圓通國際

YTO International Express and Supply Chain Technology Limited

圓通國際快遞供應鏈科技有限公司

Incorporated in the Cayman Islands with limited liability

Stock Code: 6123



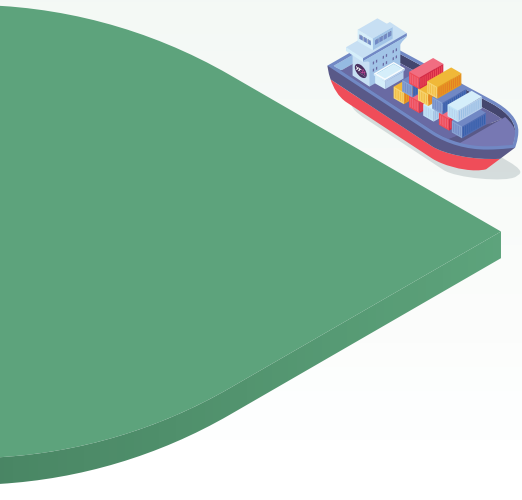
2025

Environmental, Social and Governance Report









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ABOUT THE REPORT

This is the tenth environmental, social and governance ("ESG") report ("Report") published by YTO International Express and Supply Chain Technology Limited ("YTO International Express" or "YTO International", the "Company", together with its subsidiaries, the "Group" or "We"). The Report aims to improve stakeholders' understanding of the Group's sustainability efforts through disclosure of the environmental, social and governance performance of YTO International Express and its subsidiaries.

This Report is published in Chinese and English. In case of any discrepancies between the two versions, the Chinese version shall prevail. For information on governance, please see the Corporate Governance Report on pages 66 to 93 of the Annual Report 2025 of the Company. Unless otherwise specified, all monetary amounts are expressed in Hong Kong dollars.

REPORTING GUIDELINES

This Report is prepared in compliance with the Environmental, Social, and Governance Reporting Code set out in Appendix C2 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange. In preparing this Report, we adhered to the Reporting Principles of materiality, quantitative, balance and consistency. This report also aligns with the United Nations Sustainable Development Goals ("UNSDG") where appropriate.

REPORTING BOUNDARY

The boundary of this Report follows that of the Annual Report 2025 of the Group, which covers YTO International Express and Supply Chain Technology Limited and its subsidiaries.

FEEDBACK

Your comments and opinions are critical to continuous improvement of our sustainability efforts. If you have any questions or comments, please contact us at:

Address:

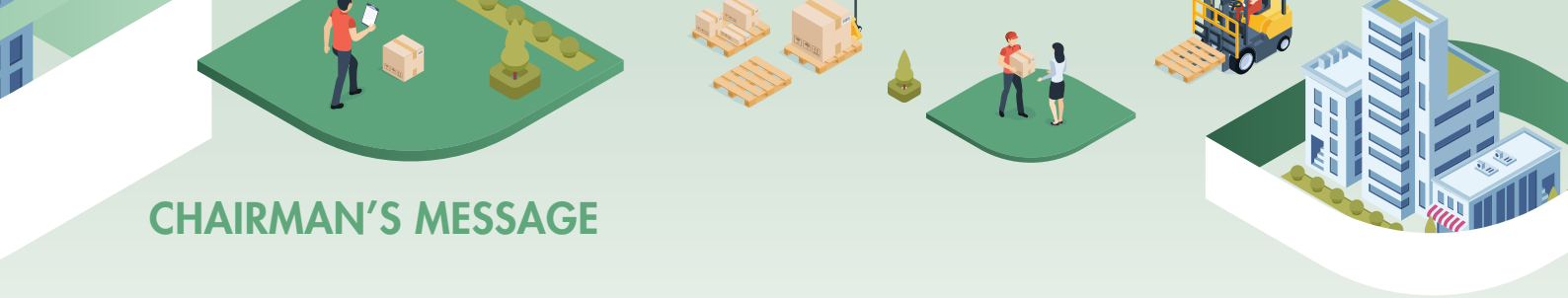
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CHAIRMAN'S MESSAGE

In 2025, adhering to the service principle of "Customer Requirements equal YTO Mission", YTO International Express focused on building a modern logistics system that is "efficient, intelligent and green", further deepened the concept of sustainable development, and steadily advanced the implementation of environmental, social and governance initiatives in an orderly manner.

The Company actively responded to the national strategic goals of "carbon peaking and carbon neutrality", and carried out climate governance initiatives in line with its own development strategies. Faced with challenges brought about by global climate change, YTO International established and improved a climate risk management system, systematically identified, assessed and analyzed climate impacts, and formulated and implemented targeted response measures, effectively mitigating climate risks and seizing opportunities for green development. In daily operations, the Company practiced the concept of green development, actively promoted energy and water conservation and consumption reduction initiatives, strengthened the control of pollutant emissions, established special indicators and implemented regular tracking and management, and continuously improved the effectiveness of environmental governance.

The Company has always upheld the development philosophy of "Making Employees Happier", striving to provide a harmonious, inclusive and friendly working environment for its employees, promoting employment for persons with disabilities, and fostering a diversified workplace ecosystem. Meanwhile, the Company attached importance to employees' career growth and development, vigorously cultivated young, professional, career-oriented and international talent, and endeavored to create a new landscape for its talent system and revitalize team vitality.

The Company proactively responded to demand in the international express and logistics market, and steadily built an eight-category product and service system centered on its three core businesses: international express, international freight forwarding and international supply chain. Committed to a service quality-oriented approach, the Company continuously improved its standardized customer service system, focused on the two key dimensions of timeliness control and quality assurance, systematically optimized and upgraded its quality management system, and enhanced service quality and operational efficiency.

Looking ahead to 2026, the Company will continue to follow the development guidance of "going global along with the Belt and Road Initiative, going global with Chinese people and Chinese enterprises, and going global with cross-border e-commerce". It will deepen its core businesses of international express, international freight forwarding and international supply chain, give full play to the advantages of its network resources, strengthen coordination between international and domestic operations as well as with other business segments, continuously expand its global route network, and effectively scale up its international business layout. Going forward, the Company will further deepen its ESG governance practices, convey the corporate philosophy of "Quality YTO, Tech YTO, Green YTO, Virtuous YTO" to all stakeholders, and achieve high-quality and sustainable development.

ABOUT YTO INTERNATIONAL

The Group adheres to the development vision of "Express Delivery for the Chinese People, The World is Within Your Reach", and is committed to becoming a world-leading integrated international supply chain solution provider. By building a global logistics network that "China Connects the World and the World Connects the World", the Group continuously improves its international product system and extends its international logistics service chain, gradually providing one-stop services covering freight consolidation, trunk line transportation, customs clearance and transshipment, last-mile delivery and other services. Its comprehensive solution capability has been steadily enhanced, and long-term sustainable development has been advanced in an orderly manner.

The Group's core businesses comprise international express and parcel services as well as other businesses (including combined shipments, trucking, general sales agency and handcarry services), international freight forwarding (mainly including air and ocean freight forwarding), and international supply chain services (including warehousing, distribution and customs clearance). The Group deepens its international development strategy, strives to provide efficient and environmentally friendly logistics solutions for stakeholders, stays customer-experience-centric, enhances service quality in all aspects, continuously strengthens brand value, and steadily builds an efficient, resilient and sustainable modern logistics system.

YTO International Express's five business segments



HIGHLIGHTS OF SUSTAINABLE DEVELOPMENT PERFORMANCE

SUSTAINABLE DEVELOPMENT AWARDS

The Group actively participates in public welfare causes, launches green and carbon-reduction initiatives, and fulfills its responsibilities and commitments to social, environmental and corporate sustainable development. During the Reporting Period, the Company was awarded the "Greater Bay Area ESG Sustainable Development Enterprise Award 2025 under the New Quality Productivity Awards", which fully recognizes the Company's efforts and contributions in the field of sustainable development.



I. STEADY GOVERNANCE, UPHOLDING INTEGRITY AND STEADFAST PROGRESS

Material topics covered in this section:

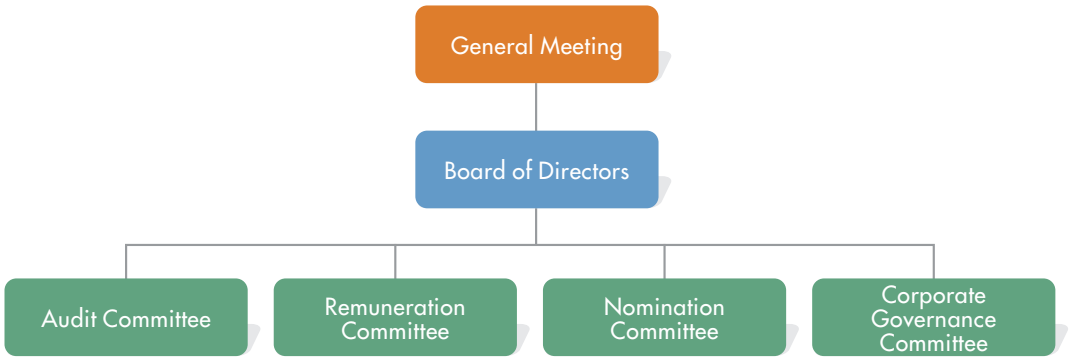
- Operational Compliance
- Anti-Corruption
- Business Ethics
- Intellectual Property Protection

YTO International Express takes law-abiding compliance as the bottom line of its operations and attaches importance to corporate risk control and business ethics development. The Company continuously optimizes its governance structure, improves its internal control and compliance management system, adheres to transparent and standardized operations, and actively establishes a sustainable governance mechanism. By upholding business ethics and strengthening corporate governance, the Company provides a solid guarantee for high-quality corporate development and long-term sustainable value creation through a sound, efficient, open and transparent governance system.

1.1 DEEPENING CORPORATE GOVERNANCE

1.1.1 Corporate Compliance Governance

YTO International Express complies with national laws and regulations, continuously improves its corporate governance structure and strengthens internal control systems. The Company has established a board of directors and board committees, including the Audit Committee, Remuneration Committee, Nomination Committee and Corporate Governance Committee. Each committee effectively implements management decisions in accordance with the Company's internal policies and actual governance conditions, and provides professional support for the decision-making of the Board.



Corporate Governance Structure of YTO International Express

The Group regularly convenes meetings of the Board, board committees and general meetings to review various resolutions, enhance the Company's operational and management capabilities, and listen to the opinions and suggestions put forward by investors, so as to fully safeguard the legitimate rights and interests of the Company and its shareholders. During the Reporting Period, the Company held 1 general meeting, 5 meetings of the Board, 4 meetings of the Audit Committee, 2 meetings of the Nomination Committee, 1 meeting of the Remuneration Committee and 1 meeting of the Corporate Governance Committee.



I. STEADY GOVERNANCE, UPHOLDING INTEGRITY AND STEADFAST PROGRESS

- ***Independence and Diversity of the Board***

  The Group regards independence as a prerequisite and key to sound corporate governance and objective decision-making. At the same time, it actively promotes the diversification of its governance system by formulating and issuing the Board Diversity Policy. Members of the Board are selected based on the principle of diversity, taking into comprehensive consideration the candidates' professional skills, educational background, work experience, gender, age, culture, ethnicity and other factors in light of the Company's own business model, strategic development and actual operational needs, so as to ensure a reasonable structure and complementary professional expertise among Board members. As at the end of the Reporting Period, the Board comprised 9 Directors, including 1 female Director, accounting for 11.11% of the total number of Directors; and 3 independent non-executive Directors, accounting for 33.3% of the total number of Directors.

1.1.2Sustainable Governance

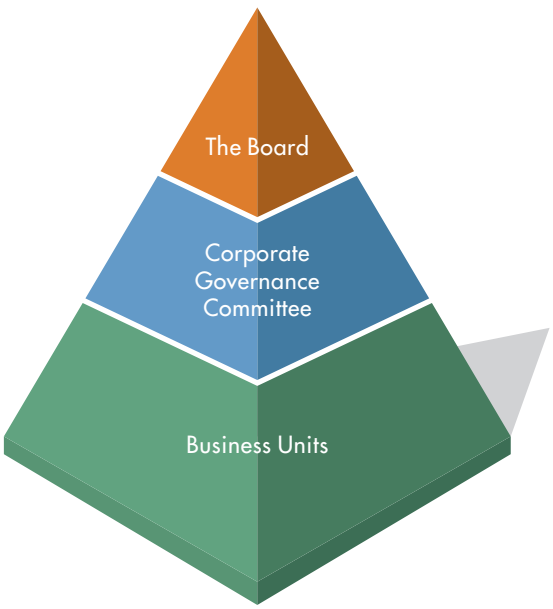
YTO International Express pursues the deep integration of environmental (E), social (S) and governance (G) values, actively responds to the United Nations Sustainable Development Goals (UNSDGs), continuously optimises its operation and management system, and promotes the building of a healthy, stable and harmonious sustainable development ecosystem.

- ***Board Statement***

  The Board has reviewed and approved the Group's materiality assessment process and all relevant disclosures contained in this Report. This Report objectively presents the identified material topics and provides a comprehensive overview of the Group's policies and performance in environmental, social and governance management.

- ***ESG Governance Structure***

  The Group continuously optimises its sustainable governance system and establishes a top-down ESG governance structure. It has formulated and issued a series of sustainable development-related policies, including the ESG Policy and the Climate Change Policy, to guide the orderly implementation of various initiatives. We focus on material ESG topics, regularly monitor and assess the progress and implementation of relevant targets, and ensure that all control mechanisms are practical, effective and implementable.



ESG Governance Structure of YTO International Express



I. STEADY GOVERNANCE, UPHOLDING INTEGRITY AND STEADFAST PROGRESS

The Board:

- Responsible for overseeing and coordinating all sustainable development-related work, considering recommendations from the Corporate Governance Committee, and ensuring the Group effectively implements the concept of sustainable development.

Corporate Governance Committee:

- Established under the Board, comprising directors with extensive corporate governance experience and relevant industry background;
- Responsible for formulating sustainable development strategies, policies and objectives;
- Conducts regular assessments of internal control and risk management work, and presents annual reports to the Board.

Business Units:

- Responsible for implementing specific sustainable development-related initiatives.

- ***Assessment and Analysis of the Materiality of Material Topics***

  The Group continuously optimises its materiality assessment process, conducting analysis in an orderly manner through the four key stages of Identification – Stakeholder Engagement – Prioritisation – Validation. In light of the Group's business characteristics and relevant information disclosure requirements, we first identify potential ESG material topics, then further determine and assess 28 material topics that have a material impact on the Group's development through full communication with stakeholders. The assessment results have been reviewed and approved by the Board and the Corporate Governance Committee, and are disclosed in this Report.



I. STEADY GOVERNANCE, UPHOLDING INTEGRITY AND STEADFAST PROGRESS

Identification

- Conduct regulatory compliance review, industry peer benchmarking and policy analysis in accordance with the requirements of the Stock Exchange and other regulatory authorities. Screen out potential material topics and compile the Group's Material Topics List.

Stakeholder Engagement

- Conduct research and engage with internal stakeholders as well as external stakeholders including government and regulatory authorities, shareholders and investors, customers, employees, partners and suppliers. Understand the topics of concern to each stakeholder group.

Prioritisation

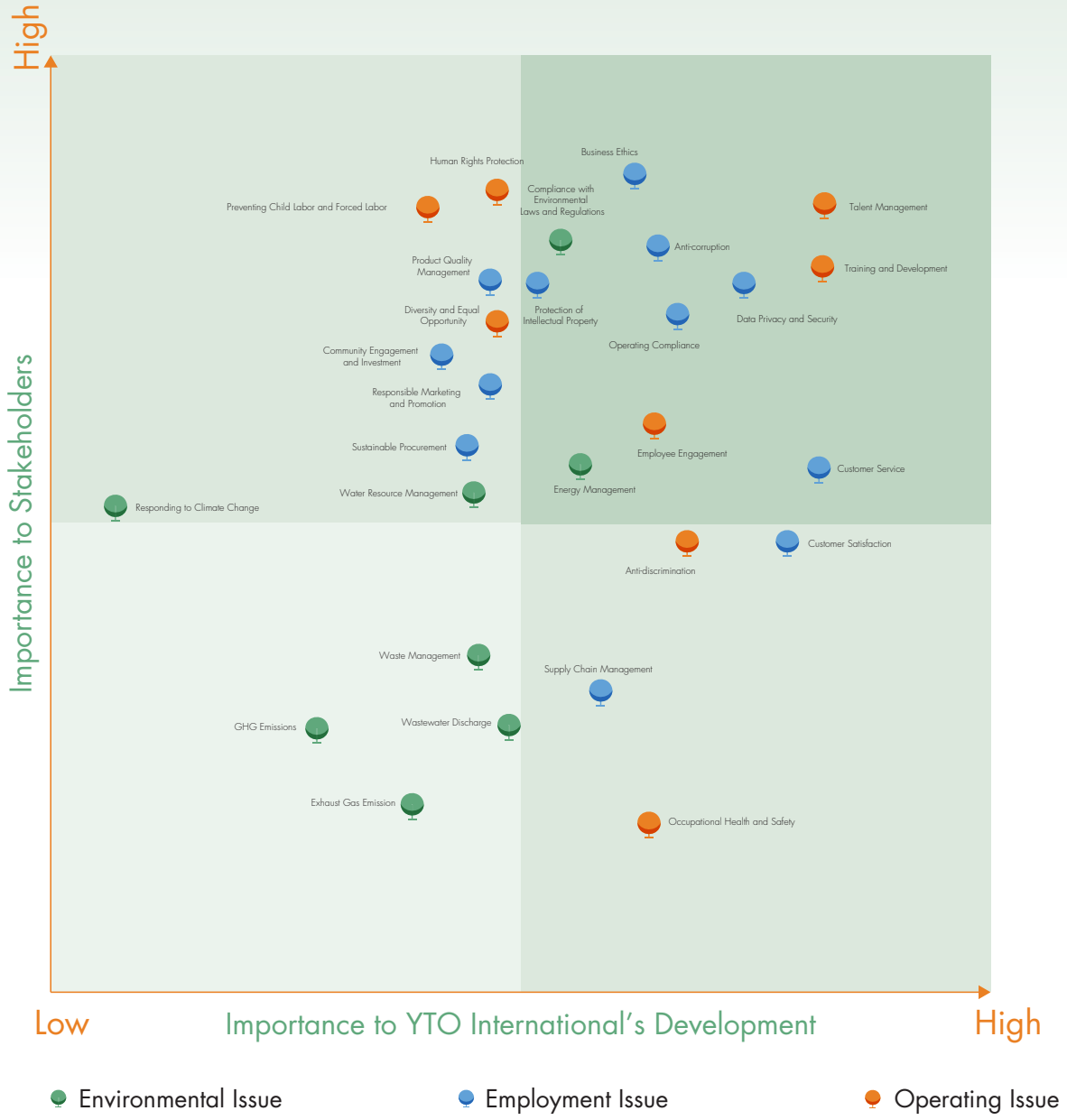
- Analyse, evaluate and prioritise all identified material topics based on the importance to the Company and the importance to stakeholders, and generate the Material Topics Matrix.

Confirmation

- Submit the materiality assessment results to the Board and the Corporate Governance Committee for review and approval. Confirm the material impact and significance level of the identified material topics.

Materiality Assessment Process of YTO International Express

I. STEADY GOVERNANCE, UPHOLDING INTEGRITY AND STEADFAST PROGRESS



YTO International Materiality Importance Matrix



I. STEADY GOVERNANCE, UPHOLDING INTEGRITY AND STEADFAST PROGRESS

- ***Stakeholder Engagement***

Stakeholder Category	Topics of Concern	Company's Response	Communication channels
Government and Regulatory Authorities	• Compliance in operations • Integrity development • Quality of products and services • Promoting social employment • Driving technological innovation • Tax payment in accordance with law	• Implementing regulatory requirements • Supporting local economic development • Enhancing innovation capabilities • Paying taxes in accordance with law and operating in compliance	• Daily working meetings • Information disclosure • Regular announcements • Special meetings • Inviting on-site inspections and visits • Responding to inquiries and concerns from regulators
Shareholders and Investors	• Reducing operational risks • Standardised corporate governance • Capital appreciation • Protection of investors' rights and interests	• Strengthening risk management and control • Improving corporate profitability • Enhancing the corporate governance system • Optimising decision-making and oversight mechanisms • Conducting information disclosure in accordance with law • Protecting the rights and interests of minority investors	• General meetings and meetings of the Board • Regular announcements • Holding performance briefings and replying to investor questions in a timely manner • Information disclosure and media publicity • Arranging investor visits and roadshows
Customers and Consumers	• Quality of products and services • Business ethics • Privacy policies	• Adhering to "Customer Requirements equal YTO Mission" • Providing quality products and services • Fulfilling contractual obligations • Improving customer service and claims settlement processes	• Satisfaction surveys • Customer communication and feedback channels • Expanding project cooperation • Technical training for customer service personnel



I. STEADY GOVERNANCE, UPHOLDING INTEGRITY AND STEADFAST PROGRESS

Stakeholder Category	Topics of Concern	Company's Response	Communication channels
Employees	• Protection of legitimate rights and interests • Clear career development paths • Healthy and comfortable working environment	• Protecting employees' rights and interests in accordance with law • Improving the employee remuneration and incentive mechanism • Career development planning and training • Occupational health and employee care	• Employee training and development plans • Employee satisfaction surveys • Employee care activities
Partners	• Adhering to integrity in operations • Conducting fair transactions • Fulfilling social responsibilities together with industrial chain partners	• Transparent procurement principles and cooperation mechanisms • Mutual benefit and win-win results • Responsible procurement	• Practicing transparent procurement • Signing tender and procurement contracts • Management and training of industrial chain partners • On-site research • Industry exchanges
Community	• Supporting community development	• Participating in public welfare and voluntary services	• Public welfare and charitable activities • Organising volunteer activities
Media/Public	• Daily communication • Information disclosure on social responsibility and sustainable development • Special interviews and exchanges	• Information disclosure • Media interviews and communication	• Press releases • Media exchanges • Company official website, official WeChat accounts, etc.



I. STEADY GOVERNANCE, UPHOLDING INTEGRITY AND STEADFAST PROGRESS

- ***Sustainable Development Goals***

The Group adheres to the path of sustainable development, takes active actions across the environmental, social and governance dimensions, continuously enhances its ESG governance capabilities, responds to the United Nations Sustainable Development Goals (UNSDGs), and contributes YTO's share to global sustainable development.

United Nations Sustainable Development Goals	Actions Taken by the Company
01 No Poverty	Working Together for Harmony and Inclusion – Scientific talent management
02 Zero Hunger	Working Together for Harmony and Inclusion – Empowering employee development and building a happy workplace
03 Good Health and Well-being	Working Together for Harmony and Inclusion – Building a happy workplace and empowering multiple stakeholders for win-win community development
04 Quality Education	Working Together for Harmony and Inclusion – Empowering employee development
05 Gender Equality	Working Together for Harmony and Inclusion – Scientific talent management, empowering employee development and building a happy workplace
06 Clean Water and Sanitation	Being Environmentally Friendly and Embracing Green Development – Improving resource use efficiency and controlling pollutant emissions
07 Affordable and Clean Energy	Being Environmentally Friendly and Embracing Green Development – Improving resource use efficiency
08 Decent Work and Economic Growth	Working Together for Harmony and Inclusion – Empowering employee development and building a happy workplace
09 Industry, Innovation and Infrastructure	Quality Services and Excellent Management – Providing quality products and services
10 Reduced Inequalities	Working Together for Harmony and Inclusion – Scientific talent management, empowering employee development and building a happy workplace
11 Sustainable Cities and Communities	Being Environmentally Friendly and Embracing Green Development – Improving resource use efficiency
12 Responsible Consumption and Production	Being Environmentally Friendly and Embracing Green Development – Improving resource use efficiency and controlling pollutant emissions Quality Services and Excellent Management – Establishing responsible supply and strengthening information security
13 Climate Action	Being Environmentally Friendly and Embracing Green Development – Addressing climate change
14 Life Below Water	/
15 Life on Land	/
16 Peace, Justice and Strong Institutions	Steady Governance, Upholding Integrity and Steadfast Progress – Deepening corporate governance
17 Partnerships for the Goals	Steady Governance, Upholding Integrity and Steadfast Progress – Abiding by business ethics



I. STEADY GOVERNANCE, UPHOLDING INTEGRITY AND STEADFAST PROGRESS

1.2 COMPLIANCE WITH BUSINESS ETHICS

YTO International Express attaches great importance to business ethics management. It always upholds the integrity philosophy of "addressing root causes and upholding discipline", continuously strengthens a comprehensive and multi-tiered risk prevention and control system for business ethics, steadily improves the reporting and complaint mechanism, actively promotes anti-corruption work and education, and firmly rejects all forms of unethical business conduct.

1.2.1 Anti-Corruption

YTO International Express complies with the Anti-Unfair Competition Law of the People's Republic of China, Anti-Monopoly Law of the People's Republic of China, Anti-Money Laundering Law of the People's Republic of China, the Competition Ordinance and other relevant laws and regulations. It has formulated a series of integrity management systems, which clearly require directors and employees of the Company to refrain from corruption, bribery, fraud, money laundering and other misconduct. To ensure effective implementation of integrity practices, the Company conducts regular audits, routine supervision and standardized management over the compliance of daily operations and business ethics conduct. Meanwhile, it continues to strengthen business ethics development and improve codes of conduct, striving to foster a fair, transparent and honest business environment both internally and externally, so as to safeguard the sustainable and sound development of the Company.

During the Reporting Period, the Group was not aware of any material violations of laws and regulations related to anti-bribery, anti-fraud and anti-money laundering[1] that had a material impact on the Group, and no corruption cases were involved.

To enhance the business ethics awareness of directors and employees and help them effectively identify ethics-related incidents in the workplace, the Group regularly organizes training sessions on anti-corruption, anti-bribery and anti-money laundering. During the Reporting Period, a total of 65 training sessions were held, with a cumulative duration of 86 hours, covering all employees of the Company.

1.2.2 Whistleblowing Management Mechanism

The Group firmly safeguards the legitimate rights and interests of itself and its stakeholders. It has established an open and transparent compliance whistleblowing mechanism and formally issued the Policy for Employees to Raise Concerns about Improprieties, which clarifies the reporting procedures. We continue to optimize various reporting channels, promote reporting methods through training, encourage all parties to report unethical or illegal conduct, and keep whistleblower information confidential.

- ***Reporting Channels***

Reporting Email:	Visits and Correspondence:
whistle@ytoglobal.com	Suite 2208, Skyline Tower 39 Wang Kwong Road, Kowloon Bay Kowloon, Hong Kong

[1] For relevant laws and regulations, please refer to the section "Appendix: Applicable Laws and Regulations"



II. BEING ENVIRONMENTALLY FRIENDLY AND EMBRACING GREEN DEVELOPMENT

Material topics covered in this section:

- Responding to Climate Change
- GHG Emissions
- Energy Management
- Water Resource Management
- Exhaust Gas Emission
- Waste Management
- Wastewater Discharge

The Group upholds the green development concept of environmental friendliness, and deeply integrates environmental protection and sustainable development into its strategic planning and business operations. We have established an environmental management structure with clear authority and responsibilities and efficient operation. We continue to optimise the environmental management structure: the Corporate Governance Committee oversees environmental management and regularly reports to the Board; the President's Office coordinates and promotes various environmental management initiatives; heads of all primary departments and general managers of subsidiaries take the lead in communicating and implementing environmental management requirements; dedicated liaisons are appointed in each subsidiary and business line to jointly support the implementation of environmental management work. The Group has established and improved its environmental management system and obtained third-party ISO 14001 environmental management system certification, promoting green and low-carbon transformation through a systematic, standardised and regulated management model.

During the Reporting Period, the Group did not commit any acts in violation of relevant environmental laws and regulations[2], nor did it cause any material impacts in relation to air and GHG emissions, water and land pollution discharges, or hazardous and non-hazardous waste discharges.

[2] For relevant laws and regulations, please refer to the section "Appendix: Applicable Laws and Regulations"



II. BEING ENVIRONMENTALLY FRIENDLY AND EMBRACING GREEN DEVELOPMENT

2.1 RESPONDING TO CLIMATE CHANGE

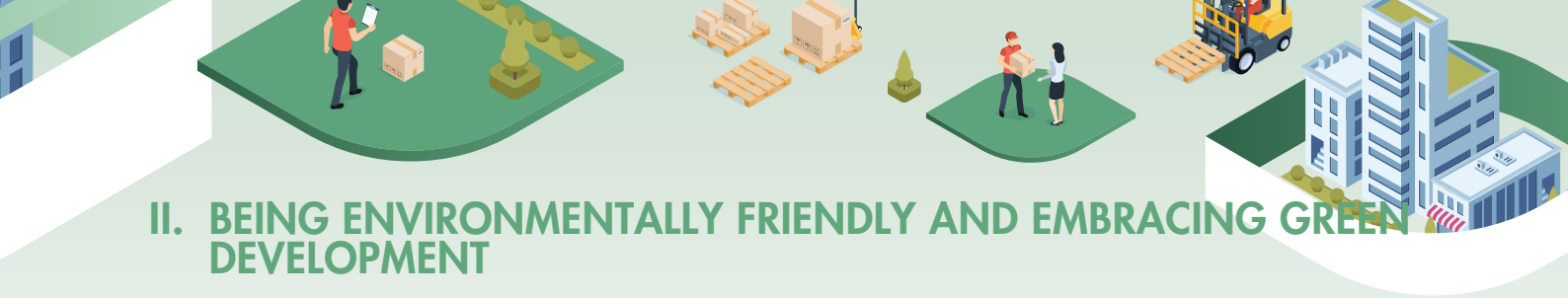
The increasing frequency of extreme weather caused by climate change, as well as policy introductions and market fluctuations amid the global low-carbon transition, have imposed multiple potential impacts on the stability of corporate production and operations. The Group has incorporated climate-related risk management into its governance framework, and continuously improves its climate change response policies to ensure they form an important consideration in the Group's decision-making. Following the closed-loop management process of "Identification – Analysis – Response – Monitoring", the Company proactively assesses the challenges and opportunities brought by climate change each year. To further optimise the corporate governance structure and strengthen the overall management and response capacity to climate impacts, the Group has established a climate management system with the Board as the decision-making and oversight body, the Corporate Governance Committee as the overall coordinator, and all relevant functional departments as collaborative participants, comprehensively enhancing the Group's climate governance capabilities.

During the Reporting Period, in accordance with the framework requirements of the International Sustainability Standards Board (ISSB) and the Hong Kong Stock Exchange's Climate Disclosures Guidance, the Group systematically identified and assessed climate-related risks and opportunities, conducted in-depth analysis of the potential impact pathways of climate change on business operations and financial performance, actively formulated and implemented risk response and mitigation measures, proactively seized development opportunities in the low-carbon transition, and provided solid support for the implementation of the Group's sustainable development strategy.

2.1.1 Climate Strategy

- ***Climate Risks***

Risk Types	Risk Name	Risk Description	Potential Financial Effects	Impact Period	Impact Area
Physical risks					
Acute risks	Extreme Precipitation	Extreme precipitation may damage infrastructure such as warehouses, office buildings, transportation facilities and equipment of YTO International Express, resulting in cargo backlog, waste of transportation space, and disruption to logistics order and operational efficiency.	Increase in equipment maintenance and transportation costs	Short-term Medium-term	Own Operations
	Extreme high temperature	Extreme high temperatures may reduce employees' work efficiency, affect the timeliness of cargo transportation and the quality of cross-border services, and have a negative impact on employees' physical health and production safety.	Increase in operating costs	Short-term Medium-term	Own Operations
Chronic risks	Sea level rise	Rising sea levels may have a direct impact on YTO International Express's operating sites such as warehousing centers and international logistics hubs located in coastal areas, triggering adjustments or relocations of facilities, equipment and business layout, and affecting the stable layout of international supply chain business and long-term operations.	Increase in operating costs	Long-term	Own Operations



II. BEING ENVIRONMENTALLY FRIENDLY AND EMBRACING GREEN DEVELOPMENT

Risk Types	Risk Name	Risk Description	Potential Financial Effects	Impact Period	Impact Area
Transition risks					
Policies and regulations risks	Stricter climate-related laws and regulations	The introduction of increasingly stringent policies and regulations sets higher control standards for vehicle emissions, energy consumption and other aspects in logistics and transportation, and imposes greater restrictions on some high-emission freight operations. This may increase the compliance management pressure on YTO International Express and lead to an increase in relevant resource input and costs.	Increase in compliance costs	Short-term Medium-term Long-term	Own Operations
Market risks	Changing customer and consumer preferences	Logistics services with low-carbon attributes continue to gain market recognition. If YTO International Express fails to timely upgrade its sustainable logistics services, it may weaken consumer recognition, lose low-carbon freight orders and affect supply chain cooperation opportunities.	Decrease in revenue	Long-term	Own Operations Downstream Value Chain
Reputation risks	Higher expectations and standards from stakeholders	If YTO International Express performs poorly in addressing climate change, it may lose its competitive edge, hinder business and partnership expansion, and result in the loss of customers and investors.	Decrease in revenue and investment	Medium-term Long-term	Own Operations
Technical Risk	Application of low-carbon technologies or equipment	The use of low-carbon technologies, procurement of energy-saving equipment and application of low-emission freight technologies in YTO International Express' operations may lead to increased resource input.	Increase in operating costs	Short-term Medium-term Long-term	Upstream Value Chain Own Operations



II. BEING ENVIRONMENTALLY FRIENDLY AND EMBRACING GREEN DEVELOPMENT

- ***Climate Opportunities***

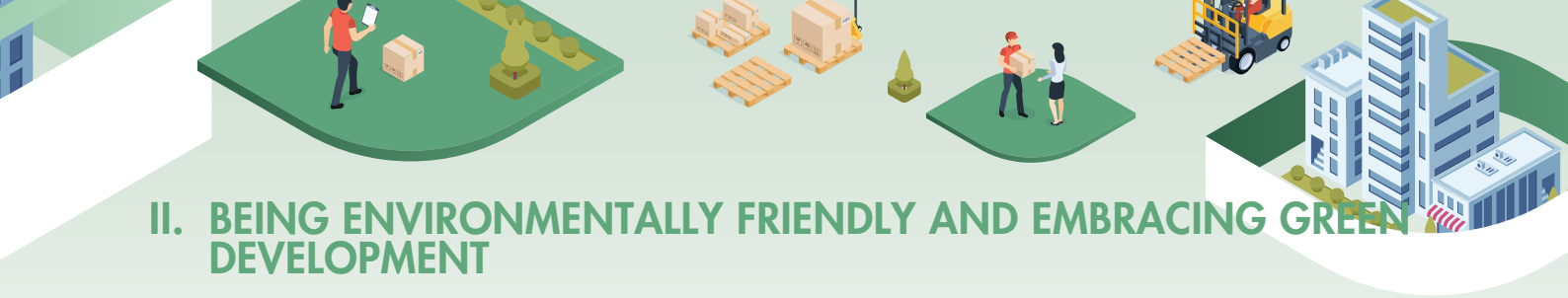
Opportunity Categories	Opportunity Description and Counter Measures	Potential Financial Effects	Impact Period	Impact Area
Resource efficiency	YTO International Express continuously improves resource utilization efficiency through measures such as energy conservation and emission reduction, and reducing paper and water consumption.	Decrease in operating costs	Short-term Medium-term Long-term	Own Operations
Product and service	YTO International Express actively applies green products and low-carbon technologies, adopts clean energy in express and cargo transportation, provides customers with green and low-carbon logistics services, enhances market competitive advantages and improves customer recognition.	Increase in revenue	Short-term Medium-term Long-term	Own Operations Downstream Value Chain
Marketplace	YTO International Express practices a low-carbon development path and further attracts customers and investors with high environmental protection requirements by virtue of its green service capabilities.	Increase in revenue	Short-term Medium-term Long-term	Own Operations Downstream Value Chain

- ***Extreme Weather Emergency Management***

In response to acute physical risks arising from climate change, the Group formulated an extreme weather emergency plan in 2025 covering typhoons, rainstorms, snowstorms, extreme high temperatures and other disaster scenarios. A full-process emergency management system has been established and implemented, including pre-event prevention, in-event response and post-event support. We closely monitor weather warnings, reserve emergency supplies in advance and implement preventive measures, strengthen inspections and special control of key areas during extreme weather, set up a dedicated incident response mechanism, conduct regular emergency drills, and carry out post-incident reviews, recovery and infrastructure optimization to effectively safeguard the company's property and ensure stable production and operation.

Type of Response Measures		Description of Response Measures
Long-term Preventive Measures	Fixed Asset Insurance	Purchase insurance for fixed assets such as warehouses and equipment to reduce loss risks from extreme weather disasters.
	Emergency Supplies Stockpile	Stockpile emergency supplies including safety harnesses, warning tapes, iron hooks, shovels, waterproof tarpaulins, water pumps, sandbags, water-absorbent expansion bags and other materials.
Special Response and Mitigation Measures	Flood and Typhoon Prevention	Conduct regular flood and typhoon prevention drills, and carry out protective work such as laying sandbags, reinforcing rooftop facilities and inspecting electrical boxes before typhoons.
	Cold and Heatstroke Prevention	Install thermal insulation materials on fire hydrants, water pipes and other infrastructure during cold seasons; increase the frequency of greening irrigation in parks during hot weather to lower ambient temperatures.

As at the end of the Reporting Period, YTO International Express had insured 31 fixed assets with an insured amount of approximately HK$10.67 million.



II. BEING ENVIRONMENTALLY FRIENDLY AND EMBRACING GREEN DEVELOPMENT

2.1.2Climate Metrics and Targets

The Group actively fosters a low-carbon operating environment, sets energy conservation and carbon reduction targets, and promotes energy-saving and emission-reduction measures every year. It encourages employees to adopt green office and green travel practices, reduces business trips through online communication, and lowers its own GHG emissions.

Aspect	Goals
GHG Emissions	Implement carbon emission reduction measures annually
Energy Efficiency	Prefer to acquire electric equipment with energy efficiency label

GHG emissions from our business operations encompass direct emissions (Scope 1), primarily from fuel consumption; indirect energy emissions (Scope 2), primarily from electricity consumption; and other indirect emissions (Scope 3), primarily from business travel, disposal of wastepaper in landfills and emissions from wastewater treatment.

During the Reporting Period, the total GHG emissions[3] of the Group were 10,296.36 tCO_2e, with an emission intensity of 0.032 tCO_2e per HK$10,000 of operating revenue. GHG emissions were mainly from Scope 3, accounting for 98.25% of the total GHG emissions.

GHG Emissions Type (Unit: tCO_2e)	2025
Scope 1 Direct emissions	127.91
Scope 2 Indirect emissions	52.04
Scope 3 Other indirect emissions	10,116.41
Total GHG emissions	10,296.36
GHG intensity (tCO_2e/HK$10,000 of operating revenue)	0.032

[3] The Group's GHG emissions are calculated based on the Hong Kong Stock Exchange's How to Prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs, the GHG Protocol: Corporate Accounting and Reporting Standard, the sustainability reports of local utility providers (Hong Kong electricity company), and the data published by Ministry of Ecology and Environment of the People's Republic of China.



II. BEING ENVIRONMENTALLY FRIENDLY AND EMBRACING GREEN DEVELOPMENT

2.2 RESOURCE USE EFFICIENCY

The Group attaches importance to the efficient use of energy and water resources, improves resource management systems, reduces various forms of resource waste, and enhances resource utilization efficiency through refined management to promote green and low-carbon development.

2.2.1 Energy Management

The Group has formulated and implemented the Office Management Rules to guide employees in saving electricity and reducing energy waste in daily office work, and imposes corresponding penalties on violations of the rules, so as to continuously strengthen employees' awareness of energy conservation and environmental protection. We continue to improve the energy management system, actively conduct energy monitoring, give priority to purchasing electrical equipment with energy efficiency labels, and reduce energy consumption through various energy-saving measures.

Energy Consumption Monitoring

- Establish a digital energy consumption management and control system to monitor the energy consumption of office buildings in real time, promptly investigate abnormal energy usage points, and realize automatic control of lighting in office areas through the system.

Energy Conservation

- Adopt an off-peak operation mode for elevators during peak hours to optimize energy utilization efficiency.

The Group's energy consumption primarily consists of purchased electricity, along with petrol and diesel used by its vehicles. During the Reporting Period, the Group consumed a total of 19,765.5 MWh of energy, with an energy consumption intensity of 0.062 MWh per HK$10,000 of operating revenue. Electricity accounted for 19,066.0 MWh, representing approximately 96.5% of the total energy consumption.

Energy Consumption Type (MWh)	2025
Petrol	509.0
Diesel	190.6
Electricity	19,066.0
Total Energy Consumption	19,765.5
Energy Intensity (MWh/HK$10,000 of operating revenue)	0.062

II. BEING ENVIRONMENTALLY FRIENDLY AND EMBRACING GREEN DEVELOPMENT

2.2.2Water Resource Management

The Group continues to promote water conservation measures, monitors and controls water intake and usage, prioritizes the procurement of water-using equipment with Grade 1 efficiency labels, encourages employees to save water and reduce water waste, continuously improves water resource utilization efficiency, and practices the concept of green and low-carbon operation.



Water Conservation Measures

- Fully install sensor-activated taps in office areas, and post water-saving signs at all water usage points to strengthen employees' awareness of water conservation.
- Establish a regular inspection mechanism to regularly check for leaks, and implement 24-hour multi-dimensional supervision: employees proactively identify and report abnormalities during the day, and security personnel conduct patrol inspections every 2 hours at night.
- Leverage the back-end digital management system to achieve real-time monitoring and control of abnormal water usage.

The Group's main source of water is municipal water supply. During the Reporting Period, the total water consumption reached 6,227.0 cubic meters, with a water consumption intensity of 0.020 cubic meters per HK$10,000 of operating revenue.

Water Resource Consumption	2025
Total Water Consumption (cubic meters)	6,227.0
Water Consumption Intensity (cubic meters/HK$10,000 operating revenue)	0.020



II. BEING ENVIRONMENTALLY FRIENDLY AND EMBRACING GREEN DEVELOPMENT

2.3 CONTROL OF POLLUTANT EMISSIONS

The Group pays close attention to the impact of its own operational activities on air, water bodies and land, controls the generation and discharge of wastewater, exhaust gas and waste, and minimizes the negative impact of pollutants on the ecological environment and human health.

2.3.1 Exhaust Gas Emissions

The exhaust gas generated during the Group's operations is minimal, mainly from kitchen fumes in canteens and emissions from vehicles burning petrol and diesel. We actively promote exhaust gas emission reduction and governance measures to ensure that exhaust gas emissions comply with national air pollutant emission standards.

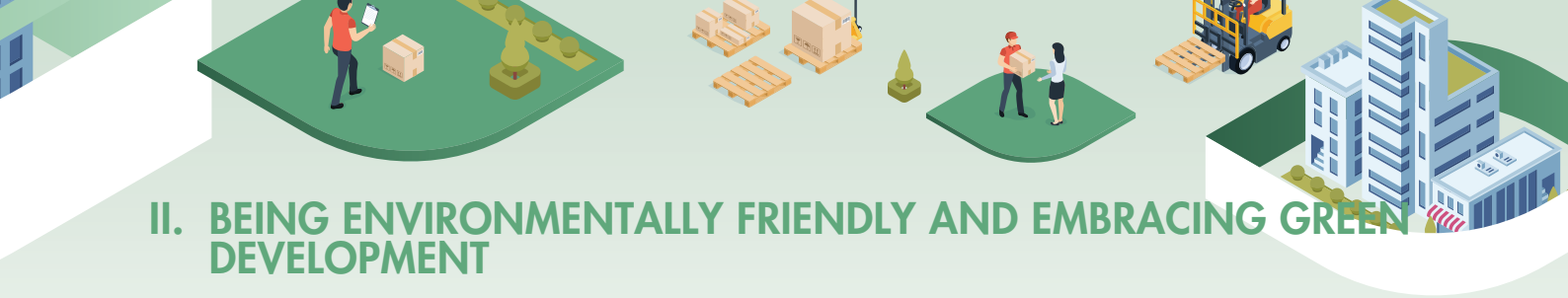
Canteen Fume Control

- Optimize canteen exhaust equipment to improve the effect of fume purification and treatment;
- Engage third-party qualified institutions to regularly clean and maintain the fume system, effectively controlling fume emissions.

Vehicle Exhaust Control

- Fully adopt new energy vehicles for employee shuttles to reduce exhaust emissions;
- Continuously promote the intelligent transformation of transportation trunk lines, actively explore the "intelligent driving connection" mode, and improve transportation efficiency and vehicle deployment flexibility through intelligent assisted driving and scientific division of transportation sections, significantly reducing fuel consumption and exhaust emissions during transportation.

Air Emissions Type (kg)	2025
Sulphur Oxides (SO_x)	1.18
Nitrogen Oxides(NO_x)	1,135.62
Respiratory Suspended Particles (RSP)	105.73



II. BEING ENVIRONMENTALLY FRIENDLY AND EMBRACING GREEN DEVELOPMENT

2.3.2Waste Discharge

The waste generated during the Group's operations mainly consists of non-hazardous waste such as domestic waste, with only a small amount of hazardous waste such as toner cartridges. We actively implement waste reduction and resource management measures, establish standardized classified disposal procedures, and ensure the compliant and orderly treatment of all types of waste.

Waste Classification and Disposal

- Implement classified management for canteen food waste and other solid waste, and sign waste disposal agreements with municipal sanitation and professional third-party institutions every year to ensure compliant treatment.
- Cooperate with third parties to carry out export and resource utilization of recyclable waste.

Packaging Material Reduction

- In internal transportation links, promote the use of reusable woven bags, which can be reused approximately 100 times per unit under proper maintenance, effectively reducing the input of new woven bags.
- In external transportation links, advance the recycling and secondary utilization of carton packaging, and adopt express waterproof bags made of recycled materials to reduce packaging material consumption and practice the circular economy concept.

Office Paper Conservation

- Advocate paperless office, and prioritize the delivery of office briefing materials through digital means such as emails and electronic projection.
- Encourage double-sided printing to reduce unnecessary paper consumption.
- Set up waste paper recycling bins in office areas to promote resource recycling.

The Group actively implements a waste paper recycling program, prioritizes the procurement of recycled paper as the main office paper, and promotes resource recycling. During the Reporting Period, the Group consumed a total of 4,047.5 kg of office paper.

Waste Type (tonnes)	2025
Hazardous Waste	0.006
Hazardous Waste Intensity(g/HK$10,000 operating revenue)	0.019
Non-hazardous Waste	160.0
Non-hazardous Waste Intensity(g/HK$10,000 operating revenue)	501.430



II. BEING ENVIRONMENTALLY FRIENDLY AND EMBRACING GREEN DEVELOPMENT

2.3.3Wastewater Discharge

The wastewater generated during the Group's operations is mainly domestic sewage, with no industrial wastewater discharge involved. To further strengthen water resource management and reduce the pollution of sewage discharge to water bodies, the Group attaches importance to the source control and standardized disposal of wastewater, continuously promotes various water conservation, emission reduction and sewage treatment measures, and builds a sound wastewater treatment system.

- **Washing Wastewater Treatment:** A three-stage sewer filtration system is installed to collect and perform multi-stage filtration treatment on the washing wastewater from the waste storage area, ensuring that the water quality meets the relevant discharge standards before discharge, effectively avoiding environmental hazards caused by the direct discharge of pollutants.

- **Rainwater Treatment:** Rainwater and sewage diversion discharge measures are implemented to collect, transport and treat rainwater and domestic sewage separately, significantly improving the operation efficiency of the drainage system and avoiding the pollution risk caused by wastewater entering the rainwater pipe network.

- **Domestic Sewage Treatment:** Septic tanks are installed in the park to conduct preliminary sedimentation, decomposition and initial treatment of domestic sewage, and professional maintenance and cleaning of septic tanks are carried out regularly to realize the harmless pretreatment of wastewater, effectively reducing the content of organic matter and suspended solids in wastewater.



III. WORKING TOGETHER FOR HARMONY AND INCLUSION

The Group upholds the philosophy of "people-oriented", continuously improves its talent management system, empowers employee development, provides comprehensive welfare care and occupational health protection for employees, and supports the joint development of employees and the Group.

Material topics covered in this section:

- Talent Management
- Diversity and Equal Opportunity
- Human Rights Protection
- Anti-Discrimination
- Labour Rights and Interests
- Training and Development
- Employee Engagement
- Occupational Health and Safety

3.1 SCIENTIFIC TALENT MANAGEMENT

The Group adheres to the principles of compliant employment, respect for human rights and scientific talent utilization, improves the talent management system, standardizes the whole-process management of labour and employment, effectively safeguards the legitimate rights and interests of employees, and promotes the coordinated achievement of talent value and the Group's sustainable development goals.

3.1.1 Compliant Employment

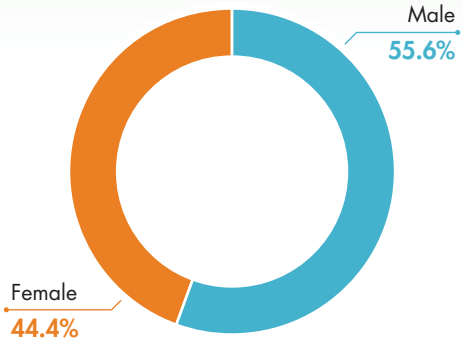
The Group continuously optimizes its compliant employment system and establishes a diverse, inclusive, equal and respectful employment environment. In response to cross-border business needs, we carry out dedicated recruitment programmes and implement employee rights protection in various regions, consolidating the foundation of compliant employment.

III. WORKING TOGETHER FOR HARMONY AND INCLUSION

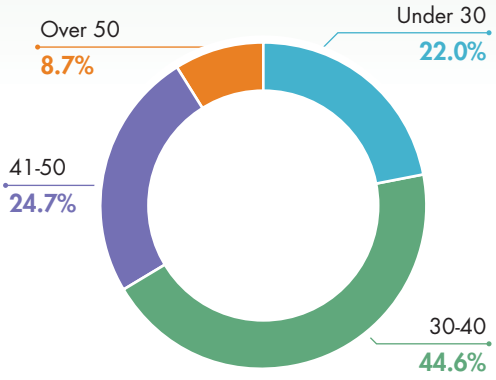
- ***Employee Profile***

  We are committed to building a high-quality and diverse talent team. As at the end of the Reporting Period, the Group employed a total of 1,140 employees, all of whom were full-time employees with no part-time staff engaged. The employee profile by age, gender and region is as follows:

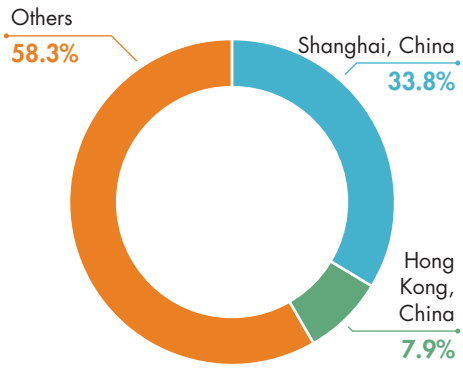
By Gender



By Age



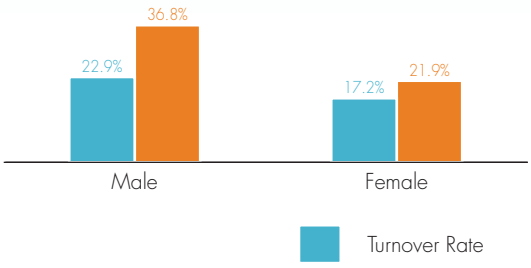
By Geographical Region



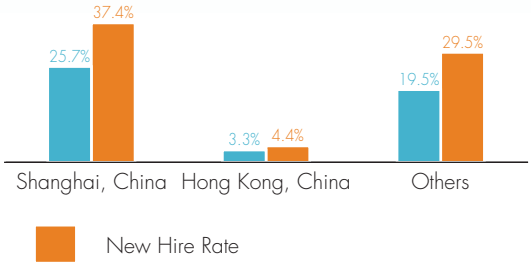
III. WORKING TOGETHER FOR HARMONY AND INCLUSION

While actively expanding talent recruitment channels to attract outstanding professionals, the Group also focuses on talent retention and workforce stability, and continuously monitors employee turnover rate and new hire rate. During the Reporting Period, the Group's employee turnover rate was 20.4% and the new hire rate was 30.2%. The employee turnover rate and new hire rate by gender and region are shown in the figure below.

By Gender



By Geographical Region





- ***Talent Recruitment and Employment***

  The Group complies with the Labor Law of the People's Republic of China, Labor Contract Law of the People's Republic of China, Employment Promotion Law of the People's Republic of China and other relevant laws and regulations. It has formulated internal policies including the Recruitment and Employment Policy, Separation Management Policy, Corporate Travel and Expense Policy and Procedures, and Employee Handbook to standardize the Group's recruitment and employment processes. For overseas subsidiaries, we abide by local labor laws and adopt localized practices, implementing statutory holidays, paid sick leave, marriage leave, bereavement leave and other leave provisions. We have established unified employment systems adapted to local cultures, continuously improving the labor management system.

  During the year, to support business development in express delivery, freight forwarding, supply chain and other sectors across countries and regions worldwide, YTO International Express has aligned with strategic needs by setting up Country Manager positions in 24 countries and regions. Focusing on key position groups as the core objective, this provides stable support for the global diversified talent layout.

  To meet the multilingual communication and cross-cultural collaboration requirements of the Central Asian express delivery market, the Group launched a targeted campus recruitment program in Kazakhstan in 2025, accelerating the construction of a cross-border network and talent echelon for Central Asia. It also established the Xinjiang Talent Development Base to ensure a stable talent supply for the Group's strategic implementation in Central Asia.

III. WORKING TOGETHER FOR HARMONY AND INCLUSION

Launch of the "Central Asia Talent Program" to Build a Cross-Border Talent Echelon

To seize the significant opportunities brought by the Belt and Road Initiative and build an international talent hub for Central Asia, YTO International Express launched the "Central Asia Talent Program" talent development base project in November 2025. In cooperation with universities and colleges, the Group has built a platform connecting internship and employment to cultivate interdisciplinary professionals who understand business, master languages and are proficient in regulations. Centered on the competency model of "From Intern to Core Employee", the program provides job rotation training for key positions, supported by mentoring, group coaching and periodic reviews. These initiatives help participants quickly adapt to business requirements and build a professional, international talent echelon for the Company.





III. WORKING TOGETHER FOR HARMONY AND INCLUSION

- ***Diversity, Equality and Inclusion***

YTO International Express is committed to building a diverse and inclusive workplace. We comply with the Law of the People's Republic of China on the Protection of Women's Rights and Interests, the Law of the People's Republic of China on the Protection of Persons with Disabilities and other relevant laws and regulations, prohibit all forms of discrimination based on nationality, race, gender, age, religious belief or cultural background, and safeguard the equal rights and interests of women, persons with disabilities and other groups in the workplace.

The Group respects and protects the rights and interests of female employees, adheres to the principles of gender equality and equal pay for equal work, and provides fair and equal career development opportunities. During the year, the Shanghai office presented gifts to 87 female employees on International Women's Day to enhance their workplace well-being.

We uphold the concept of equal employment, reduce discrimination against persons with disabilities in employment, actively build employment platforms and provide job opportunities for persons with disabilities and socially vulnerable groups, and effectively protect their equal right to work.

Promoting Employment for Persons with Disabilities Overseas to Enhance People-to-People Bonds Between China and Kazakhstan

In July 2025, the Chairperson of the China Disabled Persons' Federation led a delegation to visit Kazakhstan and inspected YTO's subsidiary in Kazakhstan, jointly advancing Belt and Road cooperation in the field of disability affairs. The Group paid close attention to and fully supported the local employment needs of persons with disabilities, actively exploring a localized model for supporting disabled employment overseas. During the event, the Chairperson of the China Disabled Persons' Federation witnessed the on-site employment signing ceremony of the Group's first disabled employee in Kazakhstan. The employee, who has a physical disability, has been able to work independently after receiving training. This practice promotes international exchanges and cooperation on disability affairs between China and Kazakhstan through a localized overseas support model, contributing to livelihood improvement and people-to-people connectivity under the Belt and Road Initiative.





III. WORKING TOGETHER FOR HARMONY AND INCLUSION

3.1.2Labor Rights and Interests

We comply with the Labor 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 Prohibition of Child Labor and other laws and regulations. We adhere to the principles of legality, fairness and equality, and prohibit improper practices such as child labor and forced labor. We have formulated the Background Investigation Policy to conduct pre-employment background checks on all job applicants, verify their personal information during the recruitment process, and ensure lawful and compliant employment from the source. We explicitly prohibit any form of forced labor and acts that restrict employees' personal freedom. In accordance with the regulatory requirements of the countries and regions where our businesses operate, we formulate appropriate labor management policies to fully protect the legitimate labor rights and interests of employees.

In response to Australian laws prohibiting contact with employees outside working hours, the Group has specially developed a labor management manual for its Australian subsidiary. Based on the legal salary structure of the place of operation, it provides reasonable salary compensation for employees in special positions, fully complying with local laws and regulations and eliminating all forms of compulsory labor.

The Group has always attached importance to the compliant employment management of suppliers, incorporating requirements such as the prohibition of child labor and forced labor into supplier management standards, and continuously strengthening the protection of labor rights in the supply chain. During the Reporting Period, no employment risks such as child labor or forced labor were identified in the Group's supply chain, and no negative employment-related incidents occurred.

3.2 EMPOWERING EMPLOYEE DEVELOPMENT

The Group continuously improves its talent development system and enhances the capabilities of employees at different levels through differentiated development programs. We value employee opinions, listen to their voices, and conduct regular employee satisfaction surveys to ensure smooth communication channels, thereby improving management efficiency and employee cohesion.

3.2.1Talent Development

In line with the Group's global operations and actual business needs, an annual employee training plan is formulated with sound institutional support to promote the coordinated implementation of talent capability improvement and echelon building. For global operating entities, customized development paths and mechanisms are established for both managerial and non-managerial staff, aligning training with job competency and business development requirements.

The Group has formulated and implemented the Measures for the Administration of International Non-Managerial Talents and Measures for the Administration of International Managerial Talents, which clarify competency and development standards and improve fair and transparent promotion and appraisal mechanisms, providing institutional support for employees' career development. On the basis of routine training, the Group focuses on courses such as international express delivery business training, digital capability enhancement and marketing management, continuously improving employees' professional competence and comprehensive quality in core business links including logistics import and export, so as to support the steady operation of international business.

To ensure consistency between development requirements and standards, differentiated training programs are implemented for different positions and talent types, and a talent development system is established for core backbones and key positions. To better support the development and business expansion of overseas subsidiaries, diversified training activities are carried out simultaneously, including compliance training, professional skill upgrading, overseas employee onboarding training and experience sharing, to continuously enhance employees' comprehensive capabilities.



III. WORKING TOGETHER FOR HARMONY AND INCLUSION

"Brilliant Program" Talent Development Initiative to Build a Global Overseas Talent Echelon

In 2025, to support the establishment and rapid business expansion of overseas subsidiaries, the Group formulated and launched the "Brilliant Program" talent development initiative centered on the global "1+7" hub construction, which is implemented in phases according to the talent echelon. With the core objective of establishing overseas subsidiaries and expanding business, outstanding backbones are selected from the mainland, and comprehensive talent assessment and appointment are completed through overseas research, on-site visits, special inspections and reporting evaluations.

- Early and Middle Stage: Focusing on high-quality fresh graduates, a management trainee program is launched with individual development plans introduced. Training objectives and growth paths are formulated based on the business characteristics of each business unit, with coordinated domestic job rotation and overseas practical experience to deliver professional talents to multi-country markets.

- Middle and Late Stage: Targeting experienced professionals with industry background, targeted empowerment training and corporate culture integration are conducted to continuously improve the global talent supply system and refine the overseas talent echelon, providing sustained talent support for the high-quality development of the Group's overseas business.

Deepening International Talent Cooperation to Empower Career Development of Foreign Employees

In 2025, responding to the learning and career development needs of foreign employees working in China, YTO International Express actively engaged in exchanges and negotiations with universities in Pakistan and signed talent cooperation agreements. Through learning practice, on-the-job development and career development support measures, the Group helps foreign employees quickly integrate into business scenarios and improve professional capabilities, laying a talent foundation for the Group's subsequent overseas talent deployment and international layout.

3.2.2Employee Engagement

To better understand employee demands and improve management efficiency, the Group continuously improves its employee communication and feedback mechanism. Employees may timely provide work opinions and improvement suggestions through online channels including office platforms, email, hotlines and instant communication tools. We implement full-process tracking and supervision over employee feedback, urging relevant responsible departments to carry out rectification and closed-loop management, and continuously optimize the internal management system based on feedback trends.

The Group regularly conducts employee satisfaction surveys, collecting views across dimensions such as departmental work content and support, management guidance, usability of business systems and response efficiency. It scientifically evaluates the effectiveness of existing management mechanisms and formulates targeted improvement plans accordingly.

In 2025, the Group conducted 2 employee satisfaction surveys covering 380 employees. During the Reporting Period, the overall employee satisfaction score was 4.2 out of 5.



III. WORKING TOGETHER FOR HARMONY AND INCLUSION

3.3 BUILDING A HAPPY WORKPLACE

YTO International Express attaches great importance to employee well-being and occupational health and safety management. By continuously optimizing the salary and welfare system, carrying out occupational health management and safety training, we steadily improve the level of employee protection and the safety of the working environment.

3.3.1 Remuneration and Benefits

- ***Salary Management***

  The Group continuously optimizes its salary management system to safeguard employees' legitimate rights and interests such as paid leave, and provides competitive remuneration and favorable working conditions. We have formulated the Performance Appraisal Management Measures to clarify performance appraisal standards and incentive mechanisms for all employees, adhering to the fair principle of "same post, same responsibility; same performance, same remuneration", ensuring transparency in the salary distribution process and traceability of results. In line with the Group's strategic objectives and the development characteristics of various business segments, we implement differentiated appraisal and incentive programs for different positions, establishing a diversified performance model including scoring system, grade awards and commission bonuses. Through regular performance communication and professional coaching, we align employees' personal goals with organizational development objectives and support the continuous improvement of employees' professional capabilities.

  To further enhance the scientificity and rationality of the salary system, the Group has engaged third-party professional institutions to optimize its salary policies and established special recognition mechanisms such as the "Outstanding Employee Award" to fully motivate employees' enthusiasm, creativity and contribution, and continuously enhance organizational vitality and talent attractiveness.

- ***Employee Welfare Protection***

  The Group complies with the Social Insurance Law of the People's Republic of China, Regulations on the Administration of Housing Fund and other relevant laws and regulations, and makes full payment of social insurance for all employees in accordance with the law, as well as implementing statutory benefits including housing fund, annual leave and childcare-related leave. On this basis, combined with the employment characteristics and employee needs in multiple regions around the world, we provide differentiated welfare arrangements such as supplementary medical insurance and free physical examinations.

  Basic Social Welfare
  - Statutory holidays, marriage leave, maternity leave, breastfeeding leave, childcare leave, annual leave, sick leave, etc. in various regions
  - Social insurance (medical insurance, endowment insurance, unemployment insurance, work injury insurance, maternity insurance)
  - Housing fund

  Occupational health examination
  - Additional Welfare
  - In cooperation with local trade unions, provide a free health examination once a year
  - Supplementary commercial insurance

Creating a Warm Christmas Atmosphere to Enhance Sense of Belonging Among Overseas Employees

The Group is committed to building a warm corporate culture and striving to create a positive, inclusive, warm and harmonious workplace atmosphere. In 2025, the Company carefully organized Christmas-themed activities to send warm wishes to overseas employees. Through rich and interesting interactive games, customized gifts were presented to employees, narrowing the distance between staff, strengthening team cohesion, and effectively enhancing corporate identity and sense of belonging among overseas employees.



3.3.2Safety Management

YTO International Express always pays close attention to employees' occupational health and safety, and regards talent health protection as the core of the Group's operations. We comply with the-Work Safety Law of the People's Republic of China-,-Fire Protection Law of the People's Republic of China-,-Law of the People's Republic of China on Prevention and Control of Occupational Diseases-and relevant laws and regulations in countries and regions where the business operates. Aligned with the requirements of ISO 45001 Occupational Health and Safety Management System, we have established and improved an occupational health management system to safeguard employees' safety and health at work.

The Group incorporates employee physical examinations, safety training, fire emergency drills and other work into daily management procedures, continuously improves safety protection mechanisms, and is committed to creating a safe, healthy and secure working environment for all employees. To further strengthen health care for employees, we provide health check-ups for key position personnel and long-term expatriate employees, dynamically monitor their physical and mental health, and effectively prevent health risks caused by work pressure.

Adhering to the safety policy of "prevention first, combining prevention with fire fighting", the Group conducts tiered and categorized safety training for new employees, key position staff and management personnel to strengthen overall safety awareness and job accountability capabilities. We have formulated an annual emergency management and drill plan, regularly inspected and maintained fire-fighting facilities, organized emergency evacuation and response drills to verify the scientificity and effectiveness of emergency plans, and promoted closed-loop rectification of potential hazards. During the Reporting Period, the Group conducted a total of 2 emergency evacuation drills.

III. WORKING TOGETHER FOR HARMONY AND INCLUSION

Strengthening Emergency Drill Management to Improve Safety Response Capability

In 2025, YTO International Express actively arranged annual emergency management work and organized fire emergency and evacuation drills. The drills focused on practical training in key procedures including fire detection and reporting, personnel evacuation guidance, initial fire response and coordinated rescue, further clarifying the division of responsibilities in the emergency organization, standardizing emergency response procedures, and strengthening employees' ability to operate fire-fighting equipment, escape and self-rescue skills, as well as emergency communication mechanisms. The Group conducted reviews of all previous emergency drills, integrated practical experience into the daily training system and emergency plan optimization, effectively realizing the capability transformation from "drill practice" to "actual combat response", continuously improving the efficiency of incident response in the park, and fully safeguarding the lives and property of employees.



The Group attaches importance to the safety protection and management needs of expatriate employees, and specially carried out cross-border safety awareness training. In light of the risk characteristics of each overseas region, the training frequency and course content were reasonably set to enhance expatriate employees' awareness of self-protection and emergency response capabilities.



IV. QUALITY SERVICES AND EXCELLENT MANAGEMENT

Material topics covered in this section:

- Product Quality Management
- Customer Service
- Customer Satisfaction
- Responsible Marketing and Promotion
- Data Privacy and Security
- Sustainable Procurement
- Supply Chain Management

YTO International Express stays true to its commitment to quality, adhering to the tenet of "Safety, Speed, Convenience, Reliability and Technology". Focusing on innovation-driven product iteration and upgrading, the Company has established a full-process customer service system, continuously improved service professionalism, and effectively addressed customer demands. The Company has continuously improved its information security management system, strengthened data security and privacy protection, and prevented various information security risks. We have established a sustainable supply chain management system, enhanced supplier selection, review and empowerment, promoted the coordinated practice of ESG principles across upstream and downstream supply chains, and jointly built a responsible industrial ecosystem, fulfilling corporate social responsibility with concrete actions.

4.1 QUALITY PRODUCTS AND SERVICES

The Group adheres to the principles of compliant operation and customer-centricity, integrating the concept of responsibility into the entire process of product and service provision. Centered on three core businesses, it has deployed eight major product and service systems to provide customers with precise, differentiated and customized quality services. We have continuously improved customer service and communication mechanisms, strengthened the customer service team, actively listened to and responded to customer needs, and enhanced service efficiency.

Upholding integrity, we actively practice responsible marketing, promote transparency of product information, and fulfill corporate responsibilities through compliant marketing to achieve win-win coordination among customer rights, brand value and sustainable development. In the cargo receiving process, standardized labels are used for clear marking, fully indicating key product information such as quantity, origin and destination, ensuring clear and legible identification without covering customers' original labels and marks. This achieves full transparency of product information and labeling, providing consumers with true, accurate and complete product and service information, and effectively safeguarding customers' right to information.



IV. QUALITY SERVICES AND EXCELLENT MANAGEMENT

4.1.1 Product Management

- ***Product Matrix***

Eight Major Products and Services	Three Core International Businesses	International Express	Includes international express delivery (Promise Express), international standard express, cross-border e-commerce dedicated delivery, last-mile delivery and overseas local business, value-added services, etc., to meet the personalized needs of different customers
		International Freight	Provides one-stop solutions such as international air freight, international sea freight, international rail freight, and multimodal transport
		International Supply Chain	Provides specialized services for customers in sectors including apparel and FMCG, aerospace materials and consumer electronics, fresh produce and healthcare, high-end equipment, and new energy materials
	Air Freight Products		Tailored air freight solutions such as charter flights and self-operated routes based on customer transportation requirements, supporting diversified services including port-to-port, port-to-warehouse, and door-to-door delivery
	Customs Brokerage Products		Provides value-added consulting services such as import and export customs clearance based on different transportation modes, and offers customized customs brokerage solutions for special products and specific industries.
	Supply Chain Finance		Provides supply chain finance-related services including global procurement supply chain finance, payment and settlement, factoring, and insurance
	Cross-border Warehousing and Distribution		Leveraging global warehousing resources, provides merchants with omni-channel overseas cross-border warehousing and distribution services through supply chain services such as optimized warehousing and intelligent warehouse allocation
	Digital Products		Provides end-to-end digital supply chain solutions in the form of client software and shared products, empowering customers to upgrade their supply chain digitalization

IV. QUALITY SERVICES AND EXCELLENT MANAGEMENT

- ***Annual International Business Highlights***

Deepening Strategic Cooperation to Build a Smart Logistics Benchmark in Central Asia

In April 2025, YTO International Express and China National Petroleum Corporation jointly launched the flagship "Gas Station + Express Station" project in Almaty, deeply integrating energy supply and express logistics scenarios. In the same period, the Group established a full-chain logistics system from major domestic cross-border e-commerce warehousing hubs to Kazakhstan, continuously improving automated and digital operational capabilities and enhancing cross-border customs clearance efficiency, with an on-time delivery rate of over 99%.



IV. QUALITY SERVICES AND EXCELLENT MANAGEMENT

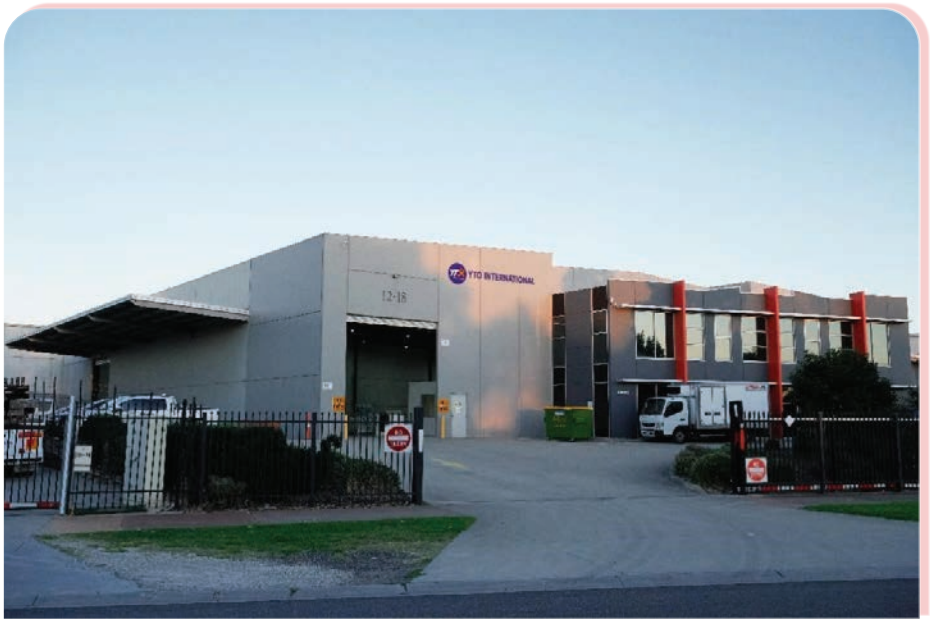
In September 2025, the Group successfully acquired land in Almaty for the construction of the YTO Central Asia Headquarters Hub project and supporting logistics infrastructure, further deepening international cooperation with Kazakhstan. As the Group's first smart logistics hub in Central Asia, the project integrates multiple core service functions. Upon completion, it will serve the five Central Asian countries and support the development of an industrial park integrating logistics, production and processing, manufacturing, commerce and e-commerce. It will provide all-round service support for enterprises along the Belt and Road, promote high-quality connectivity between China and Central Asia, and facilitate the coordinated development of a modern Asia-Europe logistics network.



IV. QUALITY SERVICES AND EXCELLENT MANAGEMENT

Leading Market Layout to Boost Overseas Local Business Efficiency

In 2025, YTO International Express continued to increase local investment in the Australian market and took the lead in launching self-operated local delivery services in Melbourne, achieving a breakthrough in "one-stop" cross-border parcel services. After parcels arrive in Australia by air, the Group undertakes the entire process including sorting, warehousing, transshipment and delivery. Relying on its independently developed intelligent express delivery system, it provides local consumers with convenient, efficient and cost-effective logistics services. At present, the Group has deployed transit and sorting centers covering more than 30,000 square meters in Melbourne, Sydney and Brisbane. Among them, core transit centers such as Melbourne have completed the upgrading of automated sorting systems, raising operational efficiency by more than 40%. Supported by a local delivery team of nearly 1,000 people, the current daily pickup and delivery volume exceeds 50,000 parcels, with an average delivery time of within 2 working days across major Australian regions, achieving breakthroughs in both the speed and scale of localized services.



Innovative Transportation Mode for Dual Optimization of Timeliness and Cost

In 2025, YTO International Express continuously improved its international road-air intermodal service system, combining the cost flexibility of road transport with the intercontinental timeliness of air freight to achieve a significant improvement in service efficiency. Under this model, goods depart from core domestic hub cities, reach key Central Asian nodes directly via border ports, then seamlessly connect to the dense cooperative flight network in Central Asia, and finally arrive at major destinations in Europe and the United States. Through year-round continuous optimization of route planning and expansion of cooperative air routes, the average transit time for this service to the whole of Europe has been shortened to 11–13 days, and the average transportation cost has been reduced by more than 40% compared with direct air freight, providing a more competitive comprehensive solution for the cross-border logistics industry.



IV. QUALITY SERVICES AND EXCELLENT MANAGEMENT

- ***Quality Assurance***

The Group has always attached great importance to service quality and customer performance, formulated and implemented quality management systems such as the Operation Process Manual, and obtained ISO 9001 Quality Management System certification, continuously strengthening quality management and risk control in all business links including origin pickup, transportation, customs clearance and last-mile delivery.

In 2025, in compliance with Platform Service Level Agreements (SLAs) and relevant customer requirements, we systematically optimized and improved the quality management system around the two core dimensions of timeliness control and quality assurance: In terms of timeliness management, the Group formulated differentiated targets based on the characteristics of different platforms, and implemented full-process control over the timeliness achievement of the entire chain and each link. In terms of quality control, we focused on strengthening the tracking and feedback management of logistics node information, and conducted real-time monitoring of information missing, delayed feedback, track interruption, cargo abnormality and other situations.

Operation Optimization and Quality Improvement of Kazakhstan Route

In 2025, the Kazakhstan transportation route was affected by force majeure, resulting in transportation congestion, cargo backlog and other abnormal situations. YTO International Express timely identified and analyzed the anomalies, coordinated responses from multiple dimensions including capacity guarantee, process optimization and quality control, and effectively alleviated transportation pressure through measures such as daily investment of special guarantee funds and additional rental of third-party transport vehicles. The Group also coordinated with operations, customs affairs and subsidiary teams to follow up throughout the process, and achieved rapid response and efficient disposal of abnormal issues in accordance with the first-in, first-out principle for backlogged express items. With the implementation of a series of optimization measures, the timeliness compliance rate of the route rebounded rapidly, and the overall operational efficiency and service quality quickly recovered and stably met the standards.

The Group actively applies digital tools to enhance product service standards and quality management capabilities. It has independently developed the PC-based Guangmu Management System, realizing full-chain closed-loop management for core routes including China-Australia, China-Japan and China-Kazakhstan, effectively supporting real-time tracking updates and service timeliness improvement. Based on the Guangmu Management System, the Group has established a multi-dimensional early warning mechanism, forming a full-process control model featuring pre-event early warning, in-event reminders and post-event follow-up. This enables refined management of parcel timeliness and fulfillment status, and promotes complete closed-loop management of quality issues from detection and handling to improvement.

The Group vigorously promotes the development of a quality culture, fully integrating quality control requirements into daily operations and the talent management system:

- In terms of performance appraisal, in light of business characteristics across different countries and routes, platform timeliness standards and quality requirements are refined, decomposed and incorporated into the core KPI appraisal system of each team, achieving precise, goal-oriented performance management.

- In terms of employee training, in accordance with platform requirements and internal quality standards, a combination of professional guidance from management lines and localized on-the-job training at subsidiaries is adopted to carry out tiered and categorized capability enhancement. This ensures quality training effectively matches differentiated internal and external requirements, and continuously strengthens overall quality awareness and comprehensive service capabilities.

4.1.2Customer Service

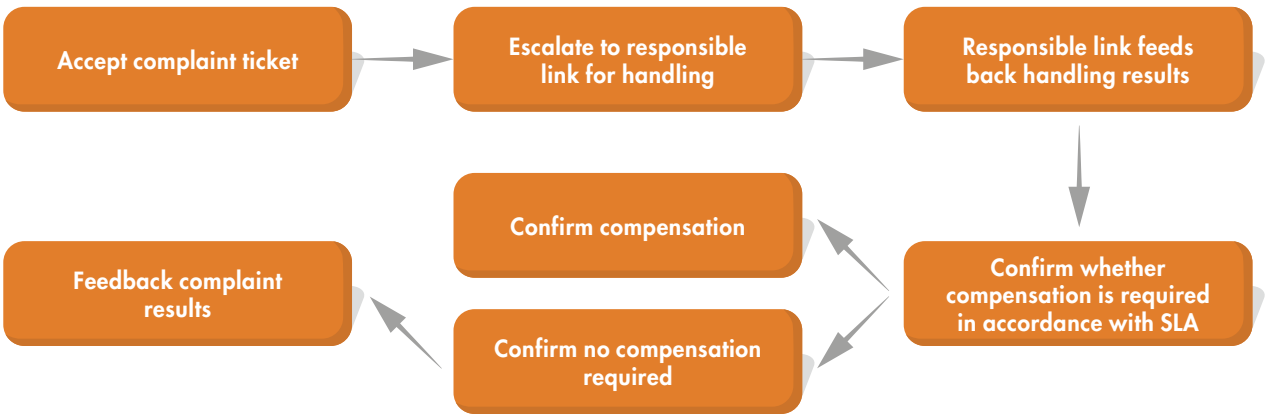
- ***Service System Development***

To address pain points in international business such as large cross-border service disparities and low collaboration efficiency, the Group established and improved a standardized customer service system in 2025. It formulated a number of management systems including the-YTO International Customer Service Management System-,-International Customer Service Quality Inspection and Analysis Standards-, and-International Customer Service Compensation Authority and Control Standards-, unifying and standardizing customer service processes and response standards. This has effectively reduced cross-border communication costs and lowered service error rates. We monitor and continuously improve service quality, unifying operational specifications for key after-sales links including abnormal parcel handling, liability determination and claim settlement, and steadily optimizing service response efficiency and overall service standards.

The Group attaches importance to the development of the customer service team, expanding talent reserves through localized recruitment and cross-cultural selection criteria. It has built a standardized training system covering new employees, senior employees and reserve cadres, and improved performance appraisal and special coaching mechanisms, continuously enhancing team professionalism and service standards to form a multi-level talent echelon. We regularly carry out psychological counseling, stress management training and other activities, continuously collect employee feedback, provide career development paths for customer service staff, and steadily strengthen team cohesion and sense of belonging, building a stable, efficient and customer-oriented professional service team.

- ***Customer Communication***

The Group has formulated and implemented the Measures for the Administration of Customer Complaint Handling, clarifying basic principles of customer service, time requirements for complaint handling, complaint classification standards and processing specifications. Through customer service training, the full process of complaint acceptance, response, handling and closed-loop management has been further standardized, continuously improving customer complaint handling efficiency and service satisfaction.



Customer Complaint Handling Process

The Group has built a diversified and omnichannel communication and feedback system for different types of customers. It covers multiple channels including the 400 International Hotline, DingTalk, Lark (Feishu), email, online customer service windows of platforms, platform enterprise customer ticket systems, official website business consultation portals, and WeChat official accounts. This comprehensively meets the service demands of various customer groups including small & medium-sized customers and enterprise platform customers.

- ***Customer Satisfaction***

  The Group has formulated customer satisfaction management policies such as the Research Standards for Customer Satisfaction in Cross-Border Business. It conducts annual customer satisfaction surveys and quarterly customer follow-ups and data analyses. Collecting feedback across dimensions such as service quality, timeliness, and response speed, the Group formulates targeted improvement measures accordingly to continuously optimize service experience and operational management.

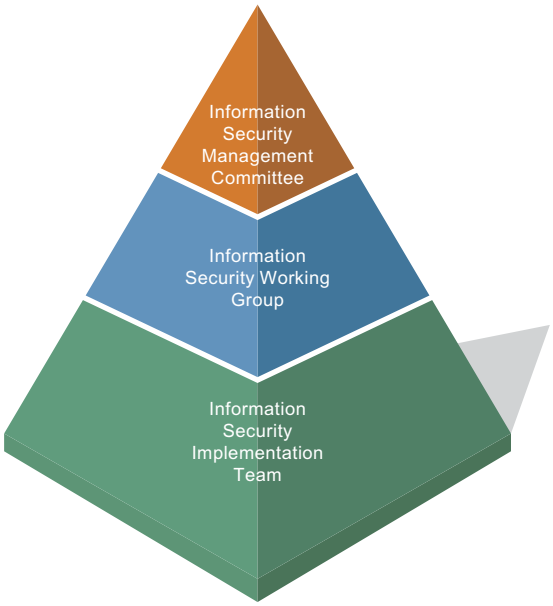
  In 2025, the Group's customer satisfaction score reached 92.1%, an increase of 2.51 percentage points compared with 2024.

4.2 STRENGTHENING INFORMATION SECURITY

Adhering to the information security management policy of "Information Prevention, Prevention First, High Efficiency & Safety, Continuous Improvement", the Group has established and improved a sound information security management framework and supervision and reporting mechanisms. It strengthens the line of defense for information security, preventing data leakage, tampering, and leakage of customer information, and effectively guarantees data security and customer privacy rights.

4.2.1 Information Security

The Group has established an Information Security Management Committee, led by the President, to overall coordinate and guide information security-related matters. It is responsible for making decisions on major issues such as information security, personal information protection, and data security. As the daily management authority of the Committee, the Information Security Working Group undertakes the overall planning and system construction of information security, formulates security policies and systems, conducts security inspections and audits, and coordinates the implementation and supervision of various information security tasks. The Information Security Implementation Team is responsible for the specific landing and execution of the Committee's decisions and work deployment, promoting the implementation of various information security initiatives, and performing corresponding safety management responsibilities.



YTO International Express Information Security Governance Structure



IV. QUALITY SERVICES AND EXCELLENT MANAGEMENT

- ***Information Security Management***

  The Group has formulated and refined institutional documents including the YTO International Information Security Incident Management Measures and the YTO International System and Data Security Management Measures. It continuously optimizes the information security management system and has obtained ISO/IEC27001 certification. We regularly release information security reports and have established strategic cooperation with third-party cybersecurity institutions to collaboratively enhance security protection capabilities and consolidate the Group's information security defense line.

  In 2025, the Group did not experience any major negative information security incidents.



Data Classification and Grading Management

- Establish a comprehensive and standardized data classification, grading and security protection management system. Classify data into two major categories: user data and enterprise operation data, clarify the specific scope and examples of each data category, and conduct graded management of data based on the affected objects and impact levels.
- Implement differentiated security protection measures for data of different levels. Through technical means such as data encryption, desensitization, anonymization and de-identification, strengthen the full-process security control of data storage, transmission, display and export, strictly regulate the use and circulation of personal sensitive data, and establish a sound data connection approval mechanism.

- Establish a full-lifecycle information system construction security and operation management system, and clarify security requirements and control processes in all links of information system project initiation, design, selection, implementation, testing, launch and decommissioning.
- Formulate standardized systems and operating procedures around core dimensions including information asset management, media management, equipment management, monitoring management, network security management, system security management and malicious code prevention management.
- Ensure the stable operation of information systems and data security through multiple measures such as asset grading, access authorization, vulnerability scanning, patch management, log auditing, data backup and emergency recovery.



Information System Construction and Management



Third-Party Information Security Management

- If a third party needs to access sensitive information assets, require it to sign a non-disclosure agreement or formal contract, clarifying the third party's information security responsibilities and mandatory security requirements to be complied with.

- ***Emergency Management***

  The Group has standardized information security incident management and emergency response planning. Adhering to the principle of "proactive prevention, timely detection, rapid response, and guaranteed recovery", it has formulated management documents including the Measures for Information Security Incidents and Emergency Management and Standards for the Investigation and Handling of Information Security Incidents. These documents clarify the types, grading, reporting procedures, handling scope of information security incidents and the responsibilities of relevant parties, and provide reporting channels for employees to report suspected information security incidents. We conduct regular emergency plan training and drills, and review and update emergency plans periodically based on actual conditions to improve the emergency response capacity for information security incidents.

  Emergency Drill for Major Information Security Incidents

  To improve the emergency mechanism for major information security incidents and enhance the emergency response capabilities of relevant organizations and personnel, the Group conducted an emergency drill for major information security incidents in October 2025. The drill simulated a major information security incident involving customer information leakage and related public opinions caused by phishing attacks. The whole process was carried out in three stages: incident reception and confirmation, emergency response, and post-incident disposal and rectification.

  During the drill, the Group's information security management department took the lead in verifying the nature of the incident and reporting it in a timely manner. It cooperated with the security department to conduct joint online and offline investigations to accurately identify the source of the leakage and collect relevant evidence. Meanwhile, emergency control measures were taken, including account suspension, removal of involved groups, and comprehensive self-inspection at network outlets. Incident reports were submitted to regulators, public opinion monitoring and emergency response procedures were initiated, and a unified response approach was formulated. After the drill, all departments completed police reporting, rectification plan formulation and full-network implementation in an orderly manner, realizing closed-loop management of the entire incident process.

- ***Information Security Culture Development***

  The Group has formulated the YTO International Information Security Training Management Measures to continuously strengthen information security culture. It provides specialized information security awareness training for all new employees and regularly carries out targeted information security training and online courses covering key areas such as office security, customer information security, data security, interpretation of laws and regulations, and prevention of phishing and viruses. Corresponding assessments are conducted after training to effectively improve all employees' information security literacy and risk prevention capabilities. In 2025, the Company provided quarterly specialized information security training for frontline couriers, focusing on content such as data leakage prevention.

4.2.2Privacy Protection

The Group has formulated and implemented the YTO International Customer Information Security Management System, requiring all employees to abide by the code of conduct and earnestly fulfill their confidentiality obligations regarding the personal information of customers and third parties. Any employee authorized to process sensitive customer information must implement protective measures to prevent the misuse, abuse or disclosure of customer information.

The Group conducts regular spot checks on customer service staff and monthly drills on privacy information processing to ensure full implementation of customer privacy protection requirements, with a 100% pass rate in relevant spot checks.

In 2025, the Group had no complaints or lawsuits arising from the disclosure of customer privacy.



Rectification of YTO International Mini Program to Improve User Privacy Protection

To further improve the user privacy protection process of the "YTO International" WeChat Mini Program, the Group focused on optimizing the privacy policy reminder mechanism in 2025. The display timing of the privacy policy pop-up was adjusted from the login stage to immediately upon the user's first entry into the mini program. Users are guided to carefully read and confirm their consent before accessing all functions of the mini program, continuously enhancing the standardization and rigor of privacy protection services. Self-inspection verification shows that the optimized privacy policy reminder process complies with relevant regulatory requirements, with remarkable rectification and optimization results.

The Group will continue to cooperate with the supervision and inspection of regulatory authorities, abide by various laws, regulations and regulatory requirements, further strengthen the awareness of network security primary responsibility, continuously improve supporting management systems, conduct regular compliance training, continuously consolidate the achievements of rectification and optimization, and effectively improve the level of information security compliance management and user privacy protection capabilities.

4.2.3 Intellectual Property Protection

The Group values and respects its own and third-party intellectual property rights, abides by the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China and other relevant intellectual property laws and regulations at home and abroad, continuously improves the internal intellectual property management system, and enhances the awareness and management capabilities of all employees in intellectual property protection. The Group has formulated special protection and management norms for intellectual property assets such as domain names, software and hardware copyrights, patents, trademarks and service marks, and regularly updates and improves trademark registration and layout maintenance in countries and regions including China, Hong Kong, the United States and Europe.

During the Reporting Period, the Group had no lawsuits or violations related to intellectual property infringement.

4.3 BUILDING A RESPONSIBLE SUPPLY CHAIN

The Group has always placed the construction of a responsible supply chain in an important strategic position for enterprise development. Relying on a standardized supplier management system, it strengthens the identification and control of suppliers' ESG risks, deeply cooperates with all cooperative suppliers in the field of sustainability to jointly promote improvement, and is committed to building a transparent, efficient and sustainably developing supply chain ecosystem, supporting the high-quality and sustainable development of the Group and the industry.

4.3.1 Supply Chain Management

The Group has formulated internal management systems including environmental and social responsibility policies, supplier management policies and codes of conduct to promote supply chain management in a standardized and efficient manner. We implement full life cycle management for all suppliers, covering five links: supplier onboarding, evaluation, hierarchical management, improvement and elimination. Through a sound institutional system and management mechanism, we effectively reduce ESG-related risks in the supply chain, promote the alignment of the supply chain with the Group's sustainable development goals, and jointly achieve industry sustainable development.



IV. QUALITY SERVICES AND EXCELLENT MANAGEMENT

Supplier Onboarding Management

- On the basis of traditional qualification review, take the supplier's environmental management system construction and social responsibility performance as core assessment factors; prioritize suppliers that have obtained relevant certifications such as ISO 14001, ISO 45001, ISO 27001, and SA8000, to control supply chain ESG risks at the source.

Supplier Performance Evaluation

- Add ESG performance weight on the basis of the three traditional core indicators of cost, quality, and delivery; conduct regular comprehensive evaluations of suppliers in ESG-related dimensions such as carbon emission control, labor practice standards, and business ethics compliance, to ensure that suppliers continuously meet the Group's sustainable development requirements.

Supplier Grading Management

- Classify suppliers into three levels: strategic, regular, and observation based on their comprehensive evaluation results (including traditional and ESG indicators); implement differentiated cooperation strategies and audit frequencies for suppliers of different levels, optimize resource allocation, and strengthen collaboration with key suppliers.

Supplier Collaborative Improvement

- For deficiencies identified in performance evaluations, adhere to the win-win cooperation concept, do not directly eliminate suppliers, work with suppliers to formulate targeted improvement plans, and provide necessary support and guidance to help suppliers gradually improve their ESG management capabilities and performance.

Supplier Elimination Management

- For suppliers with major violations or serious non-compliance with the Group's internal policies and code of conduct, implement a "one-vote veto" system for violations, immediately terminate the cooperative relationship, and resolutely prevent the spread of violation risks.



IV. QUALITY SERVICES AND EXCELLENT MANAGEMENT

Suppliers by Geographical Distribution (Units)	
Asia-Pacific	4,534
Americas	175
Middle East and Africa	61
Europe	328

The Group has signed confidentiality and integrity agreements with all suppliers and procurement staff, and incorporated supplier management KPIs into the performance system of procurement personnel to strengthen the sense of responsibility among suppliers and procurement staff. To ensure that suppliers continuously meet the Group's standards and expectations for product and service quality, we conduct regular annual evaluations and reviews of all cooperating suppliers and contractors, implement regular dedicated monitoring of supplier performance, accurately grasp supplier performance, continuously deepen cooperation with high-quality suppliers, focus on cultivating long-term, stable, mutually beneficial and win-win cooperative relationships, and consolidate the supply chain compliance and quality control defense line.

4.3.2 Sustainable Procurement

The Group actively implements sustainable procurement, builds a green and standardized full procurement process, establishes differentiated sustainable procurement specifications for different types of suppliers, and promotes the improvement of the sustainable development level of the supply chain.

- **Sustainable Procurement Specifications for Capacity Category Suppliers:** Prioritize service providers that reduce carbon emissions by using new energy vehicles and optimizing transportation routes; in the tender scoring process, increase the weight of environmental protection plans to positively guide service providers to accelerate the pace of green transformation and fulfill the responsibility of low-carbon transportation.

- **Sustainable Procurement Specifications for Equipment/Material Category Suppliers:** Formulate and continuously update the Group's green procurement list, and prioritize the procurement of products with environmental labels that meet green standards such as energy conservation and water conservation; in the procurement evaluation process, break the single price consideration model, calculate the full life cycle cost of products such as energy consumption, maintenance and waste disposal during the use cycle, and achieve the coordinated development of economic and environmental benefits.

To effectively reduce ESG-related risks in the supply chain, the Group implements a supplier screening process, comprehensively evaluates suppliers' performance in core dimensions such as environmental protection, occupational health and safety, and quality assurance by inviting multiple suppliers to participate in quotation competition and conducting background investigations, ensuring that supplier access is compliant and controllable. We actively guide suppliers and contractors to integrate ESG-related factors into risk management practices, promote suppliers to proactively assume environmental and social responsibilities through regular effective communication with suppliers, ensure that their operational behaviors are consistent with the Group's relevant policies and the Code of Conduct, and conduct business operations in a responsible manner. We actively encourage and support suppliers to adopt innovative technologies with long-term environmental benefits, provide long-term assistance for the green transformation of the supply chain, and promote the continuous improvement of the sustainable development level of the supply chain.

V. EMPOWERING MULTIPLE STAKEHOLDERS FOR WIN-WIN COMMUNITY DEVELOPMENT

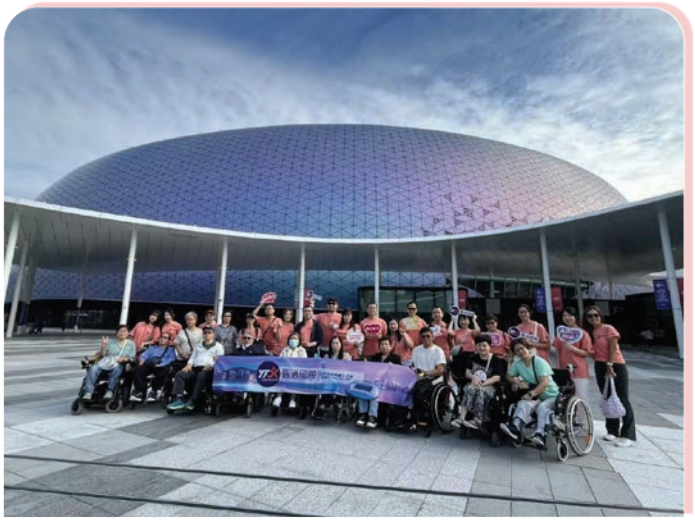
Material topics covered in this section:

- Community engagement and investment

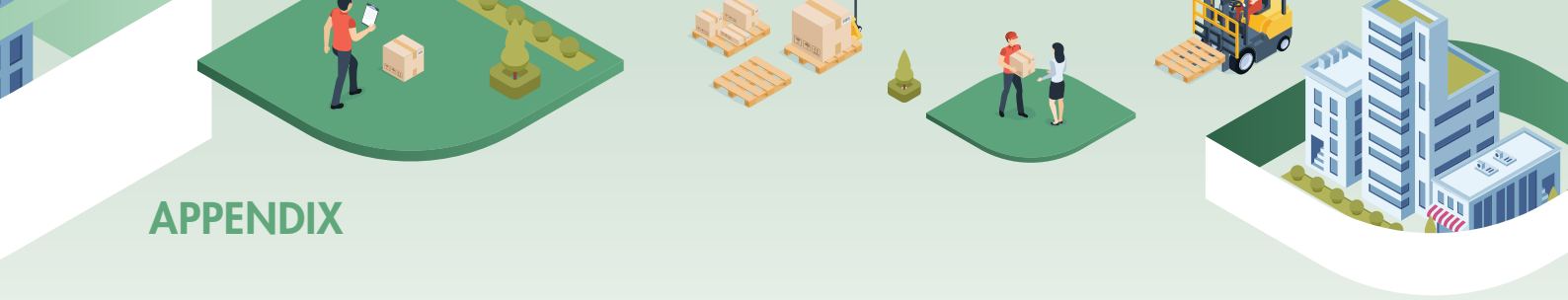
YTO International Express always bears social responsibilities in mind and actively fulfills its corporate role, while closely responding to social development needs. The Company coordinates and integrates internal and external resources to regularly carry out volunteer services focusing on community support and care for vulnerable groups. Through long-term, inclusive and sustainable public welfare initiatives, it joins hands with all sectors of society to build a harmonious and better society.

Volunteer Program in Collaboration with the YWCA of Hong Kong

YTO International Express cares about the mobility and social participation needs of vulnerable community groups, and has long-term cooperation with the YWCA of Hong Kong to launch the "Wheelchair Angel" volunteer program. In October 2025, the Company organized 25 employee volunteers to accompany 20 wheelchair users to visit Kai Tak Sports Park, where they experienced the barrier-free circulation design and venue public services in person. Through in-person companionship and interactive communication, the Company conveyed corporate warmth, further enhancing its social image and brand reputation.







APPENDIX

APPENDIX 1: APPLICABLE LAWS AND REGULATIONS

Aspect	Laws and Regulations	Compliance Status
Environment	• Law of the People's Republic of China on Conserving Energy • Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution • Waste Disposal Ordinance • Air Pollution Control Ordinance	During the Reporting Period, the Group was not aware of any non-compliance with laws and regulations that have a significant impact on the Group relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.
Employment and labour standards	• Employment Ordinance in Hong Kong • Labour Law of the People's Republic of China • Labour Contract Law of the People's Republic of China • Law of People's Republic of China on Protection of Disabled Persons • Provisions on the Prohibition of Using Child Labour in China	During the Reporting Period, the Group is not aware of any instances of non-compliance with laws and regulations that have a significant impact on the Group relating to preventing child labour or forced labour. Furthermore, we have not received any reports concerning child labour or forced labour.
Occupational health and safety	• Production Safety Law of the People's Republic of China • Law on Prevention of Occupational Disease of the People's Republic of China • Occupational Safety and Health Ordinance	During the Reporting Period, we were not aware of any non-compliance with laws and regulations having a significant impact on the Group relating to occupational health and safety.
Product Responsibility	• Personal Data (Privacy) Ordinance • Regulations on Customs Protection of Intellectual Property Rights in the People's Republic of China • Postal Law of the People's Republic of China • Customs Law of the People's Republic of China	Regarding health and safety, advertising, labelling, privacy, and matters pertaining to goods and services rendered as well as avenues for recourse, the Group was not aware of any violations of applicable laws and regulations during the Reporting Period that could have materially affected the Group.
Anti-corruption	• Prevention of Bribery Ordinance • Anti-Money Laundering Law of the People's Republic of China	During the Reporting Period, the Group was not involved in any corruption cases, nor was it aware of any violations of applicable laws and regulations pertaining to bribery, fraud, or money laundering that would have a substantial effect on the Group.

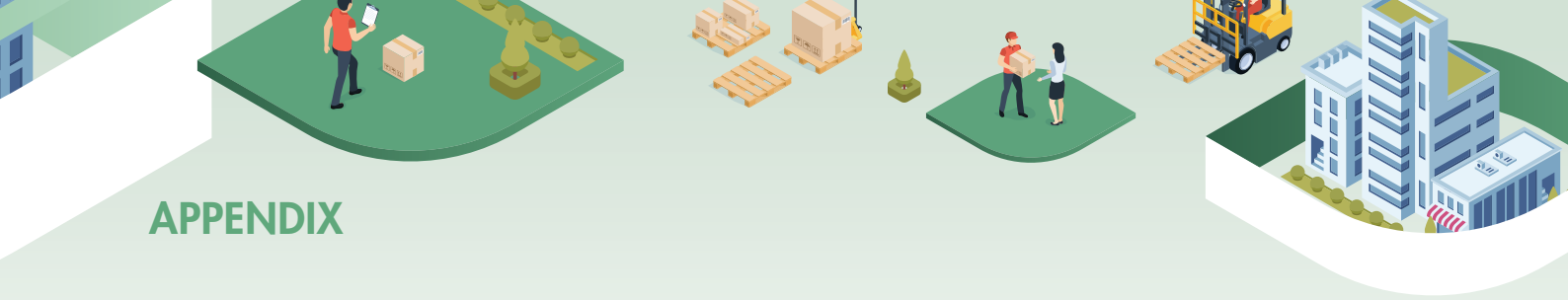


APPENDIX

APPENDIX 2: KEY PERFORMANCE INDICATORS

ENVIRONMENTAL KPIs

Indicators	Unit	2025
A1 Emissions		
Greenhouse Gas (GHG)		
Scope 1 Direct emissions	tCO_2e	127.91
Scope 2 Energy indirect emissions	tCO_2e	52.04
Scope 3 Other indirect emissions	tCO_2e	10,116.41
Total greenhouse gas emissions	tCO_2e	10,296.36
GHG emissions intensity by revenue	tCO_2e per HK$10,000 of revenue	0.032
Air emissions		
Sulphur oxides	kg	1.18
Nitrogen oxides	kg	1,135.62
Respiratory suspended particles	kg	105.73
Waste		
Hazardous waste	tonnes	0.006
Hazardous waste intensity by revenue	gram per HK$10,000 of revenue	0.019
Non-hazardous waste	tonnes	160.0
Non-hazardous waste intensity by revenue	gram per HK$10,000 of revenue	501.430
A2 Use of Resources		
Petrol	MWh	509.0
Diesel	MWh	190.6
Electricity	MWh	19,066.0
Total energy consumption	MWh	19,765.5
Energy intensity by revenue	MWh per HK$10,000 of revenue	0.062
Water	m^3	6,227.0
Water intensity	m^3 per HK$10,000 of revenue	0.020



APPENDIX

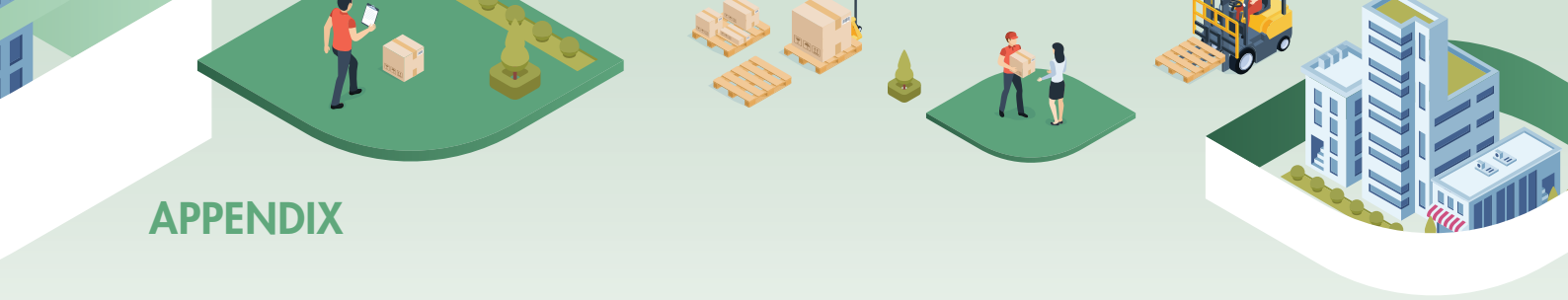
Social KPIs

Indicators	Unit	2025
B1 Employment		
B1.1 Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.		
Total number of employees	person	1,140
Geographical distribution		
Shanghai, China	person	385
Hong Kong, China	person	90
Other regions	person	665
Age Distribution		
< 30	person	251
30–40	person	508
41–50	person	282
> 50	person	99
Gender Distribution		
Male	person	634
Female	person	506
Employment Type Distribution		
Full-time	person	1,140
Part-time	person	0
Position Level Distribution		
Top executive management	person	40
Senior management	person	160
Middle management	person	86
General employees	person	854



APPENDIX

Indicators	Unit	2025
B1.2 Employee turnover rate by gender, age group and geographical region		
Geographical Distribution		
Shanghai, China	%	25.7
Hong Kong, China	%	3.3
Other regions	%	19.5
Age Distribution		
< 30	%	30.7
30–40	%	17.9
41–50	%	16.0
> 50	%	19.2
Gender Distribution		
Male	%	22.9
Female	%	17.2
B1.2 New employee hire rate by gender, age group and geographical region		
Geographical Distribution		
Shanghai, China	%	37.4
Hong Kong, China	%	4.4
Other regions	%	29.5
Age Distribution		
< 30	%	52.2
30–40	%	28.5
41–50	%	17.0
> 50	%	20.2
Gender Distribution		
Male	%	36.8
Female	%	21.9



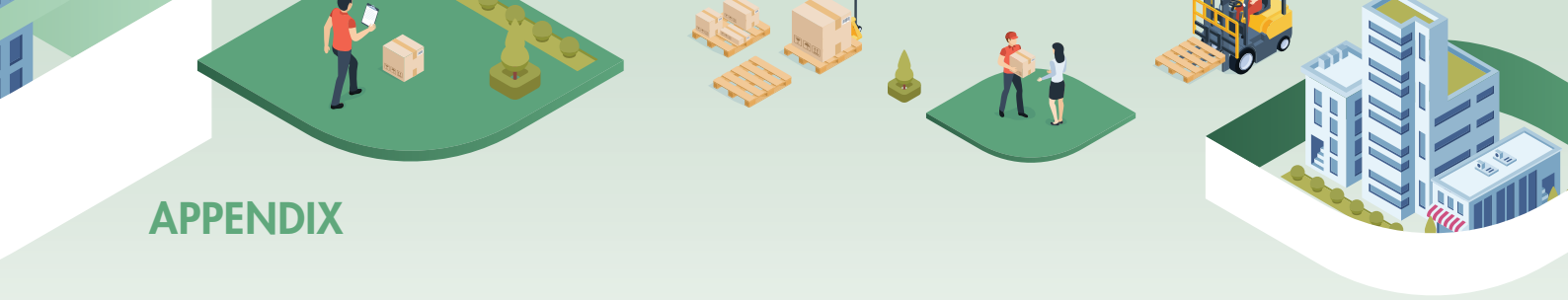
APPENDIX

Indicators	Unit	2025
B2 Health and Safety		
Occupational Safety and Health Performance		
Number of work-related injuries	person	1
Lost days due to work injury	days	29
Number of work-related fatalities	person	0
B3 Development and Training		
Total training hours of employees	hours	44,922
Average training hours of employees	hour/person	39.4
By Gender		
Male	hour/person	51.0
Female	hour/person	24.9
By Position Level		
Top executive management	hour/person	52.4
Senior management	hour/person	50.1
Middle management	hour/person	12.1
General employees	hour/person	39.6
Percentage of employees trained		
By Gender		
Male	%	62.3
Female	%	37.7
By Position Level		
Top executive management	%	4.9
Senior management	%	19.3
Middle management	%	6.3
General employees	%	69.5



APPENDIX

Indicators	Unit	2025
B5 Supply Chain Management		
Total number of suppliers		5,098
By Region		
Asia-Pacific		4,534
Americas		175
Middle East and Africa		61
Europe		328
B6 Product Responsibility		
Total number of products and/or service-related complaints received	Case	0
Annual customer satisfactory	%	92.1
B8 Community Investment		
Resources committed to key regions		
Volunteering work	hours	108



APPENDIX

APPENDIX 3: HKEX ESG CONTENT INDEX

GOVERNANCE

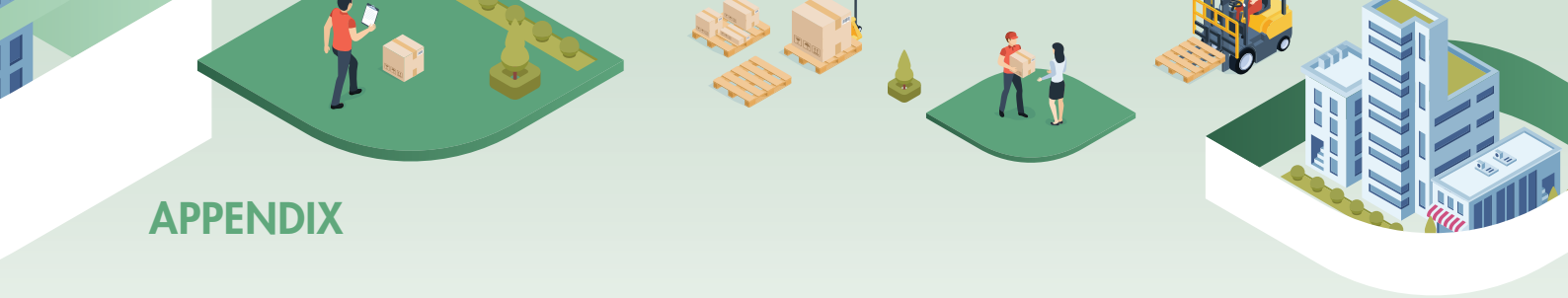
HKEX ESG Reporting Code Requirements		Section/Remarks	Page
Governance			
Mandatory Disclosure	A statement from the Board containing: (i) Disclose the Board's oversight of ESG issues; (ii) the Board's ESG management approach and strategy, including the process of evaluating, prioritising and managing material ESG-related issues (including risks to the issuer's business); and (iii) how the Board reviews progress against ESG-related objectives and explains how they relate to the issuer's business.	Steady Governance, Upholding Integrity and Steadfast Progress – Deepening Corporate Governance	6
Reporting Principles			
Mandatory Disclosure	Description or explanation of how the following reporting principles have been applied in the preparation of the ESG Report: Materiality: The ESG Report should disclose: (i) the process for identifying and selecting material ESG factors; and (ii) if the issuer has engaged stakeholders, a description of the identified material stakeholders, and the process and results of the issuer's stakeholder engagement. Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, if any, or any other relevant factors affecting a meaningful comparison.	In the preparation of this report, the Group has adhered to the reporting principles of materiality, quantitativeness, and consistency.	
Reporting Scope			
Mandatory Disclosure	An explanation of the reporting scope of the ESG Report and a description of how the entities or businesses are selected for inclusion in the ESG Report. If the scope of the report changes, the issuer should explain the differences and the reasons for the changes.	About the Report – Reporting Boundary	2



APPENDIX

ENVIRONMENTAL

HKEX ESG Reporting Code Requirements		Section/Remarks	Page
A. ENVIRONMENTAL			
Aspect A1: Emissions			
General Disclosure	Relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste: (a) the Policy; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer information.	Being Environmentally Friendly and Embracing Green Development – Responding to Climate Change	16
KPI A1.1	The types of emissions and respective emissions data.	Being Environmentally Friendly and Embracing Green Development – Control of Pollutant Emissions	22
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Being Environmentally Friendly and Embracing Green Development – Responding to Climate Change	16
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Being Environmentally Friendly and Embracing Green Development – Control of Pollutant Emissions	22
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Being Environmentally Friendly and Embracing Green Development – Control of Pollutant Emissions	22
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Being Environmentally Friendly and Embracing Green Development – Responding to Climate Change	16
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Being Environmentally Friendly and Embracing Green Development – Control of Pollutant Emissions	22
Aspect A2: Use of Resource			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Being Environmentally Friendly and Embracing Green Development – Resource Use Efficiency	20
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).	Being Environmentally Friendly and Embracing Green Development – Resource Use Efficiency	20
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Being Environmentally Friendly and Embracing Green Development – Resource Use Efficiency	20
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Being Environmentally Friendly and Embracing Green Development – Resource Use Efficiency	20



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HKEX ESG Reporting Code Requirements		Section/Remarks	Page
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.	Being Environmentally Friendly and Embracing Green Development – Resource Use Efficiency	20
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable to the Company's business	
Aspect A3: The Environment and Natural Resources			
General Disclosure	Policies on minimising the issuers' significant impact on the environment and natural resources.	Being Environmentally Friendly and Embracing Green Development	15
KPI A3.1	Description of significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Being Environmentally Friendly and Embracing Green Development	15
D. Climate Change			

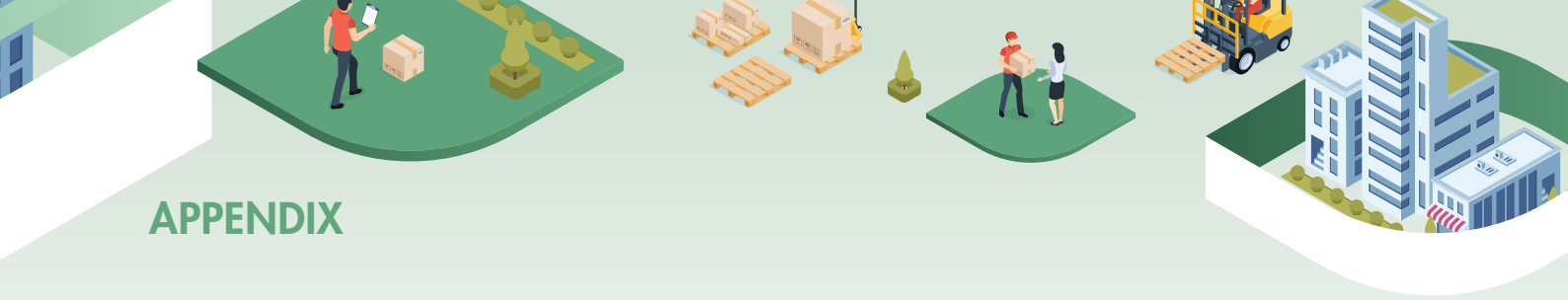
SOCIETY

HKEX ESG Reporting Code Requirements		Section/Remarks	Page
B. SOCIAL			
Employment and Labour Practices			
Aspect B1: Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Working Together for Harmony and Inclusion – Scientific Talent Management	25
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Working Together for Harmony and Inclusion – Scientific Talent Management Appendix 2: Key Performance Indicators	25 50
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Working Together for Harmony and Inclusion – Scientific Talent Management Appendix 2: Key Performance Indicators	25 50



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HKEX ESG Reporting Code Requirements		Section/Remarks	Page
Aspect B2: Health and Safety			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Working Together for Harmony and Inclusion – Building a Happy Workplace	32
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix 2: Key Performance Indicators	50
KPI B2.2	Lost days due to work injury.	Appendix 2: Key Performance Indicators	50
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Working Together for Harmony and Inclusion – Building a Happy Workplace	32
Aspect B3: Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Working Together for Harmony and Inclusion – Empowering Employee Development	30
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix 2: Key Performance Indicators	50
KPI B3.2	The average training hours completed per employee by gender and employee category.	Appendix 2: Key Performance Indicators	50
Aspect B4: Labour Standards			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Working Together for Harmony and Inclusion – Scientific Talent Management	25
KPI B4.1	Description of measures to review employment practises to avoid child and forced labour.	Working Together for Harmony and Inclusion – Scientific Talent Management	25
KPI B4.2	Description of steps taken to eliminate such practises when discovered.	Working Together for Harmony and Inclusion – Scientific Talent Management	25



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HKEX ESG Reporting Code Requirements		Section/Remarks	Page
Operating Practices			
Aspect B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Quality Services and Excellent Management – Building a Responsible Supply Chain	45
KPI B5.1	Number of suppliers by geographical region.	Quality Services and Excellent Management – Building a Responsible Supply Chain	45
KPI B5.2	Description of practises relating to engaging suppliers, number of suppliers where the practises are being implemented, how they are implemented and monitored.	Quality Services and Excellent Management – Building a Responsible Supply Chain	45
KPI B5.3	Description of practises used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Quality Services and Excellent Management – Building a Responsible Supply Chain	45
KPI B5.4	Description of practises used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Quality Services and Excellent Management – Building a Responsible Supply Chain	45
Aspect B6: Product Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Quality Services and Excellent Management – Quality Products and Services	35
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to the Company's business	
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Quality Services and Excellent Management – Quality Products and Services	35
KPI B6.3	Description of practises relating to observing and protecting intellectual property rights.	Quality Services and Excellent Management – Strengthening Information Security	42
KPI B6.4	Description of quality assurance process and recall procedures.	Quality Services and Excellent Management – Quality Products and Services	35
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Quality Services and Excellent Management – Strengthening Information Security	42



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HKEX ESG Reporting Code Requirements		Section/Remarks	Page
Aspect B7: Anti-corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Steady Governance, Upholding Integrity and Steadfast Progress – Compliance with Business Ethics	14
KPI B7.1	Number of concluded legal cases regarding corrupt practises brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Steady Governance, Upholding Integrity and Steadfast Progress – Compliance with Business Ethics	14
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Steady Governance, Upholding Integrity and Steadfast Progress – Compliance with Business Ethics	14
KPI B7.3	Description of anti-corruption training provided to directors and employees.	Steady Governance, Upholding Integrity and Steadfast Progress – Compliance with Business Ethics	14
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.	Empowering Multiple Stakeholders for Win-Win Community Development	48
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Empowering Multiple Stakeholders for Win-Win Community Development	48
KPI B8.2	Resources contributed to the focus area (e.g. money or time).	Appendix 2: Key Performance Indicators	50