萬桐園

Stock Code：6966.HK



2025
Environmental, Social and Governance Report

China Wan Tong Yuan (Holdings) Limited

About This Report

This report is the ninth Environmental, Social and Governance (ESG) report published by China Wan Tong Yuan (Holdings) Limited. It provides all stakeholders with a comprehensive disclosure of the Company's philosophy, initiatives and performance in environmental, social and governance aspects for 2025.

Reporting Period

This report primarily covers the Company's performance in environmental, social and governance aspects from January 1, 2025 to December 31, 2025. To enhance comparability and forward-looking disclosure, certain content and data have been appropriately extended.

Reporting Scope

This report covers the overall business of China Wan Tong Yuan (Holdings) Limited, including the sale of burial plots and columbarium units, the provision of other burial-related services, the cemetery maintenance services and the funeral services.

Preparation Basis

This report is prepared primarily in accordance with the "comply or explain" provisions set out in the Environmental, Social and Governance Reporting Code of The Stock Exchange of Hong Kong Limited (the "Code").

Content Selection

The data and cases used in this report are sourced from the Company's formal documents, statistical reports or relevant public information. We have maintained full communication with stakeholders to ensure that the information disclosed in this report complies with the materiality, quantitative, balance and consistency principles under the Code.

Name Explanation

For ease of expression and reading, “China Wan Tong Yuan (Holdings) Limited” is also referred to in this report as “Wan Tong Yuan”, the “Company” or “we”.

Report Availability

This report is published in electronic form and is available for download and review on the Company's website at www.wantongyuan.com. This report is available in Traditional Chinese and English. In the event of any discrepancy or ambiguity between the two versions, the Traditional Chinese version shall prevail.

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Chairman's Statement

Time flows ceaselessly, and the seasons pass in swift succession. In 2025, Wan Tong Yuan continued to move forward amid perseverance and transformation. Throughout the year, we remained firmly committed to our service pledge of "Satisfying People in Both Worlds" and took "Respect Life, Return to Nature, Display Humanity, Memorialize Forever" as our guiding beacon. We embedded ESG principles into our daily practices and made solid progress in service enhancement, green development, governance improvement and social responsibility.

Service at the core, safeguarding the trust placed in us by thousands of families. Our customers' confidence is the driving force behind our continued progress. During the year, we kept refining memorial arrangements and ceremony procedures, making farewells more dignified and remembrance more heartfelt. By listening carefully to customers, improving our feedback mechanism and responding promptly to every concern, we honoured each entrustment with sincerity and professionalism.

Green development as our brush, painting a new picture of an ecological cemetery. Practising green development remains our steadfast pursuit. During the year, eco-burial options such as flower-bed burials and wall burials at Fengqi Garden gained wider public recognition; landscaping across the park was further enhanced; and energy-saving and emissions-reduction initiatives delivered tangible results. From promoting civilised memorial practices to optimising energy use, we protected clear waters and green mountains through practical actions, enabling life and nature to coexist in harmony.

Compliance as the foundation, safeguarding steady and sustainable growth. Standardised operations are a principle we consistently uphold. During the year, we further enhanced our corporate governance structure, continuously improved our internal control systems, and steadily strengthened our risk prevention and control capabilities. We embedded compliance throughout every aspect of operations, including supplier management and integrity building, maintaining composure and resilience amid industry change.

Our original aspiration as a guiding light, illuminating the path of giving back to society. Advancing together with employees and standing with society has always been our unwavering commitment. During the year, we effectively protected employees' legitimate rights and interests and strengthened skills training, enabling every dedicated employee to share in the fruits of corporate development. On traditional festivals, our volunteers visited elderly care homes and welfare institutions to bring companionship and care to the elderly and children, allowing kindness to be passed on through everyday actions.

Looking ahead to 2026, Wan Tong Yuan will continue to treat life with reverence, serve customers with sincerity, and give back to society with responsibility. We will continue exploring new pathways for green burial services, raising service quality to new heights, writing a new chapter of high-quality development, and joining hands with all sectors to create a better future.

Company Overview

China Wan Tong Yuan (Holdings) Limited (stock code: 6966.HK), founded in Langfang, Hebei in November 2007, is a leading funeral service provider in Langfang, covering cemetery operation services, funeral etiquette services, cemetery maintenance services and other areas. The developed area currently comprises 21 zones of traditional and artistic burial plots to meet diversified customer needs. We are principally engaged in the sale of burial plots and columbarium units, the provision of other burial-related services and cemetery maintenance services in Langfang.

Burial Services

- Sale of burial plots and columbarium units, including burial plot use rights, tombstones, other ancillary products for use at burial plots, and columbarium use rights;
- Other burial-related services, such as arranging and conducting interment ceremonies, as well as cemetery design, construction and landscaping; engraving inscriptions on tombstones, producing ceramic photographs and other ancillary services, and providing ash storage services.

Cemetery Maintenance Services

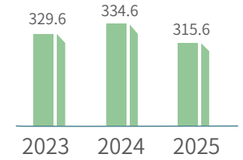
Provision of ongoing cemetery maintenance services to preserve the beauty of the cemetery, conduct regular cleaning and inspections, and maintain facilities in a timely manner, so as to ensure a clean and safe environment for grave visitors.

Funeral Services

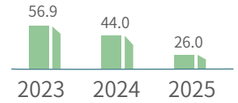
Provision of funeral services with one-stop offerings that may include ceremonies, memorial services, commemorations, farewell services and flowers according to customers' needs, so as to meet modern customers' diversified and personalised funeral service needs.

Business Performance

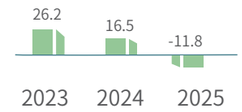
Unit: RMB million



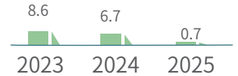
Total assets



Principal operating revenue



Profit before tax



Income tax expense

ESG Management

ESG Governance

The Company integrates environmental, social and governance (ESG) concepts throughout its daily operations and risk management processes. Leveraging a sound oversight mechanism, we rigorously implement ESG-related policies and requirements at all levels to promote high-quality and sustainable development.

The Board

Responsible for the assessment of ESG-related risks, strategy formulation and approval of the ESG report. The Board conducts regular reviews of the Company's ESG reporting process and the implementation arrangements for business operations and internal audit. An independent internal auditor examines whether the Company's internal environmental control measures comply with the Code and work requirements, and reports in detail on the results of such reviews and the implementation progress at Board meetings every year.

ESG Working Group

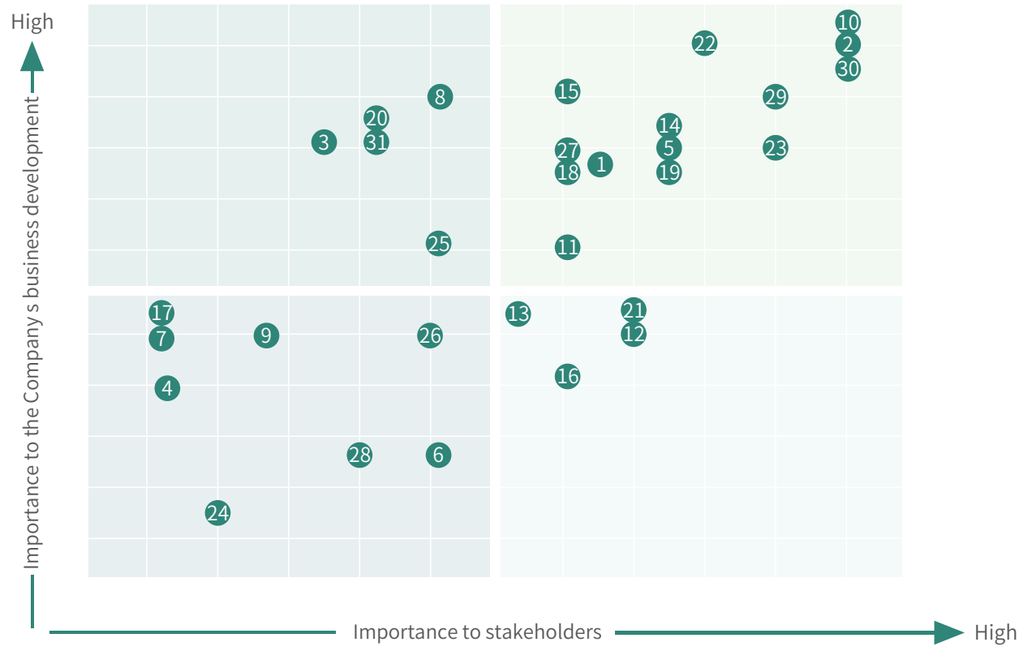
Reports on the implementation of ESG initiatives to the Board, compiles data on ESG performance indicators and prepares the ESG report. An executive Director has been appointed to play a leading role in coordinating various departments, implementing and overseeing ESG policies formulated by the Board across the Company, identifying ESG-related risks within the park, reviewing the effectiveness of relevant work, and reporting related issues to the Board. Under the leadership of the executive Director, on-site colleagues collect relevant information and carry out the relevant tasks.

Materiality Assessment

Based on the Code and in light of the external environment, industry trends and the Company's own development plan, the Company identified 31 issues relevant to its development. Through extensive stakeholder surveys, the issues were prioritised and a materiality matrix was prepared, enabling us to respond in a timely and effective manner to stakeholders' concerns and expectations.

Materiality Assessment Process

Step 1: Stakeholder Identification	Identify stakeholders closely related to us based on the scope and nature of our business and operations.
Step 2: Identification of Potential Material Topics	With reference to disclosure guidelines from regulatory authorities and peer benchmarking, identify important industry topics and establish a topic pool.
Step 3: Stakeholder Survey	Conduct questionnaires to understand the importance of each topic to the Company's development and to stakeholders, form a materiality matrix and identify highly material topics.
Step 4: Analysis of Material Topics	Invite external experts to review material topics, and have the Board review whether the material topics of concern to stakeholders have been responded to and discuss future plans.
Step 5: Topics for Reporting	Key material topics were disclosed in this report following approval by the Board.



No.	Topic	No.	Topic	No.	Topic
1	Legal compliance	12	Green operations	23	Employee care
2	Sustainable development management	13	Product and service compliance	24	Human rights protection and child labor and forced labor prevention
3	Party building reinforcement	14	Customer privacy protection	25	Environmental and social risk management of suppliers
4	Anti-corruption	15	Customer complaints handling	26	Business ethics
5	Business quality improvement	16	Customer Rights and Interests guarantee	27	Industrial development contribution
6	Business risks control	17	Responsible Marketing	28	Local community development facilitation (job creation, living environment upgrading etc)
7	Climate change response (risk identification, energy use, and GHG emissions)	18	Customer Rights and Interests guarantee and equal opportunities	29	Traditional culture promotion
8	Resource use	19	Compensation and benefits	30	Charity
9	Emission management	20	Democratic management	31	Volunteer services
10	Green burials	21	Occupational health and safety		
11	Biodiversity conservation (Ecological planning, vegetation protection, cemetery environmental protection and greening)	22	Employees development and training		

Note: Items highlighted in green are material topics

Stakeholder Engagement

The Company attaches great importance to communication and interaction with both internal and external stakeholders. We maintain regular communication with local governments and regulators, shareholders and investors, customers, employees, suppliers, communities and the public, proactively listen to and actively respond to their concerns and expectations, and strive to build long-term, stable, mutually trusting and win-win relationships.

Stakeholders	Expectations and Demands	Communication Methods
Local Governments and Regulatory Authorities	· Compliant operation in accordance with the law · Tax payment in accordance with the law · Protection of the local environment	· Keep abreast of policy changes · Pay taxes in accordance with the law · Implement green burials
Shareholders and Investors	· Standardise operational risks · Sound information disclosure · Obtain investment returns	· Manage operational risks · Maintain growth in business and profitability · Publish the 2025 interim report and annual report
Customers	· Obtain due consumer rights and interests · Effective response to and resolution of complaints · Protect information security	· Protect customer rights and interests · Improve customer feedback channels · Properly handle complaints · Attach importance to protecting customer privacy
Suppliers	· Perform contracts in accordance with the law · Supplier admission criteria · Promote mutual development	· Fair and transparent · Build a responsible supply chain · Provide equal opportunities
Employees	· Wage and benefits protection · Occupational health and safety · Fair promotion and development · Work-life balance	· Improve the remuneration system · Organise employee medical examinations · Establish a long-term talent mechanism · Organise employee recreational activities
Environment	· Energy saving and emissions reduction · Protect the ecological environment · Address climate change	· Promote green burials · Practise green operations · Cemetery greening
Community and the Public	· Promote community development · Care for vulnerable groups	· Support patriotic education · Serve public welfare causes · Carry out volunteer services



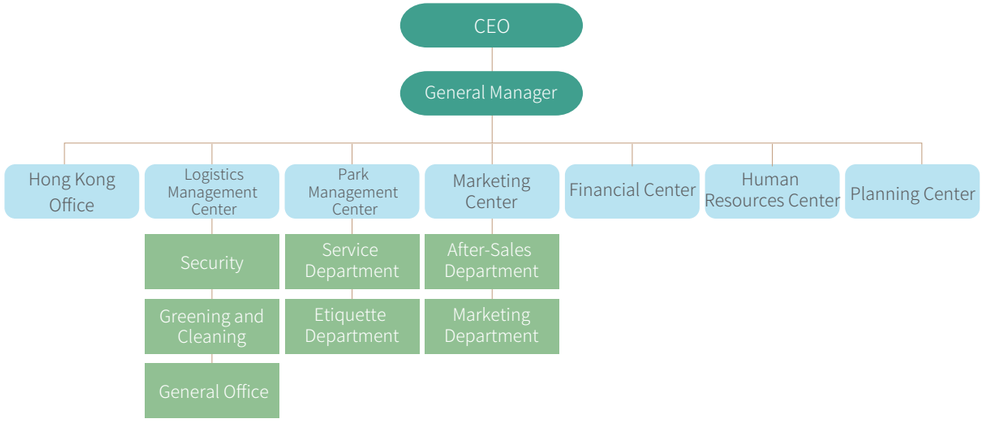


Wan Tong Yuan regards prudent operation as the foundation of sustainable development. We continue to optimise our corporate governance structure, strictly uphold the bottom line of compliant operations, advance risk prevention and control and integrity culture development in an integrated manner, and strengthen end-to-end supervision and management across the supply chain, thereby empowering the Company's long-term healthy development with a standardised and transparent governance system.

- Improving Corporate Governance
- Managing Operational Risks
- Sustainable Supply Chain

Improving Corporate Governance

The Company operates in strict compliance with laws, regulations and its articles of association, improves its governance structure, clarifies the responsibilities of governance bodies such as the general meeting and the Board, and forms a governance mechanism with clear rights and responsibilities, coordinated operation and effective checks and balances to safeguard the Company's continued and steady development.



Wan Tong Yuan Organisation Chart

General Meeting and The Board

The Board currently consists of seven Directors, including one non-executive Director, three executive Directors and three independent non-executive Directors. The powers and duties of the Board include convening general meetings and reporting on the Board's work at such meetings, determining business and investment plans, preparing annual financial budgets and annual reports, formulating profit distribution proposals, and exercising other powers, functions and duties conferred by the memorandum and articles of association.

The Board is responsible for overseeing management, business, strategic direction and financial performance, and monitoring business operations and performance. It provides high-level guidance and effective supervision to management and holds regular meetings to discuss the Group's business and operations. All Directors diligently discharge their duties, comply with applicable laws and regulations, make objective decisions, and act at all times in the interests of the Company and its shareholders.

The Board has established three Board committees, namely the Audit Committee, the Nomination Committee and the Remuneration Committee, to oversee specific aspects of the Company's affairs. All Board committees report their decisions or recommendations to the Board.

The general meeting of the Company provides a channel of communication between shareholders and the Board. An annual general meeting is held each year at a location determined by the Board. All general meetings other than annual general meetings are called "extraordinary general meetings".

2025 Key Performance

Regular Board meetings held during the year
4

Audit Committee meetings
2

Remuneration Committee meetings
1

Nomination Committee meetings
2

Announcements published
27

Managing Operational Risks

To ensure orderly and compliant operations, the Company has established a comprehensive risk prevention and control mechanism. We focus on key areas to strengthen risk control, continue to deepen the oversight role of internal audit, steadily advance integrity and compliance practices, reinforce the lines of defence for compliance and risk, and promote more robust, transparent and efficient operations.

Risk Management

The Company is committed to strengthening its risk prevention and control capabilities. In line with the requirements of the newly revised *Regulation on Funeral and Interment Administration*, we continued to refine risk identification and assessment, conduct precise analysis of potential risks and comprehensively upgrade risk control.

Risk Management Structure

The Board assumes overall responsibility for establishing, maintaining and reviewing risk management and internal control systems. Senior management regularly reviews and evaluates control procedures, monitors various risk factors, and reports any findings and measures to address changes and identified risks to the Board and the Audit Committee.

Risk Control System

Based on project management practice, we strengthen preliminary research and risk assessment, adhere to prudent decision-making and strictly control project risks. In the management of construction projects, we clarify the responsibilities and execution requirements of all parties, strictly implement compliance requirements relating to land use, planning and construction, and ensure lawful and standardised operations.

Emergency Response Mechanism

We have defined risk warning criteria and formulated contingency plans for material risks or emergencies that may arise, with clear accountability and standardised handling procedures to ensure timely and appropriate responses. For customer complaints and potential disputes, we adhere to the principle of "prevention first and proper handling", intervening early through communication and coordination to prevent escalation.

Compliance Culture Development

We organise compliance training covering all positions, with enhanced communication on industry regulations, business processes and complaint handling to embed compliance concepts across the workforce. At the same time, we provide daily legal advisory services to support the improvement of internal management systems and safeguard lawful and compliant operations. During the reporting period, the Company was not involved in any legal disputes arising from employees' non-compliant operations.

Internal Audit

Guided by the purpose of “supervision and service, identifying errors and rectifying malpractices, and promoting management”, the Company continues to strengthen the oversight role of internal audit. Focusing on three key areas - fund security, execution of internal controls and team capability - we systematically enhanced the quality and efficiency of audit work to provide solid support for standardised operations.

Financial Revenue and Expenditure Audit



We completed the annual audit of financial revenue and expenditure and quarterly special checks, covering all funding processes including cemetery sales and materials procurement. In strict accordance with the *Accounting Standards for Business Enterprises*, the *Measures for the Administration of Funeral Service Charges* and other relevant regulations, we focused on reviewing key matters such as the collection of burial plot sales proceeds and the clearly marked pricing of service charges. During the reporting period, no issues such as misappropriation of funds or irregular payments occurred.

Internal Control and Compliance Audit

In light of regulatory trends in the funeral services industry in 2025, we focused on examining core business processes such as burial plot sales and contract management. Addressing typical industry issues, we carried out special compliance audits on funeral service charges to identify practices such as bundled sales and failures to display clearly marked prices, and promoted the disclosure of charge items in prominent areas of the cemetery to facilitate public oversight.



Building the Audit Team



We organised audit personnel to participate in industry-specific training covering key audit points in the funeral services industry and other topics, continuously improving their ability in policy interpretation, risk identification and professional verification, and building a high-calibre and professional audit team to support high-quality audit work.

Integrity and Anti-corruption

The Company strictly complies with national laws and regulations, including the *Criminal Law of the People's Republic of China*, the *Company Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China* and the *Tort Liability Law of the People's Republic of China*. We attach great importance to identifying internal risks of corruption and continuously enhance management's understanding of the anti-corruption legal framework. Through establishing and improving integrity mechanisms and a legal risk prevention system for employee corruption, we comprehensively reinforce the Company's lines of defence against corruption and ensure that the Company's operations are conducted in a clean and compliant manner.

At the same time, we continue to optimise our anti-corruption whistleblowing mechanism and publicise external reporting hotlines so that reports can be received and followed up in a timely manner, with handling results fed back to whistleblowers. We fully leverage social oversight to support integrity governance. We also organise regular training on anti-corruption and integrity systems to cultivate integrity awareness, guide employees to discipline their own conduct and supervise one another, and jointly foster a clean working atmosphere.



Anti-corruption Training

2025 Key Performance

Number of concluded legal cases regarding corrupt practices

0

Coverage rate of anti-corruption training

100%

Number of material non-compliance incidents

0

Sustainable Supply Chain

The Company has built an open, transparent, standardised and efficient supply chain operation mechanism and established a full life-cycle management model for suppliers. During procurement, we adhere to regular market enquiries, comparison among multiple suppliers and merit-based procurement, build long-term partnerships with quality suppliers and sign standardised contracts. At the same time, we apply stringent review standards in supplier selection and continue to cultivate environmental awareness among existing suppliers, driving the supply chain towards greener and more sustainable development.

Life-cycle Management

The Company implements closed-loop end-to-end management of suppliers from onboarding to exit. Through entry screening, dynamic monitoring, annual ratings and exit mechanisms, we ensure supply chain risks are controllable and performance continues to improve.

Admission Management

We have defined procurement principles of "compliance first, green and low-carbon, and people-oriented", and treat environmental compliance, labour compliance and social responsibility as mandatory admission requirements.

Dynamic Monitoring

Routine monitoring: we establish dynamic ESG files for suppliers, conduct online information checks on a monthly basis, and carry out one on-site inspection every six months for core suppliers.

Special monitoring: we conduct an annual review of environmental and safety risks for suppliers in high-risk industries, and initiate ad hoc checks in response to government regulatory notices and industry public opinion.

Collaborative monitoring:internally, the audit department checks policy implementation annually; externally, risk information is collected through supplier questionnaires, third-party audits and customer feedback.

Annual Rating

We incorporate the effectiveness of ESG risk control into the annual comprehensive rating system, with three levels - A (excellent), B (qualified) and C (unqualified). The rating results are directly linked to order allocation and continuation of cooperation.

Exit Mechanism

We specify circumstances for supplier exit, including environmental violations, major labour disputes, frequent safety incidents and ineffective rectification, and define exit procedures and blacklist management rules to ensure unqualified suppliers are removed in a timely manner.

Supply Chain Evaluation Criteria

The Company conducts a comprehensive assessment of suppliers across multiple dimensions, including quality, price, timeliness, service and sustainable development performance, providing an objective and comprehensive basis for supplier selection and collaboration.

Product quality

A core factor in evaluation, measured by indicators such as the quality pass rate and average pass rate.

Product price

Assessed by comparison with the average price and lowest price of products in the same market grade.

Supply timeliness

Whether on-time delivery can be achieved and delivery quantities can meet shipping requirements.

Service level

Supplier performance in support, coordination and service, such as communication methods, feedback timeliness, cooperation attitude, participation in improvement and development projects, after-sales service, etc.

Compliant operations

Compliance with laws and relevant system requirements.

Safety awareness

Possession of safe production and responsibility awareness.

Environmental awareness

Priority given to suppliers providing environmentally friendly products and services and suppliers certified under ISO 14001; annual environmental testing reports, pollutant discharge permits and other documents are required, and the use of recyclable or degradable raw materials is promoted.

Supplier scale

Whether sufficient supply support can be provided.

2025 Key Performance

Percentage of supply chain partners signing the Integrity Procurement Agreement	Suppliers in East China	Suppliers in North China
100%	2	6



Wan Tong Yuan remains customer-oriented and continues to enhance product quality and service standards to strengthen its comprehensive service capabilities. Balancing professional standards with humanistic care, the park listens to customer needs through multiple channels, safeguards customers' legitimate rights and interests, and fulfils its solemn commitments to customers through concrete actions.

- High-quality Customer Service
- Protecting Customer Rights and Interests
- Listening to Customers

High-quality Customer Service

Upholding our service pledge of “satisfying people in both worlds”, the Company enables customers to feel respect and care throughout funeral and memorial activities by innovating service models, refining service details and enhancing service quality, thereby winning trust through sincerity and professionalism.

Innovative Service Models

The Company actively follows development trends in funeral services and has introduced innovative services such as “Cloud Memorial”, proxy memorial services and standardised interment ceremonies. We have also built online service platforms and upgraded cemetery software to provide customers with more convenient and timely service channels. Meanwhile, for two consecutive years, the Company has provided dedicated remembrance services for body and organ donors, continuously conveying social respect through warm care.

Cloud Memorial and Plot Search

A complimentary "Cloud Memorial" service is offered, enabling customers to watch memorial services and pay tribute online via the platform; burial plot search functions are also provided to help quickly locate the burial place of loved ones.



Proxy Memorial Services

For customers unable to visit in person, professional proxy memorial services are provided. Staff clean the tombstone, present flowers, place offerings, read messages of remembrance and provide photographic feedback.



Standardised Interment Ceremony

Standardised, solemn and respectful interment ceremony services are provided. Customers may choose the ceremony specifications according to their needs, making farewells more dignified and heartfelt.



Providing Thoughtful Services

The Company focuses on details to provide customers with caring and convenient service experiences. Multiple rest areas and water collection points are set up in the park, with complimentary hot water, snacks and memorial supplies; free shuttle carts and wheelchairs are available for those with limited mobility; and landscape features and decorative flowers have been added to beautify the overall environment, thereby enhancing customer satisfaction and trust through quality services.



Complimentary Wheelchairs



Complimentary Hot Water, Snacks, etc.



Complimentary Hand Carts



Complimentary Memorial Tools

Enhancing Service Quality

The Company continues to optimise service processes and comprehensively improve service quality from reception response and image standardisation to facility support, enabling customers to feel professionalism and warmth at every stage.

Optimised Reception Process

A one-stop service mechanism is implemented, with customers guided through the relevant procedures throughout the process to ensure efficient and smooth service.

Standardised Service Image

Uniforms and image identification are standardised; staff proactively receive customers and respond to customer needs at the first opportunity, demonstrating a professional service image.

Improved Service Facilities

Additional rest chairs, rubbish bins, rest pavilions and water points are installed, and convenient items such as battery vehicles, wheelchairs, emergency medical kits, ginger tea, warming pads, sun umbrellas and hand carts are provided.

Refined Interment Services

Interment customers are provided with umbrellas, ash placement tables, carpets and other items to ensure that ceremonies are solemn and orderly.

Advocating Civilised Memorial Services

Environmentally friendly incineration equipment is provided free of charge, guiding customers to adopt green memorial practices and express remembrance.

Protecting Customer Rights and Interests

The Company complies with laws and regulations such as the *Personal Information Protection Law of the People's Republic of China* and the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*. We adhere to the principle of open and transparent services, standardise service procedures and charging standards, improve information management systems, strictly protect customer privacy and information on the deceased, and effectively safeguard customers' legitimate rights and interests.

Product Transparency

Photographs of burial plot types and environments provided online and offline are real-site images, Burial plot prices and charging standards are open and transparent, with consistent prices online and offline. Relevant qualification certificates and management rules are also proactively disclosed, allowing customers to consume with confidence.

Protection of Customer Privacy

We have formulated policies covering privacy protection and information management, strictly implemented confidential management and encrypted storage of customer data, and arranged dedicated personnel to review, register and archive the borrowing of relevant files, so as to ensure no leakage of customer information. We also strengthen employees' awareness of job responsibilities, follow customers' requirements and safeguard customers' legitimate rights and interests.

Complete Service Breakdown

A paper service breakdown is provided for all services purchased by customers to ensure that every service item is fully presented without omission. A diversified range of products is also offered for customers to choose independently, and forced consumption is strictly prohibited, thereby effectively protecting consumers' right to know and right to choose.

Safeguarding Park Safety

We conduct regular safety inspections and maintenance of park facilities and strengthen security patrols during peak memorial periods to ensure the personal and property safety of customers and create a safe and orderly environment for memorial visits.

Measures to Protect Customer Privacy

- A dedicated archive room is set up to store customers' paper files. Dedicated archive managers are responsible for data entry, modification and filing, and no one else may enter or consult the files without permission.
- An archive management system has been established. Borrowing files requires completing a file borrowing registration form and providing relevant identity documents, leaving auditable and traceable records.
- Customer electronic information is stored on Alibaba Cloud servers and protected by encryption technology to ensure information security.
- Employees' system operations are subject to role-based access management. Employees may not view unrelated information outside their job scope, and the system automatically records all modifications and deletions.
- Information systems are regularly subjected to security audits and potential security vulnerabilities are remediated in a timely manner.
- An information security emergency plan has been formulated to improve the speed and capability of responding rapidly to information leakage incidents.

Listening to Customers

The Company attaches great importance to day-to-day communication with customers. By establishing customer feedback channels and handling mechanisms, we encourage customers to evaluate and supervise our products and services, ensuring that every comment is heard, valued and responded to, thereby continuously improving service quality.

Customer Communication Channels

Suggestion Box Feedback

Locked suggestion boxes are installed in prominent locations within the Company, and opinion books are set up at the park service centre to collect feedback from employees and customers, which is reviewed regularly by the principal management.

On-site Feedback

An all-staff reception system is implemented to collect and record customer feedback on site and urge the relevant departments to handle it properly.

Online Feedback

Customers may provide feedback through online channels such as the Wan Tong Yuan official account, the WeChat mini-store client and telephone customer service.

Proactive Enquiries

Customer satisfaction surveys are conducted regularly to proactively understand customer needs and dissatisfaction through questionnaires, telephone follow-up visits and other means.

Customer Complaint Handling Mechanism

Through the internal task channel of the management system, issues raised by customers are submitted for processing. After the responsible department resolves the issue, the solution is fed back through the system, and the submitter communicates the outcome to the customer. The task is closed only after the customer confirms satisfaction, thereby forming closed-loop management.

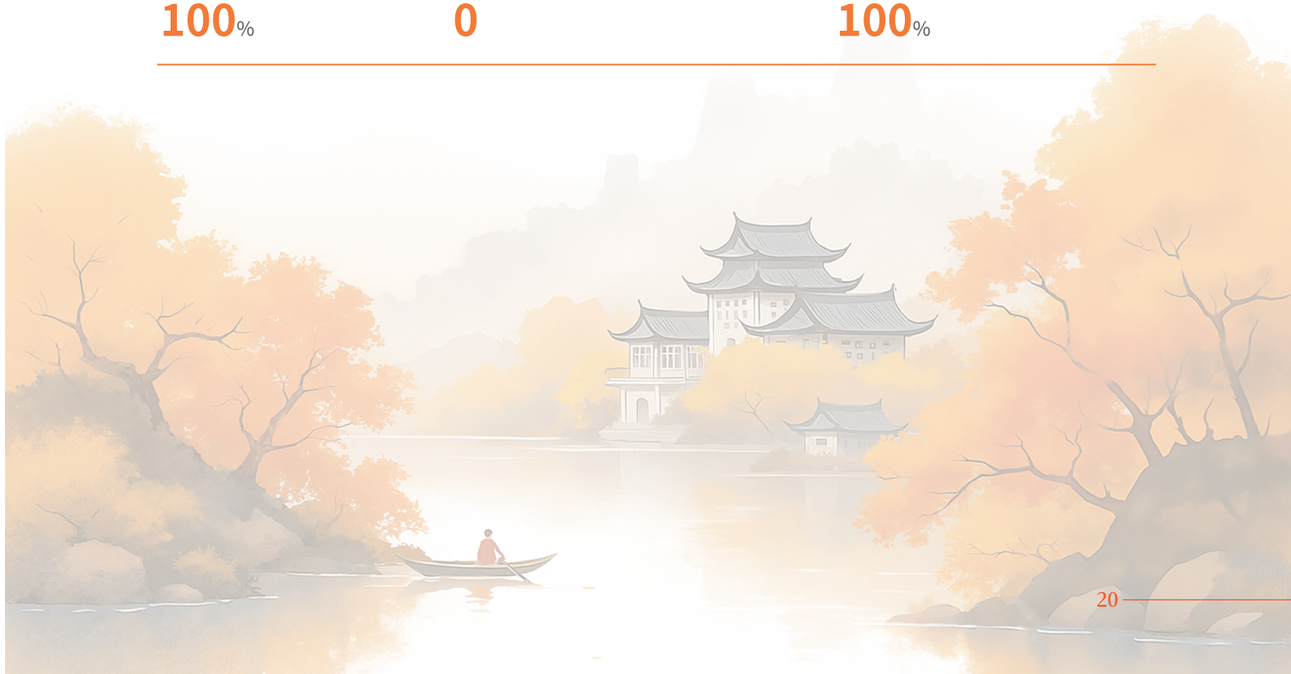
- Respond promptly and avoid making customers wait for a long time.
- Attend to customers' emotions first before handling the specific matter.
- Keep customers informed of the progress and outcome of the case in a timely manner.
- Do not lightly promise requests that exceed authority and responsibilities in normal complaint cases.
- Serious complaint cases should be handled promptly within a controllable range and with minimal loss.
- Always remain calm, patient and smiling, and adopt decisive yet flexible approaches that customers are willing to accept.

Routine Issue Handling Mechanism

We establish a customer feedback ledger to organise and analyse issues raised frequently by customers, and use the analysis results as an important basis for improving services and optimising management, thereby continuously enhancing service quality.

2025 Key Performance

Customer satisfaction	Number of customer complaints	Customer complaint resolution rate
100%	0	100%



Sustaining a Harmonious Ecology through Green Action



Upholding the green development philosophy and guided by ecological, land-saving and garden-style development, Wan Tong Yuan actively practises green operations, promotes eco-burials, optimises the cemetery environment and continuously enhances the ecological quality of the park. We are committed to building an ecological cemetery where people and nature coexist in harmony, protecting the natural environment through practical action and contributing to ecological civilisation.

- Practising Green Operations
- Optimising the Cemetery Environment
- Promoting Eco-burials

Practising Green Operations

The Company strictly complies with laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and the *Energy Conservation Law of the People's Republic of China*, and actively responds to the national "dual carbon" goals. Using 2021 as the base year, we set green development targets and update progress annually. In day-to-day operations, we standardise the management of exhaust gas, wastewater and waste, strengthen resource utilisation and continuously improve our green operational performance.

Indicator	Base Year	2030 Target	Progress in 2025
Greenhouse gas (GHG) Emissions	2021	200 tonnes	145.19 tonnes
Hazardous Waste Generated	2021	0	0
Non-hazardous Waste Generated	2021	3 tonnes	5 tonnes
Energy Intensity (tce/RMB 10.000)	2021	80	84.57
Water Consumption	2021	200 tonnes	190 tonnes

Addressing Climate Change

The Company actively responds to climate change challenges by assigning dedicated personnel to monitor weather conditions and implement rotating duty controls, tracking weather developments in real time. In response to extreme weather such as high winds and temperature drops, we strengthen safety prevention and control measures, enhance park inspections, and remind customers to pay attention to safety through broadcasts and on-site notices. At the same time, we flexibly adjust service details according to temperature differences to provide appropriate service support under different climate conditions and ensure the safe and orderly operation of the park.

Scope 1 emissions
10.19 tonnes

Scope 3 emissions
0.22 tonnes

Total GHG emissions
145.19 tonnes

Scope 2 emissions
237.87 tonnes

GHG emissions removals from newly planted trees
103.09 tonnes

Note: Scope 1 refers to direct GHG emissions arising from fuel combustion by fixed sources (excluding electricity) and mobile sources (vehicles); Scope 2 covers indirect GHG emissions from purchased electricity. The emission factor for purchased electricity is calculated with reference to the average provincial electricity CO_2 emission factor for Hebei in 2022 of 0.7252 $kgCO_2/kWh$, as stated in the Announcement on the Release of 2022 Electricity Carbon Dioxide Emission Factors issued by the Ministry of Ecology and Environment of the People's Republic of China on 26 December 2024. Scope 3 mainly includes indirect emissions from waste paper disposal, calculated with reference to Appendix II of How to Prepare an ESG Report issued by the Stock Exchange.

Strengthening Emissions Management

The Company strictly implements environmental regulatory requirements and continues to strengthen whole-process management of exhaust gas, wastewater and solid waste. By improving treatment facilities and strengthening daily monitoring, we strictly control the compliant discharge of pollutants, standardise the categorised treatment and resource utilisation of solid waste, and minimise the environmental impact of our operations.

Reducing Air Emissions

To reduce air emissions generated by the burning of joss paper, incense and candles during memorial activities, the Company vigorously promotes its online "Cloud Memorial" services and advocates civilised memorial practices that use flowers instead of paper offerings. At the same time, battery-operated vehicles are promoted within the park to reduce the use of official and private fuel vehicles. Environmentally compliant equipment has been installed in strict accordance with atmospheric protection requirements, and items that need to be burned are handled in a centralised and standardised manner, effectively reducing air emissions and supporting the development of green burial services.



Environmental Protection Equipment



Online "Cloud Memorial" Services

2025 Key Performance

Nitrogen oxides emissions	Particulate matter emissions	Sulphur oxides emissions
39.07 kg	**0.06** kg	**3.64** kg



Reducing Solid Waste Generation

Solid waste generated during the Company's operations mainly consists of non-hazardous waste such as domestic refuse and flowers and artificial flowers left after memorial activities. We strictly comply with relevant regulatory requirements such as the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, adhere to both source control and process standardisation, and continue to reduce solid waste generation.

In solid waste management, we strictly implement the requirements of reduction, resource recovery and harmless treatment, standardise the domestic waste sorting system, and ensure classified collection, centralised storage and compliant disposal by qualified sanitation service providers, thereby ensuring environmentally sound and controllable management throughout the process.

In addition, we actively advocate the civilised memorial practice of "one bouquet of flowers and three bows". Through online memorial services and publicity and guidance, we encourage simple and environmentally friendly ways of remembrance to reduce memorial waste at source. Internally, we continue to strengthen conservation awareness and improve resource use efficiency, thereby effectively reducing the negative environmental impact of solid waste.

2025 Key Performance

Hazardous waste generated
0 tonnes

Non-hazardous waste generated
5 tonnes

Per capita non-hazardous waste
0.09 tonnes/person

Non-hazardous waste treatment rate
100%

Optimising Wastewater Management

Wastewater generated in the Company's daily operations primarily comes from domestic sewage arising from employees' office work, catering and washing activities. Such wastewater is treated centrally by the local wastewater treatment plant before being discharged in compliance with relevant standards.

Energy Saving and Carbon Reduction

Fuel combustion and purchased electricity are the main sources of the Company's greenhouse gas emissions. To effectively reduce carbon emissions, on the one hand, we widely promote battery vehicles within the park to provide services to customers, reduce travel by official and private fuel vehicles, and optimise travel routes through reasonable scheduling to reduce fuel consumption at source; on the other hand, we build exhaust gas treatment equipment in strict accordance with environmental requirements and effectively control emissions generated during operations, thereby continuously reducing our operational carbon footprint through multiple measures.



Complimentary customer transport services, maximising the utilisation rate of battery-operated official vehicles

In our daily operations, we actively practise resource conservation. By building a natural water reservoir, we collect rainwater and domestic wastewater for spraying and irrigating the park's greenery, thereby realising the recycling of water resources. In office areas, we advocate green office practices by using electronic documents instead of paper documents and installing water-saving devices and energy-saving light bulbs, reducing resource consumption while maintaining service quality.

2025 Key Performance

Gasoline consumption	Charcoal consumption	Purchased electricity	Water consumption
4212 litres	**84.57** kg	**328000** kWh	**190** tonnes

Water intensity

3.52 tonnes/person

Optimising the Cemetery Environment

The Company continuously carries out environmental improvement initiatives in the park with the goal of cleanliness, aesthetics, safety and order. We carefully maintain greenery, reasonably plan functional areas and implement daily maintenance, making the park landscape more layered and humanistic. At the same time, we strengthen the inspection and maintenance of facilities and equipment, regularly examine and service battery vehicles and incinerators, and conduct routine fire safety inspections to eliminate hazards in a timely manner and create a more comfortable and reassuring environment for memorial visits.

New Plantings in the Park in 2025

Japanese boxwoods	cypress trees
4320	**162**



Promoting Eco-burials

In compliance with the *Regulation on Funeral and Interment Administration*, the Company continues to guide customers towards green, ecological and modern funeral concepts. Using Fengqi Garden as a vehicle, we have built a new ecological cultural memorial park, actively advocating land-saving and environmentally friendly ash interment methods such as flower-bed burials, wall burials and tree burials. By developing convenient services such as proxy memorial services and optimising the park's ecological environment, we continue to improve service quality and humanistic care in funeral services and provide customers with a warmer funeral service experience that better meets the needs of the times.

Case Enduring Warmth in a Small Flower Bed

Flower-bed burial is one of the key green ecological burial types promoted by the Company, in which the ashes of the deceased are placed beneath a flower bed and seasonal flowers are planted on the ground above, allowing life to return to nature in a more environmentally friendly way. This burial type not only saves land resources but also brings greater warmth to farewell ceremonies, allowing people to feel the continuation and enduring nature of life amid greenery and floral fragrance.





Collective Interment Ceremony for Ecological Flower-bed Burials



Wan Tong Yuan adheres to a people-oriented approach, paying close attention to employee growth and development, building growth platforms and fostering team cohesion. At the same time, we proactively participate in community co-building and public welfare, conveying warmth through practical actions and working hand in hand with employees and society to build a harmonious, mutually supportive and uplifting community.

- Growing Together with Employees
- Building a Better Community Together

Growing Together with Employees

Employees are the foundation of the Company's development. From rights protection and career development to daily care, the Company pays comprehensive attention to employee needs and strives to create a fair, warm and vibrant workplace where every employee can gain growth and a sense of belonging at Wan Tong Yuan.

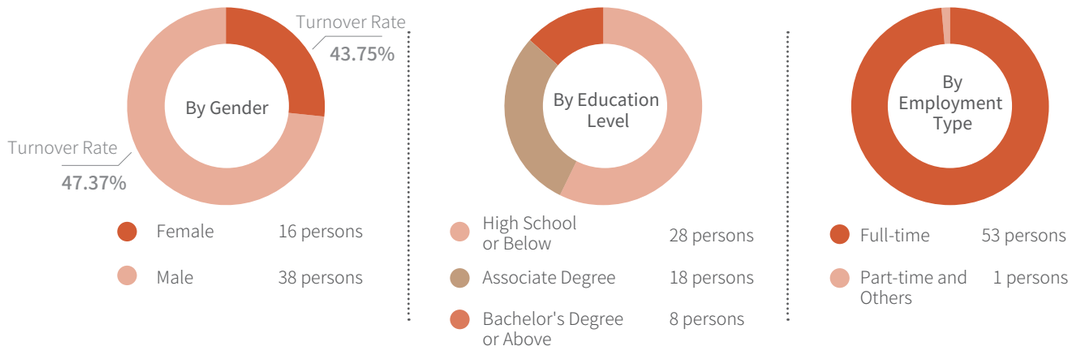
Protecting Employee Rights and Interests

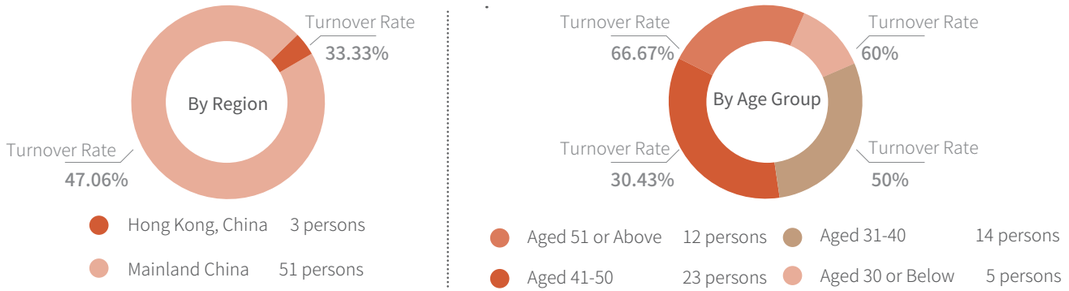
Lawful Employment

The Company conducts its operations in strict accordance with relevant laws, regulations, conventions and policies, including the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Minors*, the *Provisions on the Prohibition of Child Labour*, as well as the *Universal Declaration of Human Rights* and the *International Covenants on Human Rights* of the United Nations. We consistently place employee rights and interests in a key position, thoroughly implement fundamental principles such as equal employment, uphold the principles of openness, fairness and justice, resolutely oppose all forms of discrimination, provide equal employment opportunities and promotion opportunities for employees of different genders, ages, cultural backgrounds and religious beliefs, and firmly prohibit child labour, forced labour and other unlawful employment practices. During the reporting period, the Company did not employ any child labour or forced labour.

2025 Key Performance

Total employees	Average paid leave days per employee	Number of new employees	Labour contract signing rate
54	5	6	100%





Employee Diversity Structure

Remuneration and Benefits

Guided by the philosophy that "value distribution shall align with value creation", the Company fully considers employees' interests and lawfully establishes a remuneration and performance system that combines internal fairness with external competitiveness.

Points-based Mechanism

An "employee conduct points" mechanism is established in funeral service projects to reward employees with outstanding overall conduct performance at work through performance bonuses, paid leave and other means.

Benefits and Welfare

Employees are provided with basic benefits such as communication allowances, meal and accommodation subsidies, paid leave and shift-swapping/time-off arrangements. The Company actively participates in social insurance schemes established by government authorities, covering pension, work injury, medical, annuity, maternity and unemployment insurance, and additionally purchases supplementary commercial insurance.

Democratic Communication

The Company respects the ideas of every employee, keeps communication channels open and has set up suggestion boxes to carefully listen to employees' demands, encouraging them to contribute ideas for the Company's development. Reasonable suggestions raised by employees are actively adopted and responded to in a timely manner, fully stimulating employees' sense of ownership and initiative and fostering an open, inclusive and participatory management atmosphere.

Occupational Health

The Company strictly complies with laws and regulations such as the *Work Safety Law of the People's Republic of China*, the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases* and the *Labour Contract Law of the People's Republic of China*, and continues to improve its occupational health and safety management system. We regularly organise fire safety education, self-inspections and mutual inspections, and practical drills to enhance employees' safety awareness and emergency response capabilities. We improve the office environment and provide employees with a safe and healthy workplace. At the same time, occupational health and safety requirements are extended to supply chain management, requiring suppliers to provide necessary labour protection equipment, conduct pre-job safety training and annual health examinations, regularly inspect production sites for safety hazards, and establish and rehearse emergency response plans for safety incidents, thereby comprehensively safeguarding the occupational health and safety of employees and partners.


Fire Safety Training


Fire Drill

2025 Key Performance

Number of work-related fatalities	Lost days due to work injury	Number of occupational disease cases
0	0	0
Employee social insurance coverage	Employee medical examination rate	
85.19%	100%	

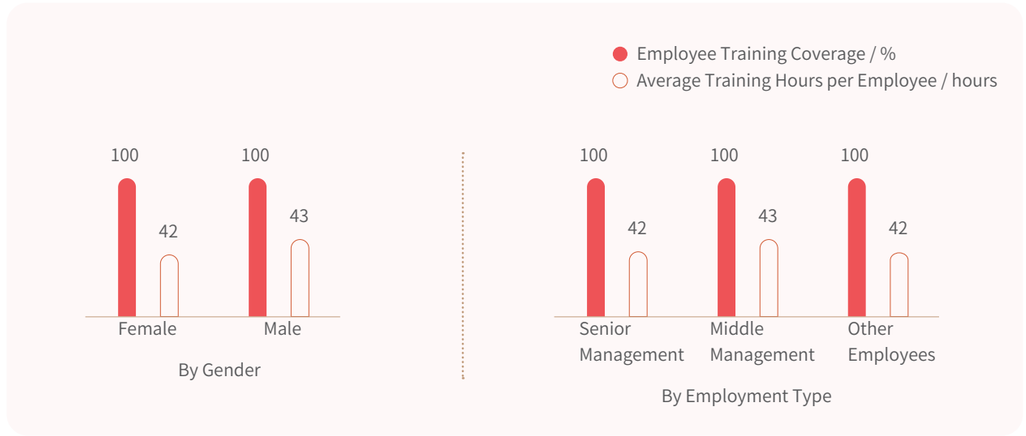
Empowering Employee Growth

The Company insists on development driven by talent empowerment, making full use of internal business backbones, industry resources and social training opportunities to build diversified and multi-level learning and self-improvement platforms for employees in areas such as vocational skills, industry trends, comprehensive management and fire safety. We regularly organise special training on service quality improvement and business enhancement, encouraging employees to learn through practice and improve through practice, continuously enhancing professional capabilities and growing together with the Company.

At the same time, we have proactively established partnerships with industry peers and vocational institutions and become one of the first member enterprises of the "National Industry-Education Integration Community for the Funeral Industry", thereby enriching channels for the introduction and reserve of professional talents, strengthening the foundation for talent development, and supporting the joint growth of employees and the Company. During the reporting period, employee training coverage reached 100%.


Training on Standards for Cemetery Memorial Services


Etiquette Training



Caring for Employees' Well-being

Caring for employees' well-being is an important focus for bringing people together and stimulating vitality. The Company actively organises diverse cultural and sports activities such as fun competitions and spring team-building events to enrich employees' spare time and enhance teamwork and communication. At the same time, we regularly conduct fire safety training, etiquette training and employee skills competitions, creating a positive, harmonious and caring working atmosphere while improving professional competence, so that employees can feel care and warmth amid busy work.



Team-building Activities



Building a Better Community Together

With a warm heart for giving back to society, the Company turns care into practical action. During traditional festivals such as the Dragon Boat Festival, Mid-Autumn Festival and Chung Yeung Festival, we organise employees to visit communities and charitable institutions to bring care and companionship to the elderly; before International Children's Day, we visit social welfare institutions to bring warmth and blessings to children. At the same time, we actively respond to social needs by optimising service guidance during peak memorial periods to ensure orderly memorial activities among the public, and through sustained public welfare initiatives work hand in hand with the community to build a warm and harmonious home together.

During the 2025 International Children's Day period, Wan Tong Yuan organised volunteers to visit Langfang Social Welfare Institute and carry out a themed visiting activity titled "Tong Love in Action, Warming Children's Hearts", delivering holiday care and learning supplies to the children and accompanying them through joyful moments.



During the Chung Yeung Festival, Wan Tong Yuan organised volunteers to visit Fuyuan Elderly Apartment and carry out a visiting activity titled "Respecting and Caring for the Elderly, Warmth at Chung Yeung", accompanying seniors to celebrate the festival and conveying deep respect and care for the elderly. At the same time, chrysanthemums were distributed free of charge to memorial visitors in the park to advocate a new trend of civilised memorial practices.







2025 Key Performance

Charitable and public welfare activities participated in: 5	Beneficiaries of public welfare activities: approximately 2000	Total donations RMB 110600	
Volunteer activities carried out: 8	Volunteers: 35	Volunteer service hours: 90	Service recipients: 2000

ESG Index

Aspect	Major Performance Indicators	Pages	Remarks
A. Environmental			
Aspect A1: Emissions			
General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P21-24	
A1.1	The types of emissions and respective emission data	P22-23	
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	P24	
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	P24	
A1.5	Description of the emission targets set and steps taken to achieve them.	P22-24	
A1.6	Description of how hazardous and non-hazardous waste are handled, and a description of reduction targets set and the steps taken to achieve them.	P23-24	
Aspect A2: Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	P24-25	
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 productionvolume, per facility).	P25	
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P25	
A2.3	Description of the energy efficiency targets set and the steps taken to achieve them.	P22、P24-25	
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency targets set and steps taken to achieve them.	P22、P25	
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	——	Inapplicable
Aspect A3: The Environment and Natural Resources			
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	P25-26	
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P25-26	
B. Social			
Employment and Labour Practices			
Aspect B1: Employment			
General Disclosure	Information on the policies, and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P27-30	
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	P28-29	
B1.2	Employee turnover rate by gender, age group and geographical region.	P28-29	

Aspect	Major Performance Indicators	Pages	Remarks
Aspect B2: Health and Safety			
General Disclosure	Information on the policies, and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P30	
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P30	
B2.2	Lost days due to work injury.	P30	
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P30	
Aspect B3: Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P30-31	
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P31	
B3.2	The average training hours completed per employee by gender and employee category.	P31	
Aspect B4: Labour Standards			
General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	P27-28	
B4.1	Description of measures to review employment practices to avoid child and forced labor.	P28	
B4.2	Descriptions of steps taken to eliminate such practices when discovered.	——	No violations during the reporting period.
Operating Practices			
Aspect B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	P13-14	
B5.1	Number of suppliers by geographical region.	P14	
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P13-14	
B5.3	Description of practices used to identifying environmental and social risks along the supply chain, and how they are implemented and monitored.	P13-14	
B5.4	Description of practices used to identify environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P13-14	
Aspect B6: Product Responsibility			
General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	P15-20	

Aspect	Major Performance Indicators	Pages	Remarks
Aspect B6: Product Responsibility			
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	—	Inapplicable
B6.2	Number of products and service-related complaints received and how they were dealt with.	P19-20	
B6.3	Description of practices relating to observing and protecting intellectual property rights.	—	Inapplicable
B6.4	Description of quality assurance process and recall procedures.	—	Inapplicable
B6.5	Descriptions of consumer data protection and privacy policies, how they are implemented and monitored.	P18-20	
Aspect B7: Anti-corruption			
General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	P11-12	
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	P12	
B7.2	Description of preventive measures and whistle blowing procedures, how they are implemented and monitored.	P11-12	
B7.3	Description of anti-corruption training provided to directors and employees.	P12	
Community			
Aspect B8: Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	P32	
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture and sport).	P32	
B8.2	Resources allocated (e.g. money or time) to the focus area.	P32	
D. Climate-related Disclosures			
Metrics and Targets	Disclose absolute gross greenhouse gas emissions generated during the reporting period, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; (c) Scope 3 greenhouse gas emissions	P22	
	Disclose the approach used for measuring greenhouse gas emissions, including: (i) the measurement methods, inputs and assumptions used by the issuer to measure its greenhouse gas emissions; (ii) why the issuer chose those measurement methods, inputs and assumptions; and (iii) any changes to the measurement methods, inputs and assumptions during the reporting period and the reasons for those changes	P22	

Feedback Form

Dear Reader,

Thank you for reading the China Wan Tong Yuan 2025 Environmental, Social and Governance Report. To help us better meet your needs, provide more valuable information and continuously enhance the Company's ESG performance, we sincerely welcome your valuable comments through the contact details below.

Contact details:
Address: Room 3707A, 37/F, Shun Tak Centre West Tower, 168-200 Connaught Road Central, Sheung Wan, Hong Kong
Tel: (852) 3996 7597

How would you rate this report? (Please tick the appropriate box)

	Very Good	Good	Fair	Poor	Very Poor
Do you think this report effectively highlights the Company's work and significant impacts in the economic, environmental and social dimensions?	☐	☐	☐	☐	☐
Do you think the information and indicators disclosed in this report are clear, accurate and complete?	☐	☐	☐	☐	☐
Do you think the content arrangement and style design of this report are easy to read?	☐	☐	☐	☐	☐

Which part of the report interests you most?

What other information do you think should be included in this report?

What suggestions do you have for our future ESG reports?