation Support Scheme Template 2022 CIFI Group Structural Scheme Template Management Measures for Engineering Sustainability
B7: Anti-corruption	Civil Code of the PRC Company Law of the PRC Anti-Money Laundering Law of the PRC Anti-Unfair Competition Law of the PRC Interim Provisions on the Prohibition of Commercial Bribery	CIFI Group Management System of Supervision CIFI Group Management System of Audit and Supervision CIFI Group Management System of Audit CIFI Group Management System for Accountability CIFI Group Administrative Measures for Inspection of Supervisory Cases CIFI Group Administrative Measures of the "Four Responsibilities" Integrity Ecological Governance Administrative Measures of Declaration of Conflict of Interest Management System for the Purchase of Properties by Senior Executives and Their Associates Operational Guidelines for the Regulation of Intermediary Management Operational Guidelines for the Regulation of Temporary Borrowing from Channels CIFI Group Manual of Business Conduct Code for Employees Supervision and Whistleblowing Guidance Notes Integrity Guidance Notes - for suppliers to sign Letter of Undertaking of Integrity - for suppliers to sign

Appendix III

Content Index for the Environmental, Social and Governance Reporting Code

ESG Subject Areas and Indicators for General Disclosure and KPIs		Chapter
A1General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Leading the Low-Carbon Future
A1.1	The types of emissions and respective emissions data.	Appendix I
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I
A1.5	Description of emission target(s) set and steps taken to achieve them.	Leading the Low-Carbon Future
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Leading the Low-Carbon Future
A2 General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Leading the Low-Carbon Future
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).	Appendix I
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix I
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Leading the Low-Carbon Future
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Leading the Low-Carbon Future
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The Group's principal products and services do not involve the use of packaging materials
A3 General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Leading the Low-Carbon Future
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Leading the Low-Carbon Future
A4 General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Leading the Low-Carbon Future
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.	Leading the Low-Carbon Future
B1 General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Growing Together with Our Employees

ESG Subject Areas and Indicators for General Disclosure and KPIs		Chapter
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Appendix I
B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix I
B2 General Disclosure	Information on: the policies and 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.	Improving Quality with Concrete Steps
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix I
B2.2	Lost days due to work injury.	Appendix I
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Improving Quality with Concrete Steps
B3 General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Growing Together with Our Employees
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix I
B3.2	The average training hours completed per employee by gender and employee category.	Appendix I
B4 General Disclosure	Information on: the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Growing Together with Our Employees
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Growing Together with Our Employees
B4.2	Description of steps taken to eliminate such practices when discovered.	Growing Together with Our Employees
B5 General Disclosure	Policies on managing environmental and social risks of the supply chain.	Laying Down Solid Bedrocks for Development
B5.1	Number of suppliers by geographical region.	Appendix I
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.	Laying Down Solid Bedrocks for Development
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Laying Down Solid Bedrocks for Development
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Laying Down Solid Bedrocks for Development
B6 General Disclosure	Information on: the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	Improving Quality with Concrete Steps
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Non-applicable
B6.2	Number of products and service related complaints received and how they are dealt with.	Appendix I Improving Quality with Concrete Steps
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Laying Down Solid Bedrocks for Development

ESG Subject Areas and Indicators for General Disclosure and KPIs		Chapter
B6.4	Description of quality assurance process and recall procedures.	Improving Quality with Concrete Steps
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Improving Quality with Concrete Steps
B7 General Disclosure	Information on: the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Laying Down Solid Bedrocks for Development
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.	Appendix I
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Laying Down Solid Bedrocks for Development
B7.3	Description of anti-corruption training provided to directors and staff.	Laying Down Solid Bedrocks for Development
B8 General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Driving Social Development
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Driving Social Development
B8.2	Resources contributed (e.g. money or time) to the focus area.	Appendix I



旭辉控股(集团)有限公司
CIFI HOLDINGS (GROUP) CO. LTD.