天津建设发展集团股份公司

Tianjin Construction Development Group Co., Ltd.

(A joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code: 2515



Environmental, Social and Governance Report

2025

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About the Report

The Report is the third Environmental, Social and Governance report published by Tianjin Construction Development Group Co., Ltd. (hereafter referred to as "**Tianjin Construction Development**", "**Company**", "**Group**", or "**we**"). The Report reflects the Company's efforts in environmental protection, social responsibility, corporate governance and other aspects in 2025 in response to the expectations and concerns of stakeholders.

REPORTING SCOPE

The Report covers the period from January 1 to December 31, 2025, but some contents may exceed the above period.

PRINCIPLES OF PREPARATION

This Report is prepared in accordance with provision of "Mandatory Disclosure" and "Comply or Explain" as required by the Environmental, Social and Governance Reporting Code of the Hong Kong Stock Exchange. The Group has given due consideration to the following reporting principles to ensure the quality of the information disclosed and adopts the principles of materiality, quantitative, balance and consistency:

- Materiality: Identify major issues of the ESG report through communication with stakeholders and disclose these issues in the Report;
- Quantitative: Objectively evaluate the Company's ESG report through quantitative data;
- Balance: Reveal the current situation of the Company's ESG management in a fair and objective manner;
- Consistency: The disclosure standards and statistical methods maintained consistent in preparation of the ESG report.

ACCESS TO THE REPORT AND FEEDBACK

The Report is published in electronic form and is available on the websites of the Company (https://www.tjcdg.com) and the Hong Kong Stock Exchange.

Board Statement

The Board of the Company makes the following statement according to the requirements of the Environmental, Social and Governance Reporting Code published by the Hong Kong Stock Exchange.

The Board undertakes that the Company and the Board will continue to improve the governance system relating to environmental, social and corporate governance ("**ESG**") of the Company, enhance the Board's supervision over and participation in ESG matters of the Company, and proactively incorporate ESG into the development strategy, major decisions and production and operations of the Company according to the requirements of the Corporate Governance Code and the Environmental, Social and Governance Reporting Code published by the Hong Kong Stock Exchange.

As the supreme management body of the Company in relation to ESG governance, the Board assumes the ultimate responsibility as to ESG governance, and decides on the sustainable development strategy, goal framework and major policies of organizations. The Board also reviews and supervises on a daily basis the commitment and performance of the Company on key issues such as safety management, environmental protection, climate change and business ethics, as well as the annual ESG report published by the Company.

The Board pays high attention to ESG management, and conducts ESG risk and opportunity analysis based on macro policies, social and economic environment, strategic planning and production and operation conditions of the Company, and stakeholder communication. The Board carries out materiality assessment through stakeholder surveys and identification of material issues, so as to define ESG focuses and key ESG issues and continuously deepen and improve ESG management.

In 2025, the Company has established management policies in the areas of quality, occupational health and safety, and environment, and have set relevant strategies, action plans and key objectives, including 100% compliance with noise emission standards, and achieving a record of zero casualties and zero fire accidents. For the year ended December 31, 2025, the Company has achieved the above quality and environmental safety targets.

About Us

COMPANY OVERVIEW

Tianjin Construction Development is a construction group based in Tianjin that provides comprehensive construction services. We primarily engaged in construction business and strove to provide high quality construction services to our customers by leveraging our self-developed Jiexiao System, a comprehensive construction management software equipped with multiple functions including cost monitoring, progress measuring and resources tracking.

In addition to qualifications in petrochemical engineering works and highway construction works, we also possessed qualifications in municipal public construction works and building construction, enabling us to participate in a wider range of projects. We are committed to being a leader in the engineering industry and an innovator in the technology industry. As at the end of 2024, we possessed certain qualifications related to our construction business, which included four first-grade construction qualifications: (i) first-grade qualification in petrochemical engineering construction general contracting* (石油化工工程施工總承包一級資質); (ii) first-grade qualification in foundation construction professional contracting* (地基基礎工程專業承包一級資質); (iii) first-grade qualification in building decoration and renovation engineering professional contracting* (建築裝修裝飾工程專業承包一級資質); and (iv) first-grade qualification in building mechanical and electrical installation engineering professional contracting* (建築機電安裝工程專業承包一級資質).The Company primarily focused on construction business, comprising (i) municipal public construction works, which mainly included road construction and traffic facilities construction; (ii) foundation works, which mainly included foundation construction and earthwork; (iii) building construction related works; and (iv) petrochemical engineering works. Our business. The Company has successfully established a presence in regions such as Tianjin, Beijing, Hebei, Shaanxi, Gansu, and Jiangsu, with clear positioning and a well-defined hierarchical structure in each region. In 2025, it further expanded into emerging markets including Gansu, Hebei, Jiangsu, and Inner Mongolia. With an operating history of more than a decade, we have established a reputation in the construction industry. By leveraging our brand and industry experience, we aim to capture more market share in the construction industry in Tianjin.

AWARDS AND HONORS

Awards and Honors	Certifying Body/Media
Specialized, Sophisticated, Unique and Innovative Small and Medium-sized Enterprises in Tianjin (天津市專精特新中小企業)	Tianjin Industrial and Information Technology Bureau (天津市工業和信息化局) Tianjin Finance Bureau (天津市財政局)
High and New Technology Enterprise (高新技術企業) Tianjin Cheetah Enterprise (天津市獵豹企業)	Tianjin Municipal Science and Technology Bureau (天津市科學技術局)
2025 Tianjin Binhai New Area Steel Fixer Vocational Skills Competition "Advanced Unit in Skills Cultivation" (2025年天津市濱海新區鋼筋工職業技能比武「技能培育先進單位」)	Tianjin Binhai New Area Construction Industry Association (天津市濱海新區建築業協會)
Tianjin Binhai New Area Heating One-Network Project "Quality Supplier" (天津市濱海新區供熱一張網項目「優質供應商」)	China Construction Sixth Engineering Division Civil Engineering Co., Ltd. (中建六局土木工程有限公司)
Tianjin Innovative Small and Medium-sized Enterprise (天津市創新型中小企業)	Tianjin Industrial and Information Technology Bureau (天津市工業和信息化局)

ESG Governance

We recognize potential impacts of ESG matters on the business of the Company, by proactively identifying and confirming our responsibilities in such respect, while complying with the reporting requirements of the Hong Kong Stock Exchange in relation to ESG.

ESG GOVERNANCE STRUCTURE

In fulfilling our ESG responsibilities, the Board is jointly and collectively responsible for (i) overseeing the formulation and reporting of ESG strategies, objectives and internal monitoring measures; (ii) assessing and defining ESG-related risks; and (iii) monitoring the progress of ESG-related performance indicators and targets. The Company has established the environmental management steering group, which is headed by the president of the Company with the vice president as the deputy head, and comprises key responsible officers from the Company's safety and environmental protection department, engineering management department and other departments. This steering group is mainly responsible for reviewing and approving the environmental protection management system and long-term planning, while carrying out the rectification and monitoring of hidden dangers of hazardous sources, as well as the assessment of environmental protection work. To constantly improve our ESG performance, we have set up an ESG leading group, which is responsible for the overall assessment of ESG-related risks, the formulation and implementation of ESG vision, strategies and objectives, and regular reporting to the Board on our ESG performance and the effectiveness of ESG policies.

The Company has developed key ESG-related policies and institutional documents, which cover engineering quality and safety, use of energy and resources, environmental impact management, production safety, labor practices, occupational health management, employee development and training, supply chain management, anti-corruption, among other areas, to ensure that our ESG-related practices are carried out in a standardized and effective manner in all aspects. The Quality, Occupational Health and Safety and Environmental Management Manual of the Company is formulated to guide the establishment, implementation, maintenance and review of the Company's quality, occupational health and safety, and environmental management systems. The Company has passed the ISO9000 quality management system, ISO14000 environmental management system and ISO45001 occupational safety and health management system certification after audit by a third-party organization.



Figure: ISO Management System Certification Certificate

ESG Governance

ESG RISK ASSESSMENT AND MANAGEMENT

We actively identify and manage ESG risks to achieve our business objectives and ensure stable development. The Company has established and implemented the Control Procedures for Response to Risks and Opportunities, which details the identification approaches, means, and assessment methods in response to risks and opportunities, the measures formulated to address risks and opportunities, and the operational procedures for evaluating the effectiveness of such measures, while urging each department to analyze the risks and opportunities and determine the corresponding management measures based on its activities, products, service processes, etc.

The Company's ESG risks mainly include natural environmental risks, social and environmental risks and business ethics risks. In an effort to adhere to the values of sustainable development, the Company has incorporated ESG factors into its business.

- Natural environmental risks, including: the impact of engineering geology and hydrogeology; the impact of climate change (e.g. high temperature, severe cold, rain, snow, wind, and thunder); the impact of natural disasters (e.g. earthquake, tsunami, and hurricane);

- Social and environmental risks, including: the relationship with the communities around the project site, the protection of the rights and interests of workers, among other things, which may have an impact on construction works, and in some serious cases may result in direct work suspension and schedule risks; and

- Business ethics risks, including: failure of employees, suppliers or contractors to comply with business ethics requirements (e.g. corruption and dishonesty incidents), which will result in the loss of our business interests and seriously damage our corporate image.

ESG Governance

ESG Risks, Potential Impacts and Control Measures

	Risks	Potential Impacts	Control Measures
Environmental	Construction carbon emissions and energy waste	Rising carbon tax costs, project penalties/suspensions for non-compliance, brand reputation damage	Use low-carbon building materials; Promote electric-powered construction machinery to replace diesel equipment; Implement site energy monitoring systems to optimize electricity efficiency;
	Construction waste and resource inefficiency	Increased waste disposal costs, land occupation disputes, environmental regulation violations	Establish construction waste sorting and recycling systems (e.g., concrete and steel reuse); Adopt modular/prefabricated construction technologies to reduce on-site waste; Partner with circular economy enterprises for waste management.
	Construction pollution (dust, noise, Waste Emission)	Community complaints, environmental penalties	Strictly implement construction dust control standards, equipped with dust suppression cannons, water trucks, and other equipment; Establish a mechanism for waste classification and recycling.

ESG Governance

	Risks	Potential Impacts	Control Measures
Social	Worker safety and occupational health	Compensation claims from workplace injuries, project shutdowns, litigation	Enforce mandatory safety training and certification requirements; Conduct regular occupational health checkups.
	Supply chain labor issues	Brand reputation damage	Conduct regular audits on supply chain enterprises and require them to sign a commitment letter for the protection of labor rights and interests.
	Community conflicts (e.g., construction-related nuisance)	Project delays, social reputation damage	Prioritize daytime construction, control noise and notify nearby residents in advance for nighttime work.
Governance	Compliance and legal risks (e.g., qualification fraud, bid-rigging collusion)	Fines, market access bans, criminal liabilities	Implement bidding compliance review mechanisms; Conduct regular anti-corruption training and audits.
	Project quality and contract disputes	Rework costs, client claims, litigation	Establish joint contract review protocols by legal and commercial departments.
	Data and privacy breaches (e.g., construction site monitoring data)	Client data breaches, violations of the Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》)	Encrypt and securely store site monitoring data; Restrict access permissions for sensitive data.

ESG Opportunity Analysis

	Opportunity	Potential Impact	Response Measures
Social	Increased Market Demand	Business expansion opportunities arising from growing demand in the green building market	Focus on energy-saving retrofitting, photovoltaic buildings, smart construction sites, etc., and develop demonstration projects.
	Enhanced Talent Efficiency	Talents in the green building sector possess advantages in environmental compliance and green design	Strengthen employee training and welfare systems to enhance team cohesion and attract more outstanding talent; Carry out industry-university-research collaboration.

ESG Governance

COMMUNICATION WITH STAKEHOLDERS

The Company has taken active measures to understand and respond to stakeholders' concerns on ESG issues of the Company, and provides various channels to maintain communication with stakeholders, aiming to improve their understanding of the development and operating policies of the Company, offer more opportunities for stakeholders to provide suggestions, and enhance cooperation with all stakeholders to work together for common development.

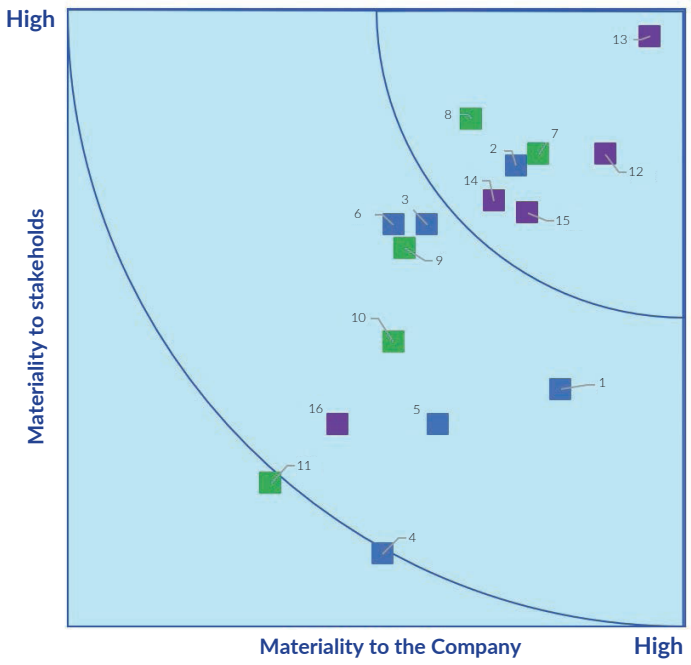
Main stakeholders	Concerns	Communication and response
Government and regulatory authorities	Compliance with law Providing employment opportunity Health and safety Anti-corruption and business ethics	Meetings with government and regulatory authorities Compliant information disclosure On-site inspection and guidance Relevant forums and exchange activities
Shareholders and investors	Corporate Governance Risk and compliance management Anti-corruption and business ethics Quality and service management	General meeting Results announcement Roadshow activity Investor meeting
Customers	Quality and service management Information security and privacy protection Green construction Health and safety	Bid meeting Engineering meeting Ordinary project communication Customer evaluation and follow-up visits
Employees	Protection of employee rights and interests Health and safety Remuneration and benefits Training and development Health and safety	Employee representative assembly Employee activity Employee training Performance appraisal mechanism Employee appeal mechanism
Communities	Providing employment opportunity Contribution to public welfare and charity Employee voluntary activity	Local recruitment activities Community assistance activities Volunteer activity
Suppliers	Transparent procurement Business ethics Win-win and mutual benefit	Procurement activity Evaluation of suppliers Cooperation and exchange with suppliers

ESG Governance

IDENTIFICATION AND ASSESSMENT OF MATERIAL ISSUES

The Company attaches great importance to communication with stakeholders, and has established an efficient stakeholder communication and feedback mechanism. By collecting opinions and suggestions from government departments, shareholders, customers, employees, suppliers and other stakeholders through various channels, improves its ESG performance in a targeted manner and effectively responds to the needs of stakeholders.

The Company identifies and screens ESG issues relevant to the Company with reference to ESG-related standards and industry ESG issues, and reports on relevant practices and progress in this report.



No.	Category of issues	Issues
1	Governance	Corporate governance
2	Governance	Anti-corruption and business ethics
3	Governance	Supplier management
4	Governance	Protection of intellectual property rights
5	Governance	Risk and compliance management
6	Governance	Information security and privacy
7	Environmental	Green construction
8	Environmental	Pollutants and waste
9	Environmental	Response to climate change
10	Environmental	Energy and carbon emissions
11	Environmental	Water resource management
12	Social	Health and safety
13	Social	Quality and service management
14	Social	Training and career development
15	Social	Protection of employee rights and interests
16	Social	Contribution to public welfare and charity

(Tianjin Construction Development Material Issues Matrix)

I. Governance: Stable and Long-Term Development Built on Integrity

Tianjin Construction Development adheres to corporate governance according to law and based on integrity. The Company continuously improves its integrity and compliance management, implements "zero tolerance" for corruption and violations of business ethics, endeavors to build a mutually beneficial, fair and transparent business environment, and maintains sound relationships with stakeholders such as employees, peers, suppliers and customers.

1.1 INTEGRITY AND COMPLIANCE MANAGEMENT

In strict accordance with the laws, regulations and regulatory requirements of the place where it operates, the Company has formulated relevant systems, including the Corporate Governance Code (《企業管制守則》), the Management System for Related Party Transaction Disclosure (《關聯交易披露管理制度》), the Management System for Disclosable Transactions (《須予公佈的交易管理制度》), the Management System for Information Disclosure and External Communication (《信息披露及外部溝通管理制度》), and the Guidelines on Insider Information Disclosure (《內幕消息披露指引》), which specify in detail the internal audit, internal control and risk management and other matters of the Company. Meantime, the Company promotes legal compliance courses as the required courses for management training, professional training and new employee training, which focus on compliance training for high- risk positions and key personnel.

Risk Control

The Company has identified key risk factors based on its own business characteristics and adopted targeted risk management and control measures, including: paying attention to risk management from the awareness perspective and implementing the concept of risk precaution; improving the identification of risks from the technical perspective, and collecting full risk information; designing risk prevention and control plans from the responsibility perspective, and defining prevention and control departments for various risks; and enhancing the quality and capability of the management team from the personnel perspective, so as to enhance their risk control.

Integrity and Anti-corruption

The Company is committed to creating a fair, just and open business management environment. In its Anti-Fraud and Whistleblowing System (《反舞弊與舉報制度》), the Company has clearly defined the definition and conduct of fraud, and clarified that the Board is responsible for supervising the management to establish a company-wide anti-fraud cultural environment and to establish a sound internal control system including fraud prevention. The Company requires all employees to comply with the Company's code of conduct, code of ethics and the laws and regulations applicable to the country and industry. In the event of any fraud, it should be reported to the Company through proper channels.

The Company has set up handling hotlines and e-mails responsible for receiving fraud reports and complaints with senders' names or anonymous reports from employees and external third parties, preparing written records accordingly and reporting to the management or the Board in a timely manner. Any illegal discrimination or retaliation against whistleblowers or hostile measures against employees involved in investigations are prohibited.

I. Governance: Stable and Long-Term Development Built on Integrity

The Company strictly prohibits employees from accepting or soliciting bribes from customers and stakeholders in any form or in any way. At the same time, we encourage and reward the supervision, suppression and reporting of any corruption. It is required that during our evaluation and bidding process for selecting subcontractors, potential bidders shall not be restricted or excluded, or discriminated against, under unreasonable circumstances. Whistleblowers are fully protected throughout the entire investigation process. The Company strictly prohibits any form of illegal discrimination, retaliation, or hostile actions against employees involved in investigations.

The Company intensifies efforts to cultivate integrity awareness among the management and staff, including regularly holding integrity self-discipline meetings, strengthening the development of a clean corporate culture, and fostering a fair, equitable, and transparent work environment. We clarify responsibilities and governance mechanisms by communicating key aspects of the Anti-Fraud and Whistleblowing System, thereby enhancing corporate governance and internal controls.

In 2025, five anti-corruption training sessions were conducted, involving 147 participants, with 100% coverage rate for middle and senior management. This included two integrity self-discipline meetings that focused on analyzing integrity risk points and preventive measures. All management and staff were required to sign the letter of commitment on anti-corruption and self-discipline (100% compliance rate), rigorously implementing the Company's integrity regulations to build an ethical and upright workplace.

Indicators	**2025**	2024	2023
Number of participants in anti-corruption trainings (person-times)	**147**	135	114
Coverage rate of anti-corruption trainings (%)	**60**	50	31
Coverage rate of anti-corruption trainings for senior management (%)	**100**	100	100
Coverage rate of anti-corruption trainings for middle management (%)	**100**	100	100
Coverage rate of anti-corruption trainings for general management (%)	**100**	100	100
Percentage of employees signing anti-corruption commitment (integrity practice agreement) (%)	**100**	100	100
Total number of confirmed corruption incidents during the year (case)	**0**	0	0
Number of employees fired or subject to discipline punishment due to corruption (persons)	**0**	0	0
Number of corruption-related public litigation cases against the Company or its employees (case)	**0**	0	0

In 2025, neither the Company nor our employees were found to be involved in corruption in any proceedings.

I. Governance: Stable and Long-Term Development Built on Integrity

1.2 INFORMATION SECURITY AND PRIVACY PROTECTION

While applying information technology to enhance its competitiveness and improve service quality, the Company continues to deepen the construction of its information security system and enhance its overall information security management level. In 2025, the Company formulated the Network Security Management System (《網絡安全管理制度》) , which addresses aspects such as environmental security management of information systems, network and communication security management, and cybersecurity incident management. These measures aim to reduce or prevent security threats to the confidentiality, integrity, and availability of the Company's information systems arising from human or natural factors at the physical level.

The Company complies with the relevant provisions of the Network Security Management System regarding network security emergency drill plans. It conducts four types of emergency drills annually, namely: hacker attacks on servers, large-scale virus (including malware) attacks, database system failures, and data security. These drills are designed to test the effectiveness of the Company's comprehensive emergency response plan for network and information security and its special emergency response plan for business technology, thereby enhancing its organizational command capability and emergency response capability for network and information security emergencies.

Information Security Training

The Company has strengthened information security training for employees. The training programs cover all staff, with customized courses tailored to different roles to ensure every employee fully understands and complies with information security and privacy protection regulations. Information security and privacy protection are included in the Orientation Guide for new employees. The Company emphasizes the regulations on information security for all new employees on their orientation day. For current employees, the Company conducts at least one annual comprehensive training session on information security and privacy protection. Additional specialized workshops or seminars are organized as needed to address emerging security threats and challenges. Meanwhile, we include employees' standardized Internet behavior as an annual assessment indicator, and strictly address any conduct that violates information security management requirements.

In 2025, the Company experienced no major information technology system failures.

Indicators	**2025**	2024	2023
Number of information security training sessions (sessions)	**12**	12	12
Coverage rate of employees participating information security trainings (%)	**100**	100	100
Average time of information security trainings (hours)	**3**	3	3
Number of information security and privacy protection leakage incidents (case)	**0**	0	0

I. Governance: Stable and Long-Term Development Built on Integrity

Client Privacy Protection

The Company strictly protects client privacy and has formulated the Client Information Minimization Collection Security Management System (《客戶信息最小化收集安全管理制度》), adopting a series of measures during business operations to prevent client information leakage.

During data collection, the Company clearly defines the purpose, scope, and boundaries of client information collection, ensuring that gathered data is directly relevant to business functions. Meanwhile, existing collection processes are regularly reviewed and streamlined to eliminate unnecessary steps. For client information stored in systems, the Company conducts periodic organization and classification to ensure data integrity and accessibility. We retain client information for a period starting from the date of successful project completion acceptance until one year after the expiration of the statutory warranty period. Any information exceeding the retention period shall be destroyed in accordance with established procedures.

Minimum Necessity Principle	Only collect and retain information necessary for completing engineering services; do not collect beyond scope or repeatedly.
Legality and Compliance Principle	Do not forcibly, induce, or covertly collect information unrelated to the project.
Shortest Retention Principle	The retention period for information is limited to the requirements of laws, regulations, and project warranties; information is destroyed upon expiry.

In addition, we have also carried out strengthen in-house personnel training to emphasize the importance of client privacy protection, ensuring employees voluntarily comply with data collection regulations and acquire knowledge on client information management.

During the reporting period, no incidents of client privacy breaches or data leakage occurred.

1.3 RESPONSIBLE PURCHASING PRACTICES

Our suppliers are business entities that are primarily engaged in the provision of construction materials, lease of equipment and machinery, labor subcontracting and subcontracting of professional construction services in the PRC. As at the end of 2025, the Company has a total of 360 suppliers, all of which are located in Mainland China.

The Company proactively incorporates the concept of responsibility into the whole process of supply chain management, including by encouraging the selection of green products with environmentally friendly and renewable features, and promote the sustainable development performance of upstream and downstream value chains of the Company. We sign the Green Collaboration Memorandum (《綠色合作備忘錄》) with core suppliers, providing technical support or financial subsidies to assist them in improving production processes (e.g., using clean energy, wastewater recycling systems).

I. Governance: Stable and Long-Term Development Built on Integrity

The Company is committed to establishing equal and mutually beneficial cooperative relationships with subcontractors and subcontracted workers, making payments to appointed subcontractors in accordance with the agreed payment terms and schedules, and supervising subcontractors to pay wages to subcontracted workers in full and on time. In 2025, the Company was not involved in any ongoing/pending material claims or disputes relating to payment with our subcontractors.

The Company conducts quarterly comprehensive evaluations covering all aspects including project quality, progress, safety, civilized construction, contract execution, and personnel management, serving as an integrated assessment of suppliers' phased performance. Upon project completion, a final evaluation is conducted to determine suppliers' overall performance throughout the project. Based on evaluation scores, subcontractors are classified into four tiers: excellent (110 points and above), good (100–109 points), qualified (90–99 points), unqualified (below 90 points). Subcontractors who have been rated as Unqualified will be notified and criticized within the project, with corrective action mandates in a limited period of time. Payment of part of the contract price will be suspended until the rectification is qualified.

The Company places great emphasis on supplier compliance management and requires major suppliers to sign anti-bribery commitment letters. As of the end of 2025, 100% of our major suppliers have provided anti-bribery undertakings or similar commitments in favor of the Company, and integrity-related clauses have been incorporated into all procurement contracts.

1.4 RESEARCH AND DEVELOPMENT ("R&D") AND TECHNOLOGICAL INNOVATION

The Company has always regarded R&D and innovation as a key strategy to enhance its core competitiveness, ensuring industry-leading R&D standards through multi-dimensional initiatives. The Company has established the Management and Reward System for the Organization and Transformation of Scientific and Technological Achievements (《科技成果轉化組織管理及獎勵制度》) and the Research and Development Personnel Performance Evaluation and Incentive System (《研發人員績效考核與獎勵制度》) , among others, to accelerate scientific research and the development, promotion, and application of new technologies. Through performance-based incentives, the Company ensures and standardizes the effective implementation of project management, fully mobilizes the initiative and enthusiasm of technical personnel, and promotes R&D and efficiency improvements.

Digital Transformation Innovation

The Company continues to advance R&D and innovation, centering on the "Digital Project Integrated Management Platform" to fully leverage the comprehensive capabilities of technology, business, and data. Through digital means, the Company is committed to achieving "more, faster, better, and more economical" enterprise operations and project management, providing comprehensive one-stop services. The Company will continue to deepen the application of artificial intelligence, big data, the Internet of Things, and other technologies in construction management and operation & maintenance services, developing digital tools such as smart construction site management systems and intelligent building energy consumption monitoring platforms to enhance project management efficiency and the level of intelligent services.

I. Governance: Stable and Long-Term Development Built on Integrity

Participation in National Standards Development

The Company actively participates in the development of national standards. As a principal drafting unit, it contributed to the formulation of the standard "Systems and software engineering — Software product quality requirements and evaluation — Usability common industry format (CIF) — User needs specification" (GB/T 44370-2024/ISO 25065:2019), contributing to the development of industry technical standards.

Academic Exchange and Cooperation

The Company actively organizes and participates in high-level academic forums within the industry. Each year, it organizes its technical team to attend important events such as the Construction Industry Association conferences and the Green Building Innovation and Development Forum, engaging in in-depth discussions with industry experts and scholars on cutting-edge technology trends.

Industry-University-Research Collaboration

We have established industry-university-research collaboration relationships with universities, fully leveraging the technical and human resources of higher education institutions as well as their advanced and mature technological achievements to accelerate the transformation of scientific research results and continuously enhance industrial technology and management levels. Both parties leverage their respective strengths and engage in comprehensive cooperation through various forms, jointly promoting technical collaboration between the enterprise and the university, achieving mutual promotion and common development between disciplines and industries, and realizing "school-enterprise cooperation, win-win industry-university collaboration."

Technology R&D and Innovation	**2025**	2024	2023
Number of R&D Personnel (persons)	**35**	43	51
Total R&D Investment (RMB Ten Thousand)	**761**	1,151	882

I. Governance: Stable and Long-Term Development Built on Integrity

1.5 PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

The The Company strictly complies with the Patent Law of the PRC (《中華人民共和國專利法》), the Trademark Law of the PRC (《中華人民共和國商標法》), and the Copyright Law of the PRC (《中華人民共和國著作權法》), and other relevant laws, and has formulated the Intellectual Property Management System (《知識產權管理制度》), which defines the processes for patent application, maintenance, utilization, and protection, effectively safeguarding its own intellectual property rights while avoiding infringement upon the rights of others. As of the end of 2025, the Company holds a total of 32 valid patents.

The Company regularly pays annual fees and monitors the legal status of its granted patents to ensure their continued validity. The Company has established an intellectual property clearance mechanism prior to product development. During the project initiation and R&D phases, it conducts searches and analyses of patents, trademarks, and other intellectual property rights through professional databases to assess potential infringement risks. For externally purchased technologies or collaborative development projects, the Company strictly reviews the intellectual property ownership certificates of partners and clearly defines the rights and obligations of both parties.

The Company regularly organizes intellectual property legal knowledge training for its employees to raise awareness of intellectual property protection across the workforce, ensuring strict compliance with relevant laws and regulations in daily operations and safeguarding the intellectual property rights and interests of the Company and its partners.

In 2025, the Company was not involved in any material claims or disputes relating to infringement of intellectual property rights, is not aware of any third party using our intellectual property rights and believes that our business has not faced any significant potential impact due to infringement of intellectual property rights.

II. Environmental: Green Development for a Shared Future

In line with the trend of accelerated low-carbon transformation of the society, Tianjin Construction Development adheres to an environment-friendly business approach, strengthens environmental protection management in all respects, actively practices green construction to avoid polluting surrounding environment during its construction and operation, and is committed to contributing to building a resource-saving and environment-friendly society.

2.1 ENVIRONMENTAL MANAGEMENT SYSTEM

The Company strictly abides by environmental protection laws and regulations, including the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), the Water Pollution Prevention and Control Law of the PRC (《中華人民共和國水污染防治法》), the Law of the PRC on the Prevention and Control of Air Pollution (《中華人民共和國大氣污染防治法》), the Solid Waste Pollution Prevention and Control Law of the PRC (《中華人民共和國固體廢物污染環境防治法》) and the Noise Pollution Prevention and Control Law of the PRC (《中華人民共和國噪聲污染防治法》). In order to more effectively manage environment-related matters in its business operations, the Company has established an environmental management system and relevant standard procedures, including the Environmental Protection Management System (《環境保護管理制度》), the Engineering Environmental Management System (《工程環保管理制度》, the Waste Gas, Waste Water and Solid Waste Management System (《廢氣、廢水、固體廢棄物管理制度》), the Energy Resource Management System (《能源資源管理制度》, the Pollutant Control Procedures (《污染物控制程序》) and other regulatory documents. The Company actively adopts professional environmental protection measures to ensure compliance with GB/T 24001–2016/ISO14001: 2015 standards and relevant PRC laws and regulations. In 2025, the Company successfully completed the annual surveillance audit of the ISO14001 Environmental Management System certification, and the certification certificate remains valid.

In 2025, the Company experienced no significant environmental incidents, and there were no cases of major administrative penalties or criminal liability imposed by the ecological environment or other relevant authorities due to environmental incidents.

Structure of Environmental Management

Based on its actual situation in respect of corporate environmental protection, the Company has established a complete and effective organizational structure of environmental management with defined responsibilities to ensure the sustainable development of its corporate environmental compliance system. The Company has established the environmental management steering group, which is headed by the president of the Company with the vice president as the deputy head, and comprises members from safety and environmental protection department and engineering management department. As the primary person responsible for corporate environmental protection of the Company, the president of the Company assumes full responsibility for the environmental protection work of the Company and its projects. The environmental management steering group is responsible for reviewing the environmental protection management system, technical specifications, technical measures and plans, and long-term planning; approving major technical measures for environmental protection rectification; carrying out the rectification and monitoring of hidden dangers of environmental protection facilities and hazardous sources; and conducting the assessment of environmental protection work. Meantime, the environmental management steering group also organizes inspections of environmental protection facilities and monitoring of emissions from pollution sources, and holds special environmental protection meetings on a regular basis to timely research and solve environmental protection issues arising from the production process.

II. Environmental: Green Development for a Shared Future

Land Resource Management

In the development and utilization of land resources, the Company strictly complies with laws and regulations such as the Land Administration Law of the People's Republic of China (《中華人民共和國土地管理法》) and the Soil Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國土壤污染防治法》), implements the "polluter-pays" principle, integrates land resource management into its ESG (Environmental, Social, Governance) strategy that benchmarks against international standards. The Company strengthens the identification of risks related to land pollution, ecological damage, and compliance, and adopts concrete management measures. In terms of land conservation, the Company optimizes planning with compact designs. We share office buildings with multiple entities, and promote green buildings and three-dimensional development through proprietary technological solutions. In respective of pollution prevention, we implement source control by using low-toxicity, eco-friendly raw materials and constructing anti-leakage facilities to prevent soil contamination. We conduct control measures in the construction process, including reducing the area of excavation, controlling dust, protecting the topsoil layer, and utilizing construction waste resources upon completion of construction.

Environmental Management at Construction Sites

Our operations at construction sites are subject to certain environmental regulations under the PRC laws, mainly including the "Measures for the Prevention and Control of Environmental Noise Pollution in Tianjin" (《天津市環境噪聲污染防治管理辦法》) and the "Administrative Provisions for Civilized Construction of Construction Projects in Tianjin" (《天津市建設工程文明施工管理規定》), and other regulations in relation to air pollution prevention and control, noise prevention and control and waste disposal. The Company focuses on prior prevention rather than end-of-pipe treatment, and requires significant environmental elements and environmental impacts to be taken into full consideration before production and operation activities formally start. The Company identifies specific environmental impacts arising from specific aspects of production and operation, and performs comprehensive analysis to tackle the environmental compliance risks that may arise in business processes and to determine the compliance obligations to be undertaken. Furthermore, risk response measures and solutions will be identified, and a list of risk response measures will be formulated, implemented, and carried out.

During the construction process, the Company strictly implements the "three concurrencies" (三同時） system for construction projects, whereby implementing the concurrent design, concurrent construction and concurrent commissioning of environmental facilities alongside with the main construction entity. The key initiatives taken by the Company at construction sites include:

- Subcontractors are required to conduct in-depth studies on environmental protection regulations and specifications to ensure that the construction process complies with national and local environmental protection requirements;
- Subcontractors and project managers shall formulate a construction environmental responsibility matrix to clarify their respective responsibilities and obligations in terms of construction environmental protection, with project managers being responsible for environmental protection at construction sites with the support from certain environmental protection management staff; and
- Project managers regularly organize environmental protection training sessions, and provide remedial training sessions or seminars on the unaddressed or omitted matters.

II. Environmental: Green Development for a Shared Future

Green Office Initiatives

Guided by the scientific development concept and following the principles of "full participation, key breakthroughs, and long-term management", the Company comprehensively promotes energy conservation and consumption reduction through measures such as enhanced management, technological innovation, and publicity and education. This achieves coordinated development of economic and environmental benefits and supports the Company's sustainable, high-quality development.

Electricity Management	• Air conditioning usage standards: Reasonably set air conditioning operating hours and temperatures; prohibit use of air conditioning during non-working hours and in unoccupied office areas. • Office equipment energy saving: Turn off power in a timely manner after work or when office equipment is not in use for extended periods; each department shall designate a person to be responsible for electricity inspections. • Lighting optimization management: Make full use of natural light; public area lighting shall adopt intelligent timed lighting equipment based on actual needs to avoid lights being left on.
Office Supplies Management	• Promote paperless office: Reduce the printing and distribution of paper documents; when printing is necessary, double-sided printing shall be used whenever possible to increase paper utilization. • Standardize requisition system: Strictly control the requisition of office supplies; reusable office supplies shall be properly stored and reused.

2.2 USE OF ENERGY AND RESOURCES

The Company consumes electricity and fuel in its daily operations, construction and processing processes and is subject to relevant provisions of the Law of the People's Republic of China on Energy Conservation (《中華人民共和國節約能源法》). The Company has formulated the Energy and Resources Management System (《能源資源管理制度》) to allocate and utilize energy and resources effectively in order to reduce the consumption of electricity, fuel and water at construction sites and in office activities.

Energy management

The Company consumes electricity and fuel in its daily operations, construction and processing processes and is subject to relevant provisions of the Law of the People's Republic of China on Energy Conservation (《中華人民共和國節約能源法》). The Company has formulated the Energy and Resources Management System (《能源資源管理制度》) to allocate and utilize energy and resources effectively in order to reduce the consumption of electricity, fuel and water at construction sites and in office activities.

II. Environmental: Green Development for a Shared Future

The Company has established a comprehensive energy and resource management system, which specifies that the president is responsible for the overall management of energy planning, usage, statistics, supervision and measurement, and collaborates with professional departments to carry out statistics and monitoring of energy consumption, formulate energy-saving technology solutions, and carry out research and development and promotion of energy-saving technologies.

Improving Equipment Energy Efficiency	For key equipment, we have implemented energy efficiency retrofits and closely monitor energy consumption indicators. By optimizing equipment operating parameters and applying high-efficiency energy-saving technologies, the average energy efficiency of equipment has been significantly improved.
Promoting Clean Energy	We are committed to promoting the use of clean energy and reducing reliance on traditional energy sources. By constructing an on-site photovoltaic power generation system, introducing high-efficiency energy-saving equipment, and encouraging employees to use clean energy products, we have achieved an increase in the share of clean energy.

In 2025, the Company adopted innovative technologies to further enhance energy efficiency.

Deploying Smart Lighting Systems	Introduce an advanced smart sensor lighting system that automatically adjusts light brightness based on ambient light intensity and human activity, achieving refined control of “lights on when people come, lights off when they leave”, and significantly reducing lighting energy consumption in public and office areas.
Promoting Solar Energy Utilization	Install solar photovoltaic power generation devices on eligible factory rooftops and vacant sites, fully utilizing clean and renewable energy, gradually increasing the proportion of self-generated green electricity, injecting green power into the Company’s operations, and supporting the transformation of the energy structure.

II. Environmental: Green Development for a Shared Future

We have taken relevant energy conservation and emission reduction measures to control and reduce our greenhouse gas emissions. The following table sets forth a breakdown of use of energy and resources and greenhouse gas emissions of the Company:

Indicators	2025	2024	2023
Electricity consumption (megawatt hour (MWh))	**732.2**	716.9	613.6
Natural gas (1,000 m^3)	**2.04**	2.68	2.0
Gasoline (tons)	**18.68**	22.02	16.7
Comprehensive energy consumption (tons of standard coal)	**120.19**	124.1	102.6
Comprehensive energy consumption intensity (tons of standard coal/per RMB million of revenue)	**0.49**	0.41	0.32
Greenhouse gas emissions (tCO_2e)	**449.08**	480.9	428.8
Scope 1 Greenhouse gas emissions (tCO_2e) [1]	**60.58**	72.0	54.4
Scope 2 Greenhouse gas emissions (tCO_2e) [2]	**388.51**	408.9	374.3
Greenhouse gas emission intensity (tCO_2e/per RMB million of revenue)	**1.8**	1.4	1.4

The Company is committed to improving resource utilization efficiency and reducing energy consumption in response to the national energy conservation and emission reduction policies, thereby promoting sustainable development. In 2025, through optimizing equipment operation, we effectively improved energy utilization efficiency and significantly reduced total energy consumption.

1 Scope 1 Greenhouse Gas Emissions: Calculated by multiplying the Group's gasoline consumption by the corresponding emission factors, with reference to the China Energy Statistical Yearbook (《中國能源統計年鑒》) and IPCC 2006.

2 Scope 2 Greenhouse Gas Emissions: Calculated by multiplying the Group's purchased electricity consumption by the corresponding emission factors. The 2023 emission factor refers to the Notice on Key Tasks for Enterprise Greenhouse Gas Emission Reporting and Management in 2022 (《關於做好2022年企業溫室氣體排放報告管理相關重點工作的通知》) issued by the Ministry of Ecology and Environment of China. The 2024 emission factor refers to the Announcement on the Release of the 2022 Carbon Dioxide Emission Factor for Electricity (《關於發佈2022年電力二氧化碳排放因子的公告》) issued by the Ministry of Ecology and Environment of China. The emission factor for the year 2025 is referenced from the Ministry of Ecology and Environment's *Notice on the Management of Greenhouse Gas Emission Reporting for Enterprises in the Power Generation Industry for 2023-2025(《關於做好2023-2025年發電行業企業溫室氣體排放報告管理有關工作的通知》).

II. Environmental: Green Development for a Shared Future

Water Resource Management

The Company's water resources are primarily used for daily office operations and production activities. We prioritize responsible water resource management in compliance with the Water Law of the People's Republic of China (《中華人民共和國水法》) and related regulations. To reduce water consumption at construction sites and office operations, we optimize water usage efficiency through measures such as adopting water recycling systems in production processes to promote water reuse and minimize resource depletion.

Office Water Usage	• Promote water-saving awareness: Regularly disseminate water-saving concepts to employees via internal emails, bulletin boards, and other channels to enhance employees' awareness of water conservation. • Regular maintenance and inspection: Promptly report and repair damaged water supply facilities or leaks to prevent occurrences of "run, spill, drip, and leak". • Water resource recycling: Encourage water reuse, such as using non-potable water for watering plants, to improve water utilization efficiency.
Water consumption for production	• Adopt advanced water-saving construction technology in construction; and adopt effective water-saving measures for on-site agitation and irrigation. • Design and arrange the water supply pipe network at the construction site according to the water consumption and adopt effective measures to reduce the leakage of the pipe network and water-using appliances. • Use water recycling devices for washing machinery, equipment and vehicle at the construction site. • Adopt water-saving appliances for domestic water in the office and living areas of the construction site, install water metering devices and adopt targeted water-saving measures.

During the year, the Company's water consumption and water consumption intensity are detailed below:

Indicators	**2025**	2024	2023
Water consumption (m^3)	**4,027**	4,837	4,124
Water consumption intensity (m^3 of standard coal/per RMB million of revenue)	**16.5**	16.0	12.9

II. Environmental: Green Development for a Shared Future

2.3 POLLUTANT PREVENTION AND CONTROL MANAGEMENT

For environmental pollution sources such as exhaust gas (dust), wastewater, solid waste and noise generated during production and daily operations at construction sites, the Company has fully identified environmental pollution sources and key control measures, and focuses on regulating the scientific and effective management of wastewater, exhaust gas and solid waste, so as to improve the working and construction environment, and reduce the generation of wastewater, exhaust gas and solid waste and environmental pollution caused by them. The Company has defined in detail the specific categories, main sources, concentration limits, control requirements and environmental management responsibilities in the Waste Gas, Waste Water and Solid Waste Management System (《廢氣、廢水、固體廢棄物管理制度》). The Company and all project departments strictly implement relevant requirements, and ensure effective environmental management through training, supervision and assessment mechanisms.

Air Emission Management

The Company mainly involves air pollutants such as nitrogen oxides and sulfur oxides generated form the use of gasoline, natural gas and other fossil fuels, as well as dust arising from some project construction processes. The Company endeavors to control exhaust gas emissions at the source, and reduce the generation of exhaust gas in its production process. While taking measures to induce generated exhaust gas to treatment facilities, the Company strictly requires that the emission of air pollutants shall not exceed national and local air emission limits as well as indicators relating to the control of total emission of key air pollutants.

In order to reduce the generation and impact of air pollutants, the Company has taken the following governance measures:

- Optimize traffic management at construction sites, sweep and sprinkle construction roads to reduce vehicle exhaust pollution.
- Tightly cover particulate powdery materials such as cement and white ash in the warehouse to prevent dust.
- Clean up dust pollutants in the construction site in a timely manner, control dust with dust monitoring equipment on site to detect dust indicators in real time and adjust timely in case of exceeding the standard.
- Prohibit the burning of asphalt, linoleum, plastic, garbage or other substances that can produce toxic and harmful soot and odors within the operation area.

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Indicators	2025	2024	2023
Total sulfur oxide emissions (kg)	**0.74**	0.48	0.69
Total nitrogen oxide emissions (kg)	**3.59**	4.72	3.52
Total soot emissions (kg)	**0.48**	0.63	0.47

Wastewater Management

The wastewater generated by the Company mainly include sewage at construction sites and domestic sewage. In particular, the sewage at construction sites is mainly generated from concrete transport tankers, dump trucks, pump trucks and pipeline cleaning, as well as the slurry water generated in the construction process. The domestic sewage is mainly generated from the ordinary office work and life of employees. The Company strengthens the control of sewage discharge at construction sites according to the secondary sewage discharge standards, requires to strictly abide by the principle of "Secondary Sedimentation and Tertiary Discharge" for discharge of construction sewage at construction sites, and conducts regular sampling and monitoring of sewage discharge at construction sites. In an effort to implement the requirements of environmental protection administrative authorities in the place where the Company operates, the sewage can be discharged into the municipal sewage pipeline only after meeting relevant standards through sedimentation and other treatments.

In order to reduce the generation and impact of wastewater, the Company has taken the following governance measures:

- Establish sedimentation tanks and grease traps in the construction area and living area based on the number of construction personnel and site conditions, and assign a person to cleaning them to prevent the overflow of sewage.
- Formulate the complete construction water management measures before the official commencement of the project, and set up temporary drainage systems based on project conditions to discharge wastewater generated into the corresponding municipal pipeline.
- Discharge slurry water generated in the construction process can be discharged into the municipal sewage pipeline only after sedimentation and treatment, or directly carry slurry water out of construction sites using slurry trucks for further treatment according to relevant requirements.
- Prohibit the discharge of harmful wastewater directly at the construction site and divert and utilize the wastewater.

II. Environmental: Green Development for a Shared Future

Waste Discharge Management

The Company has formulated the Waste Full Lifecycle Management System (《廢棄物全生命週期管理制度》), established a waste classification coding system, implemented traceability management under the principle of "one waste, one code", defined the responsibilities of each department for waste generation, collection, temporary storage, and transfer, and set a mandatory time limit of no more than 48 hours for hazardous waste storage.

We have formulated and implemented the Green Supply Chain Waste Management Specification (《綠色供應鏈廢棄物管理規範》), incorporating waste reduction indicators into supplier access and annual assessment systems. It requires that the proportion of recyclable packaging shall not be less than 80%, and non-degradable cushioning materials are prohibited. To ensure management effectiveness, we have established a shared platform for supplier waste disposal data and conduct quarterly joint audits.

We have strengthened the construction of our digital management system, adopted an AI-assisted decision-making system, and built a waste generation prediction model based on historical data to enable dynamic dispatch of treatment resources.

We have established a mechanism linking waste management performance to departmental KPIs, encouraging employees to pay attention to waste management. An annual "Waste Reduction Innovation Fund" has been set up to encourage employees to propose technical improvement solutions. We provide special training for all employees. New employees must complete special training on waste classification and treatment and pass an assessment before taking up their posts. Managers are required to complete no less than 16 study hours per year of special seminars on environmental regulations and carbon management.

Hazardous waste	• Waste fluorescent tubes, waste dry batteries, etc., are collected and then handed over to a professional third party for disposal. • Recycle and incinerate the oily solid waste (if any) generated in construction and production in a designated boiler room for disposal. • Adopt the trade-in management approach for asbestos and its products, seal and store them in a unified manner when recycling, and then bury them when reaching certain amount.
General solid waste	• Dispose of construction waste in accordance with national and local regulations, strictly implement waste sorting measures, and take measures such as solid waste reduction, reuse, and recycling to minimize the generation of construction waste. Such waste shall be collected, centrally stored, and recycled by designated personnel.

II. Environmental: Green Development for a Shared Future

Indicators	2025	2024	2023
Total non-hazardous waste (tons)	**49.04**	50.61	48.73
Including: domestic waste (tons)	**48.86**	50.37	48.5
Including: waste cartons (tons)	**0.18**	0.24	0.23
Non-hazardous waste emission intensity (tons/per person)	**0.33**	0.46	0.39

Regarding hazardous waste, as construction projects are handled by contractors and our operations rarely involve hazardous materials, the associated impact is minimal and does not significantly affect the Company's overall operations.

2.4 RESPONSE TO CLIMATE CHANGE

Governance

The Company is actively assessing the potential impacts of climate change on our operations and implementing practical strategies to enhance resilience against extreme weather events. Recognizing climate change as both a challenge and an opportunity, the Board rigorously monitors related factors to strengthen the resilience of our business to climate challenges. We are committed to adopting preventive measures to align our operations with evolving climate trends.

Strategy

Climate-related risks can be divided into transition risks arising from the transition to a low-carbon economy and physical risks arising from climate change. Transition risks can be divided into policy and regulatory risks, market and technology risks, and reputation risks. Physical risks include acute physical risks (e.g. extreme weather such as earthquakes, storms, floods and sandstorms) and chronic physical risks (long-term changes in climate patterns such as sea level rise, persistent high temperature).

II. Environmental: Green Development for a Shared Future

Risk Management

To promote sustainable development and taking into account the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD), the Company has identified certain climate change risks, including physical and transition risks that could adversely affect our business, operating results and financial condition by studying government policies and benchmarking practices against our peers. The Company incorporates such risks into its risk management system, optimizes its business layout in a scientific manner, and takes action to enhance its resilience to climate risks in an integrated manner.

Climate risk category	Climate risk factors	Risk description	Impact level	Potential impact
Acute physical risk	Extreme weather events	The increased frequency of catastrophic weather such as typhoons, rainstorms, snowstorms, and droughts may lead to interruptions in the Company's operations, extension of construction period, and may cause secondary disasters, resulting in personal safety, environmental pollution and other incidents.	High	Increase in operating costs Asset Impairment and depreciation
Chronic physical risk	Chronic natural disasters	Chronic natural disasters such as changes in rainfall and increases in average temperatures will gradually affect coastal and inland areas. Climate change in the medium to long term may affect the Company's business continuity and business cost expenditures, such as increased operating expenses or costs related to increased demand for cooling or replacing damaged assets.	Low	Increase in operating costs Asset Impairment and depreciation
Transition risk	Energy control requirements	In the context of the transformation of energy structure in China, we may face power outages and power restriction measures, which may lead to the interruption of the Company's operations in the short to medium term, or increased investment in energy facility renovation and higher operation and maintenance costs, thus resulting in production interruptions or longer construction period.	Medium	Increase in operating costs

II. Environmental: Green Development for a Shared Future

Climate risk category	Climate risk factors	Risk description	Impact level	Potential impact
	Shift in market demand	As the concept of green building and green construction becomes popular in the society, the contracting parties may incorporate green building into the contracting requirements or construction standards. If the Company's greening and low carbonization in engineering construction fails to meet the market expectation, the Company's market expansion will be affected.	Low	Declining demand for products and services Decrease in sales revenue

In addition to the aforementioned climate risk factors, climate change may also bring emerging business opportunities for the Company's business development such as green building, including but not limited to: (i) in the context of the global response to climate change and the promotion of achieving carbon neutrality targets, government is actively formulating policies and plans to promote the development of green buildings and business opportunities related to green buildings or the energy-saving and green renovation of existing buildings; (ii) changes in market and customer preferences may bring more business opportunities for construction engineering enterprises that have green building technologies and apply environmental protection measures in the construction of their buildings; and (iii) construction engineering enterprises will be able to accelerate their green transformation process, build a good reputation and social reputation and gain recognition from investors by implementing building electrification projects, promoting new green construction methods and facilitating the application of green building materials.

Indicators and Targets

In response to global climate challenges, we systematically identify and continuously monitor climate risk-related indicators, including direct greenhouse gas emissions (Scope 1) and indirect greenhouse gas emissions (Scope 2). We conduct comprehensive statistical analyses and publicly disclose relevant data on an annual basis to provide robust support for climate action. For details, please refer to the section "2.3 Use of Energy and Resources".

II. Environmental: Green Development for a Shared Future

The Company implements rigorous management planning policies for various types of emissions, including exhaust gas, wastewater, hazardous waste, and non-hazardous waste, with the aim of mitigating environmental pollution and achieving sustainable development.

Target Category	Short-term Target	Medium-term Target	Long-term Target
Exhaust Gas Management Target	Within one year, reduce exhaust gas emissions by optimizing production processes and upgrading equipment, targeting a 25% reduction compared to the previous year.	Within three years, continuously promote clean production technologies, improve exhaust gas treatment efficiency, ensure exhaust gas emissions comply with relevant national standards, and strive to further reduce emission intensity.	Within the next five years, achieve zero exhaust gas emissions during the production process, establishing a strong environmental protection image for the Company.
Wastewater Management Target	Within one year, enhance wastewater treatment capacity to ensure wastewater discharge meets national standards, targeting a 30% reduction in water discharge compared to the previous year.	Within two years, reduce wastewater generation by improving production processes and increasing resource utilization efficiency, while strengthening the construction and management of wastewater treatment facilities to ensure treatment efficiency.	Within the next five years, achieve zero wastewater discharge, utilize beneficial substances in wastewater for resource recovery, and contribute to water resource protection and ecological balance.
Hazardous Waste Management Target	Within one year, establish a comprehensive system for the classification, storage, transportation, and disposal of hazardous waste to ensure safe handling.	Within three years, increase the recovery and utilization rate of hazardous waste, reduce its generation, and strengthen cooperation with suppliers to procure environmentally friendly raw materials.	Within the next five years, achieve reduction, resource utilization, and harmlessness of hazardous waste, laying a solid foundation for the Company's sustainable development.
Non-hazardous Waste Management Target	Within six months, achieve classified collection and treatment of non-hazardous waste, increasing the resource utilization rate of waste.	Within one year, establish a comprehensive non-hazardous waste recycling system to ensure its full utilization.	Within the next three years, continuously improve the recycling rate of non-hazardous waste, reduce waste generation, and promote the Company's development toward a circular economy.

III. Social: Accountability for Inclusive

Tianjin Construction Development recognizes that corporate growth must align with social responsibility. We uphold the principle of "giving back to society while pursuing development", deepening collaboration with stakeholders for mutual benefit. The Company prioritizes project quality and continuously strengthen safety management and occupational health protections. We adhere to "people-centric" values by offering competitive compensation and career development opportunities, and actively engage in community outreach and philanthropy to contribute to societal well-being.

3.1 CONSTRUCTING QUALITY PROJECTS

As a listed company in the field of engineering construction services, it is critical to the reputation and success of the Company that quality construction works services are provided in a timely and safe fashion. In this regard, the Company adheres to the policy of "quality first". While constantly strengthening and regulating the quality, progress and service management of its construction projects, the Company continues to improves its project quality management, effectively enhance the whole-process quality supervision and control, and facilitate procedure, standard and science-based quality management.

Construction Quality Management

The company continues to optimize and improve its quality management system, conducting all operations in strict accordance with the requirements of the ISO 9001 quality management system standard. During the reporting period, the company successfully passed the annual surveillance audit of the ISO 9001 quality management system, with the audit scope covering core business processes of construction management. Through surveillance and audits, the company has further strengthened the standardization and normalization of quality management, laying a solid foundation for improving project quality and customer satisfaction.

We strictly enforce national specifications and acceptance standards, adhering to the principles of model-led guidance, process control, and in-process acceptance, and resolutely preventing the transfer of non-conforming work to subsequent stages. We rigorously control three key stages — material entry, equipment inspection, and in-process construction — implementing individual accountability for quality and enforcing a lifetime quality responsibility system. We promote refined, standardized, and digital construction management, strengthen technical briefings and personnel training, and enhance construction precision and physical quality;We fully implement the work safety accountability system, ensuring quality through safety and promoting our brand through quality.

Enhancing Service Quality

The company assigns dedicated personnel to provide full-process tracking from initial coordination and construction collaboration through to project handover and post-construction maintenance; we proactively strengthen coordination with construction, supervision, and design units to optimize construction organization and improve service efficiency; we have established robust project follow-up and warranty mechanisms, conducting regular inspections and prompt repairs to effectively safeguard client interests.

We have established the Engineering Quality Warranty System (《工程質量保修制度》) and strictly enforce the procedures outlined in the system for repair requests, complaint handling, and follow-ups, forming a closed-loop management process of "receipt — resolution — acceptance — follow-up — archiving." All processes are documented via written forms or digital systems to ensure full traceability. We implement a "whoever constructs, is responsible, and provides warranty" accountability mechanism. We conduct monthly spot checks on after-sales service operations, covering process compliance, record integrity, and customer satisfaction, to ensure that after-sales service effectively resolves customer issues.

III. Social: Accountability for Inclusive

Customer Complaint Management

The Company places great emphasis on the handling and improvement of customer complaints, regarding this as an important feedback mechanism for optimizing service quality. We continuously receive customer feedback and opinions through various channels, including email, telephone, letter, and fax, and have established a complaint handling process covering "complaint registration, acceptance review, investigation and verification, corrective action, and response feedback", ensuring that complaints are addressed within the timeframe required by the customer.

During the reporting period, the Company did not receive any complaint from customers.

Customer Communication and Feedback

Customer satisfaction is a key evaluation criterion for our quality service. We have established the Customer Return Visit and Satisfaction Survey System (《客戶回訪與滿意度調查制度》) and conduct an annual satisfaction survey for each project cycle to continuously improve service quality, thereby enhancing customer satisfaction and service quality.

In order to maintain and improve the quality of our services and enhance customer satisfaction, we seek and receive feedback from our customers regarding our performance during the ordinary course of business. We usually collect customers' comments on completed projects by various means, such as customer return visits, and record and file such comments. Customer feedback are usually related to the quality of our works.

Our established internal policies and procedures aim to respond to and record feedback from our customers, and we also follow up with customers to review our responses. Our customer satisfaction survey collects our customers' feedback on several aspects of our services, including but not limited to our project progress, project quality, fulfillment of contractual responsibilities, project management and personnel quality. These internal policies and procedures apply to all of our construction works projects. Upon receipt of feedback from a customer, the project team will, depending on the feedback and project status, improve the quality of the project, primarily by on-site rectification, repair and rework until the customer is satisfied. Most of our customers gave us feedback which indicated their future cooperation intentions with the Company.

III. Social: Accountability for Inclusive

3.2 OCCUPATIONAL HEALTH AND SAFETY

Health and safety are key fundamentals for the production, operations and development of the Company. While ensuring health and safety in all business activities, Tianjin Construction Development continues to enhance safety awareness, fully follows the red line of safety, and endeavors to win the support of employees and partners with sound health and safety management, thus providing safety guarantee for the sustainable development of the Company. Tianjin Construction Development will continue to uphold the principle of "safety first, prevention foremost". We will regularly organize various safety training sessions and continuously enhance employees' safety awareness, so as to safeguard the Company's stable development and employees' well-being.

Improvement of the Security Management System

Under the full implementation of the safety policy of "safety first, prevention foremost", Tianjin Construction Development implements various safety management measures to ensure the normal production and operation of projects, and actively strives to achieve "zero record" of casualties. In order to reduce potential safety risks, the Company has established a comprehensive occupational health and safety production management system by formulating the Safety Management System (《安全管理制度》), the Emergency Plan for Work Safety Accidents (《安全生產事故應急預案》), the Safety Operation Procedures for Construction (《工程施工安全操作規程》) and other rules and regulations related to work safety and occupational health. The Company regularly identifies rules and regulations related to work safety and occupational health, updates environmental and occupational health and safety objectives and indicators and their management plan, and reviews environmental and occupational health and safety objectives and indicators. The Company has obtained the occupational health and safety management system certification.

The Company has established a safety production committee with the president as the chairperson and the manager of the safety and environmental protection department as the deputy chairman, whose members include the head of the engineering management department and the head of each project department. The Company has also established a safety officer team for organizing and implementing safety education on construction sites, organizing regular and irregular safety inspections for each team, and investigating and handling accidents on construction sites. In the meantime, the Company fully implements the project production safety responsibility system, in which the project manager takes full responsibility for the safety production of the project department, and holds monthly safety production meetings to analyze and study the safety production situation and keeps meeting minutes; the project technical personnel bears overall responsibility for all technical issues in construction production, leads the promotion, education and training of safety technology, and puts forward suggestions for improvement in terms of technology and measures for safety hazards.

Safety Risk Classification and Control

The Company has prepared the Safety Risk Classification Control and Clearing List (《安全風險分級管控清單》), which identifies a full range of operational activities and hazard sources involved in machinery and equipment, public management, road and drainage construction, and office living areas at the construction site. The accidents that may be caused by related risks include: falling from height, object strikes, collapse, mechanical injuries, vehicle injuries, fire and electric shock.

III. Social: Accountability for Inclusive

The main safety measures taken by the Company to address potential safety risks during construction include:

Potential safety risks	Safety precautions
Falling from height	• Provide special education and safety disclosure to the relevant personnel, and conduct regular safety training and assessment. • Develop a security management system and conduct regular safety inspections. • Affix maintenance rails and safety warning signs in the workplace. • Require all personnel to wear helmets at construction sites; and require workers working at height to wear safety belts.
Object strikes	• Provide special education and safety disclosure to the relevant personnel, and conduct regular safety training and assessment. • Prohibit excessive material accumulation (no more than 1.5 meters), and try to accumulate the materials in an open space with few people. • Firmly set up scaffolding, upon which no materials and tools are stored.
Collapse	• Provide special education and safety disclosure to the relevant personnel, and conduct regular safety training and assessment. • Standardize slope placement, do not exceed the load limit at the edge of the ditch (no piling of materials within 1 meter of the pit), and monitor the changes of the slope. • Engage specialists to organize the demolition work and coordinate with each other.
Mechanical injuries	• Provide special education and safety disclosure to the relevant personnel, and conduct regular safety training and assessment. • Develop safe operating procedures for vehicles at construction sites, prohibit construction vehicles from running with failure, overloading, etc. • Operate all kinds of earthwork machinery without failure, keep a safety distance from the edge of the pit, and require the operators of such machinery to be equipped with certificates. • Operate all kinds of machinery without failure, equip complete protective cover, prohibit illegal operation and maloperation. Assign a person to look after it when repairing.

III. Social: Accountability for Inclusive

Safety Inspection and Accident Reporting

The Company conducts regular inspection and evaluation on the construction sites to understand the status of safe production and timely identify unsafe behaviors and accident hazards, truthfully reflects the places and degrees of hidden danger, qualitatively and quantitatively analyzes the causes, timely formulates rectification measures and plans, and organizes rectification within a limited time. In particular: company-level inspection is organized by the engineering management department once a month, with the participation of the safety and environmental protection department; project-level inspection once a week, with the participation of technical leaders, safety officers and construction workers; and daily safety inspection is conducted by the project team.

The Company has formulated the Emergency Plan for Work Safety Accidents (《安全生產事故應急預案》), and established an emergency plan system for various types of accidents, including comprehensive emergency plan, special emergency plan and on-site disposal plan. Emergency actions are carried out according to the controllability, severity, and scope of impact of work safety accidents, and reported in a timely manner based on the accident level. The Company requires that all types of safety accidents shall be recorded in detail, reported in a timely manner, and all personnel shall be organized to analyze the causes and put forward preventive measures. In the process of accident investigation, we shall objectively, impartially, accurately and timely find out the cause of the accident, the process of the accident, the recovery, the loss of the accident, the liability for the accident, post-accident compensation, etc., then issue an accident report and put forward preventive measures and accident liability treatment.

Indicators	**2025**	2024	2023
Number of work-related fatalities	**0**	0	0
Rate of work-related fatalities (%)	**0**	0	0
Number of work-related injuries	**0**	0	0
Lost days due to work-related injuries (days)	**0**	0	0

Note: The statistical data in this table covers the Company only, excluding our suppliers or subcontractors.

During the reporting period, the rectification rate of hazards identified through the Company's safety inspections reached 100%.

III. Social: Accountability for Inclusive

Safety Education Training

Pursuant to the Labor Law of the PRC (《中華人民共和國勞動法》), the Company conducts labor safety and hygiene education among its employees to prevent accidents and reduce occupational hazards. Pursuant to the Interim Measures of Construction Workers Using Personal Protective Equipment (《建築施工人員個人勞動保護用品使用管理暫行規定》), all construction workers must receive regular safety training and construction enterprises should have records of education and training. In addition, the use and management of safety equipment in the construction site and the personal protective equipment for construction workers are also strictly regulated. The company has always prioritized safety in production. Through various means such as holding knowledge competitions, conducting safety training, and strengthening safety supervision, it guides employees to establish safety awareness and jointly build up a safe, harmonious and stable working environment.



Figure: Emergency Safety Awareness and Practical Drill Activity

The Company requires all new employees in the project department (including outsourced workers, contract workers, temporary workers and management personnel) to receive "three-level" (company, project department and project team) of safety education and be allowed to work only after passing the education. Each project department unifies the establishment and management of individual employee's "safety education record cards", which are organized and filed by construction teams and project teams. The Company requires all construction workers to study the safety operation procedures and relevant safety system two to three times a year. In addition to general safety education, personnel engaged in electrical, tower crane, construction elevator, welding, vehicle driving, etc. is also required to conduct special training and shall not engage in operation until passing the examination and obtaining the operation certificate, which is subject to review every two years. In 2025, RMB6.02 million was invested in production safety.

Indicators	**2025**	2024	2023
Number of special production safety training sessions (sessions)	**208**	210	168
Hours of special production safety trainings (hours)	**312**	318	252
Number of participants in production safety trainings activities	**2,340**	2,354	1,404

III. Social: Accountability for Inclusive

Occupational Health and Safety Protection

The Company attaches great importance to protecting the health rights and interests of employees, and strictly abides by relevant laws and regulations including the Law of the PRC on Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》). In order to comprehensively promote occupational health work and ensure the physical and mental health of employees in their work and life, the Company has formulated the Occupational Health Control Procedures (《職業健康控制程序》) covering prevention, inspection and tracking of occupational diseases, wearing of labor protection supplies and other aspects. The Engineering Management Department has newly issued the Measures for the Occupational Health and Safety Management (《職業健康安全管理辦法》), which comprehensively implement the occupational health and safety production policy across multiple dimensions, including occupational health and environmental hazard factors at construction sites, health and safety management, labor protection management, and sanitation management, ensuring the occupational health and safety of employees during production and operations.

Occupational Health and Safety Requirements

- Every employee shall conscientiously perform the specified occupational health and safety responsibilities as to their respective jobs and responsibilities.
- Every employee shall abide by labor disciplines, practice civilized construction in construction and production processes, and avoid causing any harm to themselves and others or any harm causes by others.
- Every employee shall wear and use labor protection equipment as required when entering the construction site, and correctly use and maintain equipment and facilities.
- All employees shall accept the supervision and inspection of safety supervisors, and implement the rectification of hidden dangers and elimination of hazards according to the principle of "specific rectification measures, specified rectification time and designated responsible person, and implementation of rectification measures" (三定一落實).
- The use of underage workers is strictly prohibited.

The Company has identified main occupational hazard factors with reference to the Measures for the Classification and Administration of Occupational Diseases of Construction Projects (《建設項目職業病危害分類管理辦法》) and based on the specific conditions of its ordinary operations and construction sites, including the hazards of dust generated from production, hypoxia and carbon monoxide, and metal smoke generated from welding operations. In order to effectively prevent personal injury to workers caused by occupational diseases, the Company has defined the management responsibilities of its functional departments and divisions and heads of construction sites. Meanwhile, the Company conducts regular training and education activities to enhance the awareness of construction workers on occupational disease hazards as well as their practices on preventing and controlling occupational diseases.

The Company fully ensures that employees have a safe and healthy working environment and conditions. Employees are entitled to boycott, report and even file an accuse against those who force workers to conduct risky operations. The Company protects female employees during menstruation, pregnancy, childbirth, lactation and menopause, and actively facilitates subcontractors to improve occupational health and safety practices of their employees.

III. Social: Accountability for Inclusive

Employee Health Examination

The Company fully ensures that employees have a safe and healthy working environment and conditions. Employees are entitled to boycott, report and even file an accuse against those who force workers to conduct risky operations. The Company protects female employees during menstruation, pregnancy, childbirth, lactation and menopause, and actively facilitates subcontractors to constantly improve their occupational health and safety practices.

The Company organizes regular annual physical examinations for its employees. Special workers, such as welders and waterproofers, shall participate in physical examinations on occupational disease prevention at designated hospitals.

Contractor Safety Management

The Company has formulated the Subcontractor On-site Management Measures (《分包現場管理辦法》), endeavoring to ensure that subcontractors comply with the specified requirements regarding construction quality, occupational health and safety, and environmental protection.

Construction Safety	• All subcontracting personnel entering the construction site must wear safety helmets and other personal protective equipment. • The safety officer of the subcontracting unit shall participate in the weekly safety inspection and the monthly major safety inspection, and shall rectify and address any issues identified during the inspections.
Fire Safety	• Subcontracting personnel shall study and comply with all fire safety systems, and the subcontracting unit shall assign a designated person to be responsible for fire protection work. • The subcontracting unit shall strengthen publicity and education on fire safety awareness and actively train voluntary fire brigade members. • The use of fire for construction must be reported to the relevant department of the owner for approval before operation, and a hot work permit must be obtained. A fire extinguisher must be provided at the hot work location. For open flame operations, a 24 hour patrol system must be established. • When the construction involves flammable and explosive materials such as paints, thinners, and adhesives, a declaration system shall be adopted when these materials are brought to the site.

III. Social: Accountability for Inclusive

3.3 PROTECTION OF EMPLOYEE RIGHTS AND INTERESTS

Tianjin Construction Development regards its employees as a valuable asset of the Company, and the introduction and training of talents are critical for the prosperity and development of the Company. By respecting and protecting the rights and interests of its employees, the Company has developed a sound training and development system, and provides considerate employee care measures, so as to enhance employees' satisfaction and happiness.

Ensuring Compliance Employment

During the recruitment and selection process, the Company enters into written labor contracts with employees, which stipulates labor conditions, labor benefits, working hours, vacations and other rights according to law. The Company has also formulated supporting labor contract management systems, implements the execution, performance, modification, cancellation or termination of labor contracts with employees according to law, and ensures the strict performance of labor contracts to protect their rights and interests from infringement. The Company pays attention to improving the working environment of employees, eliminates forced labor regardless of whatever grounds, and prohibits forced labor by means of seizure of documents and money, surveillance and threats.

The Company strictly prohibits child labor and forced labor and enters into labor relations with employees on a voluntary and equal basis. Recruitment of employees is conducted through regular recruitment websites and age restrictions are imposed on interview candidates in the recruiting requirement. Candidates cannot enter the interview process of the Company if they are under 18 years old. We regularly review employee files to ensure that all employee information, such as age and identity, is true and valid. At the same time, the Company respects the rights and interests of female workers and ethnic minorities, as well as employee rights to personal freedom and vacations. The Company prohibits any form of discrimination in respect of gender, ethnicity, religion and nationality, any hurl invective among or between employees or any retaliation against subordinate employees, and encourages employees to file reports or complaints about If any illegal employment such as child labor are found, the Company will immediately report to the relevant authorities and terminate the employment relationship with such personnel, and will review and improve its internal management processes inappropriate behaviors.

In terms of the anti-discrimination and anti-harassment, we have established anti-discrimination and anti-harassment policies and carried out regular trainings to enhance employees' awareness on the relevant issues. Meanwhile, we have set up dedicated reporting channels for employees to report incidents of discrimination and harassment, which allows us to deal with such incidents in a timely manner and provide necessary support for affected individuals. In 2025, the Company achieved 100% labor contract signing rate and 100% social insurance coverage for employees.

Employees' Remuneration and Benefits

With respect of the compensation, the Company has implemented a fair and equitable salary system. We conduct periodic market research and adjust remuneration levels based on market conditions and operational realities to ensure competitive employee compensation.

In terms of performance, the Company conducts monthly and annual appraisals of employees based on the Performance Management System (《績效管理制度》) and the Measures for the Assessment of the Completion of Work Tasks (《工作任務完成情況考核辦法》), and the appraisal results will directly affect the amount of the employee's performance-based wages and future salary adjustments. The Company sets out in detail the working hours, holidays, remuneration and benefits, job duties and performance, and employee conduct management measures in the Employee Handbook. The Company implement a five-day work week for all employees and provide employees with welfare leaves such as marriage leave, maternity/paternity leave, paid annual leave and medical treatment period for sickness or non-work-related injuries, in addition to statutory holidays.

III. Social: Accountability for Inclusive

Employees' Communication and Participation

The Company has established and improved the working mechanism for employee communication and participation, and gives full play to the bridge role of the labor union to encourage employees to participate in corporate management. As at the end of 2025, 100% of the Company's employees participated in the labor union.

The Company maintains a smooth communication and appeal channel. We have established multiple communication channels, including employees' forums and suggestion programs, as well as dedicated grievance mechanisms such as hotlines and face-to-face meetings, to regularly collect and analyze employee feedback. If employees are discriminated against or treated unfairly at work, they can file feedback or complaints to the human resources department at any time, and the Company will verify relevant issue and send feedback to the employee within 3 working days. If the human resources department fails to resolve such issue, it will be reported to the president office as appropriate for further investigation, and the final feedback will be sent to the employee.

Employee Care Initiatives

In order to create a cohesive, harmonious and positive working atmosphere, the Company carries out a variety of employee care activities, allowing them to gain a sense of belonging, fulfillment and happiness after work. Our activities include: (i) annual meeting, monthly birthday parties and employee reunion activities; (ii) basketball game, photo contest, badminton match, essay competition and other recreational and sports activities; and (iii) additional leave for female employees and employees with children under 14 years of age on Women's Day and Children's Day, respectively.



Figure: New Year Kick-off Event

In addition to such employees' activities, we operate an employee care hotline to promptly respond to their concerns and needs. Furthermore, we provide psychological counseling services to assist employees facing challenges. Meanwhile, the Company also assigns its representative to send gifts or condolences to or visit employees when they get married, they or their spouses give birth, their family member passes away, or they are hospitalized.



Figure: Project Care Visit and Summer Care Visit Activities

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3.4 GROWING TOGETHER WITH EMPLOYEES

The Company is committed to fostering continuous talent growth and development, integrating employee training as a core component and key function of human resource management. By optimizing performance evaluation systems and career development pathways, we enable employees to share in the Company's success and collaboratively build a brighter future.

Talent Acquisition and Retention

The Company actively expands its employee recruitment channels based on the industry categories and characteristics of necessary talents, and mainly introduces talents through online recruitment platforms, campus recruitment, on-site recruitment, internal staff recommendations and other methods. For college graduates, the Company applies for campus recruitment on the official website of colleges and universities, and attracts students who are about to graduate through holding recruitment lectures in colleges and universities, including Tianjin Chengjian University and Tianjin Coastal Polytechnic, as well as the recommendations by graduate assignment offices. For social talents, the Company actively participates in local job fairs and direct recruitment exhibitions in Tianjin, and publishes vacancy positions on the Wechat official account of the Company from time to time to attract high-quality talents.

As of the end of 2025, the Company's workforce demonstrates diversity and youthfulness, with a total of 147 employees.

Employee Composition

Indicators	2025	2024	2023
Total number of full-time employees (persons)	**146**	110	124
Total number of part-time employees (persons)	**1**	1	0
Including: total number of male employees (persons)	**108**	66	80
Including: total number of female employees (persons)	**39**	45	44
Including: total number of senior management (persons)	**6**	6	5
Including: total number of middle management (persons)	**30**	26	23
Including: total number of general management (persons)	**13**	18	15
Including: total number of grassroots employees (persons)	**98**	61	81
Including: number of employees — 30 years old and below (persons)	**39**	25	48
Including: number of employees — 31 to 50 years old (persons)	**100**	83	74
Including: number of employees — 51 years old and above (persons)	**8**	3	2
Including: total number of employees in Mainland China (persons)	**147**	111	124
Including: total number of employees in Hong Kong, Macao, Taiwan and overseas regions (persons)	**0**	0	0
Proportion of women in senior management (%)	**17**	16	20
Proportion of employees participating in the labor union (%)	**100**	100	100
Number of employees with disabilities (persons)	**2**	1	1
Number of ethnic minority employees (persons)	**5**	5	4

III. Social: Accountability for Inclusive

The Company is committed to providing its employees with a stable and broad development platform. Through optimizing the compensation system, strengthening employee care and offering career development planning, the Company actively enhances the retention rate of its employees, thereby providing strong support for the stable development of the enterprise.

Employee Turnover

Indicators	2025	2024	2023
Number of employees turnover (persons)	**40**	43	69
Including: male employee turnover rate (%)	**55**	63	67
Including: female employee turnover rate (%)	**45**	37	33
Including: turnover rate of employees under 30 years old (%)	**50**	56	61
Including: turnover rate of employees aged 31 to 50 (%)	**50**	44	39
Including: turnover rate of employees aged 51 and above (%)	**0**	0	0

Enhancing the Training System

The Company provides necessary induction training and timely on-the-job training for its employees based on its business needs to help them to be competent for professional and technical skills work and daily project work management. The Company encourages its employees to become multi-talented and to achieve diversified growth through professional skills advancement training, cross-field skills training, and middle and senior management skills training. The Company conducts employee training in line with its operational and development strategic goals, for the purpose of enhancing the overall comprehensive quality of employees, and aiming to fully cover business projects of the Company and all business knowledge.

Orientation training for new employees	• The content of the course includes the Corporate Culture and Development History, the Employee Handbook and Publicity of Policies, the Introduction to Businesses and Major Projects of the Group, and the Introduction and Operation of Jiexiao System.
Job skills training	• The content of the course is mainly about the training on and sharing of professional job skills, which is organized and implemented by relevant departments. The instructors and participants of the training will receive relevant bonus points for career promotion.
Training for middle and senior management	• The Company introduces a series of courses on the theory of corporate management skills, aiming to enhance the management capabilities and skills of the management, promote inter-department collaboration, and improve their own comprehensive capabilities and qualities.
"Three T" instructor certification, training and management	• The Company has established an internal training instructor management system. The course includes professional instructor cognition, teaching element knowledge and simulated teaching modules, aiming to promote the cultivation of excellent internal instructors.

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In designing our training system, we actively innovate by establishing multidimensional and immersive formats. On one hand, we leverage traditional offline training through lectures, thematic workshops and group discussions. On the other hand, we embrace digitalization by building online learning platforms to allow employees to learn independently at any time. Additionally, we offer mandatory and elective courses, empowering employees to select content aligned with their career goals and interests and enabling them to learn in an independent way with personalized development.



Figure: Specialized Training and Learning Activity

Job Training for Employees

Indicators	2025	2024	2023
Employee training activities (sessions)	**16**	15	13
Investment in employee training cost (RMB Ten Thousand)	**4.28**	3.004	2.024
Number of training participants (person-times)	**486**	405	329
Total time of job training for employees (hours)	**8,420**	7,805	7,172
Average time of all employees training (hours)	**57**	70	58
Average time of male employee training (hours)	**36**	42	34
Average time of female employee training (hours)	**62**	78	60
Average training hours of grassroots employees (hours)	**47**	56	48
Average training hours of mid-level management employees (hours)	**149**	182	151
Average training hours of senior management employees (hours)	**109**	135	109
Percentage of male employee among all employees trained (%)	**49**	46	37
Percentage of female employee among all employees trained (%)	**83**	78	63
Percentage of grassroots employees among all employees trained (%)	**58**	55	45
Percentage of mid-level management among all employees trained (%)	**45**	42	32
Percentage of senior management among all employees trained (%)	**37**	34	23

Upon the completion of every training, the Company conducts evaluations and feedback on training effectiveness to continuously optimize content and methods, thereby enhancing employees' professional competencies and comprehensive capabilities, and providing robust talent support for sustainable development.

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Employee Performance and Development

In order to further promote the career development of employees, the Company implemented a new performance management system and promotion system, with the aim of providing employees with clearer performance incentive programs and career planning and promotion routes, and offering more promotion opportunities to employees with excellent performance. The Company offers diversified career development pathways, including management roles, technical specialties, and operational skill positions. We have formulated a career path roadmap that clarifies developmental requirements and promotion criteria at each stage to guide employees' career planning. Employees may select their preferred paths based on capabilities and interests, advancing higher positions through continuous learning and dedication.

At the same time, the Company has taken the training results as an important reference for employee promotion and performance evaluation. Performance management is also carried out based on the information from our Jiexiao System, which provides an objective evaluation of employees' achievement of tasks and the timeliness of work approval process, generating corresponding performance scores, thus achieving a balanced performance management for employees. Employee promotions are evaluated based on indicators, such as their performance. In addition to promotions, we incentivize staff through salary adjustments, bonuses, and other means, ensuring fairness and transparency in implementation. With respect to the management personnel, we establish a multi-tiered incentive framework, including short-term annual performance-based bonuses, medium-term equity incentive programs and long-term pension plan schemes.

3.5 PARTICIPATION IN COMMUNITY DEVELOPMENT

The Company is committed to being a socially and environmentally responsible corporate citizen that contributes actively to the local community, deeply engaging in the communities where it operates. While constantly optimizing the quality of its products and services, the Company makes active efforts to create job opportunities, proactively participate in public welfare and volunteer activities, with a view to contributing its share to the coordinated development of the economy, environment and the society.

Community Environmental Stewardship

The Company prioritizes ecological conservation and restoration in construction project development. We adhere to the principles of ecological priority and green development to avoid environmental damage. At the same time, we actively address species protection and resource utilization, preventing over-exploitation and promoting sustainable resource management. Additionally, we advocate for green consumption and production practices to minimize adverse impacts on biodiversity.

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Promoting the Industry Development

Tianjin Construction Development will leverage its operational strengths to drive sustainable regional economic growth through participation in critical projects and job creation. Specifically, the Company will adopt an "investment-construction-operation" integrated model to deliver full lifecycle management services for key regional projects, ensuring operational efficiency and generating greater economic and social value.

Appendix
Content Index to the Environmental, Social and Governance Reporting Code of the Hong Kong Stock Exchange

Subject areas, aspects, general disclosures and KPIs		Corresponding Chapter
General Disclosure		
KPI A1.1	The types of emissions and respective emissions data.	2.3 Pollutant Prevention and Control Management
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
KPI A1.5	Description of emission targets set and steps taken to achieve them.	
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction targets set and steps taken to achieve them.	
General Disclosure		
KPI A2.1	Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (kWh in'000s) and intensity (e.g. per unit of production volume, per facility).	2.2 Use of Energy and Resources
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	
KPI 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.	
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A
General Disclosure		
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	2.1 Environmental Management System
General Disclosure		
KPI B1.1	Total workforce by gender, employment type (for example full-or part-time), age group and geographical region.	3.3 Protection of Employee Rights and Interests
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	
General Disclosure		
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	3.2 Occupational Health and Safety
KPI B2.2	Lost days due to work injury.	
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	

Appendix
Content Index to the Environmental, Social and Governance Reporting Code of the Hong Kong Stock Exchange

Subject areas, aspects, general disclosures and KPIs		Corresponding Chapter
General Disclosure		
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	3.4 Growing Together with Employees
KPI B3.2	The average training hours completed per employee by gender and employee category.	
General Disclosure		
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	3.3 Protection of Employee Rights and Interests
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	
General Disclosure		
KPI B5.1	Number of suppliers by region.	1.3 Responsible Purchasing Practices
KPI B5.2	Description of practices relating to engaging supplies, number of supplies where the practices are being implemented, how they are implemented and monitored.	
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, how they are implemented and monitored.	
General Disclosure		
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	3.1 Constructing Quality Projects
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	
KPI B6.3	Description and practices relating to observing and protecting intellectual property rights.	
KPI B6.4	Description of quality assurance process and recall procedures.	
KPI B6.5	Description of customer data protection and privacy policies, how they are implemented and monitored.	1.2 Information Security and Privacy Protection
General Disclosure		
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the case.	1.1 Integrity and Compliance Management
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	
KPI B7.3	Description of anti-corruption training provided to directors and staff.	
General Disclosure		
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	3.5 Participation in Community Development
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	

Appendix
Content Index to the Environmental, Social and Governance Reporting Code of the Hong Kong Stock Exchange

Climate-related Disclosures			
Disclosure Requirements			**Corresponding Chapter**
(a)	(i)	how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	2.4 Response to Climate Change
	(ii)	how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	
	(iii)	how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	
	(iv)	how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities, including whether and how related performance metrics are included in remuneration policies; and	
(b)	(i)	whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	2.4 Response to Climate Change
	(ii)	whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	2.4 Response to Climate Change
(a)		describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	/
(b)		explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	2.4 Response to Climate Change
(c)		specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons — short, medium or long term — the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	2.4 Response to Climate Change
(d)		explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	2.4 Response to Climate Change

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Climate-related Disclosures		
Disclosure Requirements		**Corresponding Chapter**
(a)	a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	2.4 Response to Climate Change
(b)	a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	2.4 Response to Climate Change
(a)	information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about: (i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities; (ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect); (iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and (iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)); and	2.4 Response to Climate Change
(b)	information about how the issuer is resourcing, and plans to resource the activities.	2.4 Response to Climate Change
(c)	disclose information about the progress of plans disclosed in previous reporting periods.	2.4 Response to Climate Change

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Climate-related Disclosures		
Disclosure Requirements		**Corresponding Chapter**
(a)	An issuer shall disclose qualitative and quantitative information about how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	/
(b)	the climate-related risks and opportunities identified for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	/
(a)	The issuer shall provide qualitative and quantitative disclosures about how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and	/
(b)	how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	/
(a)	An issuer shall disclose identified qualitative and quantitative information about climate-related risks and opportunities as at the reporting date, which shall enable an understanding of: (i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	2.4 Response to Climate Change
(b)	how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs used; (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting period in which the climate-related scenario analysis was carried out.	/

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Climate-related Disclosures		
Disclosure Requirements		**Corresponding Chapter**
(a)	An issuer shall disclose information about the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about: (i) the inputs and parameters the issuer uses; (ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks; (iv) whether and how the issuer prioritises climate-related risks relative to other types of risks; (v) how the issuer monitors climate-related risks; and (vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	2.4 Response to Climate Change
(b)	the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	2.4 Response to Climate Change
(c)	the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	2.4 Response to Climate Change
(a)	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as: Scope 1 greenhouse gas emissions; Scope 2 greenhouse gas emissions; and Scope 3 greenhouse gas emissions.	2.4 Response to Climate Change
(b)	measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	2.4 Response to Climate Change
(c)	disclose the approach it uses to measure its greenhouse gas emissions	2.4 Response to Climate Change
(d)	for Scope 2 greenhouse gas emissions, disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and	2.4 Response to Climate Change

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Climate-related Disclosures		
Disclosure Requirements		**Corresponding Chapter**
(e)	for Scope 3 greenhouse gas emissions disclosed, disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	/
(a)	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to the following risks: (i) climate-related transition risks; and (ii) climate-related physical risks.	/
(b)	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	/
(a)	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	/
(b)	An issuer shall disclose: (i) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (ii) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	/
(c)	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	/
(d)	In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	/

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Climate-related Disclosures		
Disclosure Requirements		**Corresponding Chapter**
(a)	An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets.	2.4 Response to Climate Change
(b)	An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target.	2.4 Response to Climate Change
(c)	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	2.4 Response to Climate Change
(d)	For each greenhouse gas emissions target, an issuer shall disclose: (i) which greenhouse gases are covered by the target; (ii) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target; (iii) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. (iv) whether the target was derived using a sectoral decarbonisation approach; and (v) the issuer's plan to use carbon credits to offset greenhouse gas emissions in order to achieve any net greenhouse gas emissions targets.	2.4 Response to Climate Change