

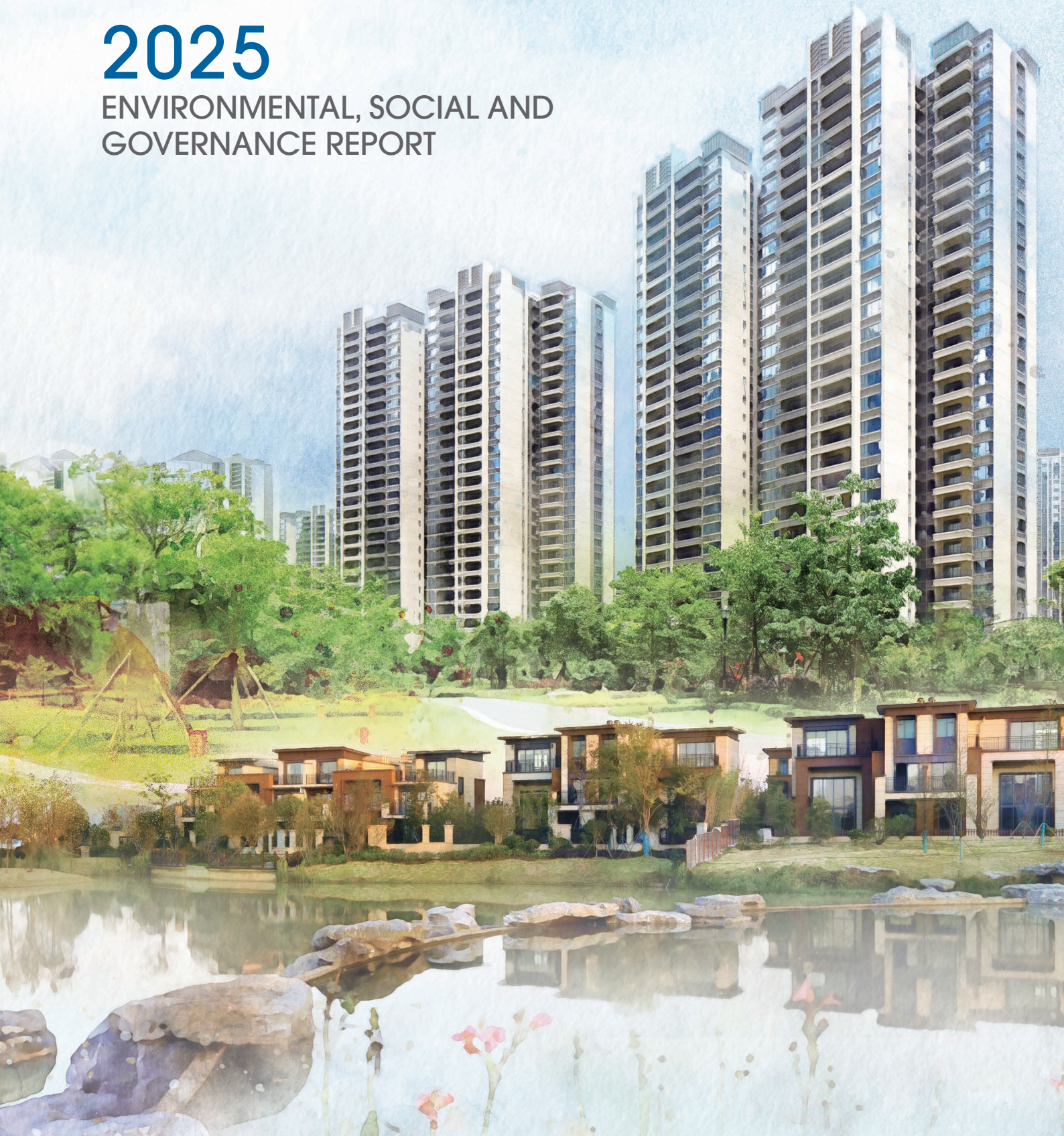


GUANGZHOU R&F PROPERTIES CO., LTD.

Stock code: 2777

2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



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ABOUT THIS REPORT

REPORT OVERVIEW

This is the 10th consecutive Environmental, Social and Governance Report (the “ESG Report”) that Guangzhou R&F Properties Co., Ltd. (“R&F Properties”, “R&F” or the “Company”) has published. It aims to enhance stakeholders’ understanding of the Group’s sustainability efforts by disclosing the environmental, social and governance performance of R&F Properties and its subsidiaries (collectively referred to as “Group”, “the Group” or “we”).

SCOPE OF THE REPORT

This report focuses on the Group’s environmental, social and governance performance from 1 January 2025 to 31 December 2025 (“the reporting period”, “during the year” or “the year”). Unless otherwise stated, social performance data in the report encompass the entire Group, while the environmental performance data cover all projects managed by commercial management companies and hotels in operation, the Group’s office operations and projects under construction by subsidiary construction companies. The environmental performance data for 2025 cover 16 commercial projects, 15 hotel projects, all projects under construction and all office locations.

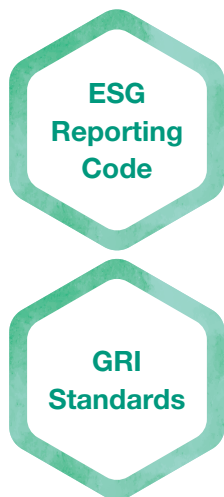
REPORTING GUIDELINES

This report is prepared in compliance with the “Global Reporting Initiative Sustainability Reporting Standards” (“GRI Standards”) and Appendix C2 “Environmental, Social and Governance Reporting Code” (the “ESG Reporting Code”) of the “Main Board Listing Rules of The Stock Exchange of Hong Kong Limited” (“Hong Kong Stock Exchange”). It is compiled based on the Group’s actual circumstances. In addition, this report also refers to the “International Financial Reporting Standard S2 – Climate-related Disclosures” (“IFRS S2”) issued by the International Sustainability Standards Board (ISSB) and, where applicable and practicable, discloses the arrangements and progress of the Group in relation to climate-related governance, strategy, risk management, as well as metrics and targets.

The appendix to this report sets out a detailed content index of the “ESG Reporting Code”, IFRS S2 and the “GRI Standards” to facilitate quick reference by readers.

REPORTING PRINCIPLES

This report adheres to the reporting principles outlined in the “GRI Standards” and the “ESG Reporting Code” and ensures a comprehensive and accurate representation of the Group’s ESG management and performance. The specific principles are as follows:



MATERIALITY, QUANTITATIVE, CONSISTENCY AND BALANCE

Focus on key issues, data-driven analysis, consistent disclosure, and present performance comprehensively.

FEEDBACK

All stakeholders are invited to provide comments and suggestions on the Group's ESG report and performance. Please contact the Group by email or telephone using the details below:

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CHAIRMAN'S MESSAGE

To our Stakeholders,

Over the past three decades, R&F has remained steadfast in its commitment to sustainable development, working together with all stakeholders to create a better future. In 2025, amid changes in the macro environment and new challenges arising from long-term issues such as climate risks, R&F Properties continued to adhere to the principle of seeking progress while maintaining stability. We further embedded the concept of sustainable development into our business operations and management practices, continuously improved our environmental, social and governance management system, and reinforced the foundation for the Group's long-term and steady development.

Sound corporate governance is the cornerstone of sustainable development. As the highest decision-making body for the Group's sustainability work, the Board continued to focus on ESG governance, risk management and compliance in operations, while overseeing the management and various functional departments in the orderly advancement of relevant initiatives in line with the Group's strategy. R&F has always adhered to the principles of integrity, honest operations and self-discipline, and has continuously enhanced its ESG governance structure, strengthened risk control and compliance management, and promoted a transparent and efficient governance and decision-making mechanism.

On the environmental front, we actively responded to the national goals and green development requirements by continuing to promote green building development, energy conservation and emission reduction, as well as efficient resource utilisation. During the year, the Group added five new green building certified projects and, in accordance with international frameworks, conducted climate risk and opportunity scenario analysis. Focusing on governance, strategy, risk management, as well as metrics and targets, we further strengthened our ability to identify, assess and respond to climate-related issues. We believe that green and low-carbon transformation is not only an essential part of fulfilling our environmental responsibilities, but also a key driver for enhancing operational resilience, strengthening asset value and fostering long-term competitiveness.

On the social front, we remained people-oriented and attached great importance to employee development and well-being. We continued to advance diversity and inclusion, training and development, as well as occupational health and safety management, striving to foster a safe, inclusive and collaborative working environment. Meanwhile, we continuously enhanced the quality of our products and services, strengthened customer experience, information security and responsible marketing management, and actively fulfilled our corporate citizenship responsibilities through public welfare services, urban development and community engagement, thereby creating shared value for society.

Looking ahead, R&F will continue to pursue its mission of "Creating a quality living with the heartbeat of the city", and its core value of "Positive Symbiosis". We will continue to deepen ESG management, further integrate sustainability into our business development, steadily improve environmental and social performance to continuously enhance corporate sustainable development capabilities and work hand in hand with all stakeholders to contribute our strength to a greener, more inclusive and more resilient future.

Li Sze Lim
Chairman
Guangzhou R&F Properties Co., Ltd.

31 March 2026

ABOUT R&F PROPERTIES

R&F Properties was established in 1994 and is headquartered in Guangzhou. With 30 years of development, it has become an integrated group with property development as its core business, while also diversifying into hotel development, commercial operations, culture, sports and tourism, internet commerce and trade, healthcare and medical services, and design and construction. In 2005, the Company listed on the Main Board of the Hong Kong Stock Exchange (stock code: 2777).

Corporate Mission:
To create value for customers, build benchmarks for cities, and enrich society

Development Strategy:
Creating a quality living with the heartbeat of the city



Values:
Integrity, Responsibility, Pragmatism, and Inclusivity

Brand Philosophy:
Fully Care, Fully Live, R&F's Commitment to Comprehensive Care

Committed to becoming a world-leading operator of quality living

- 30+** years **450+** benchmark premium projects
- 2+** million property owners' trust
- across more than **145** cities
- land bank comprises a saleable area of approximately **35** million square metres

We aim to offer a diverse range of architectural products spanning residential, vacation, medical, wellness, cultural tourism, sports, and commercial trade, empowering everyone to experience an extraordinary life.

We are committed to delivering high-quality integrated commercial and living experiences through our global portfolio of premium projects, ensuring that every building serves as a pivotal landmark driving local economic growth.

We strive to integrate talent, products, and technology to build a quality living ecosystem centred on our customers, thereby contributing to society through health, happiness, and prosperity.

DEVELOPMENT HISTORY

Pioneering Urban Renewal

By the end of 2001, the Group had completed 10 urban renewal projects in Guangzhou, with a total developed gross floor area exceeding 2.5 million square metres

Strategic Expansion into Northern China

In 2002, the Group acquired the Beijing R&F City site for RMB3.2 billion, which was the largest land parcel offered through public tender in China at that time

Listing in Hong Kong for Extraordinary Growth

In 2005, the Group was listed on the Main Board of the Hong Kong Stock Exchange, pioneering a new model for real estate enterprise development

Visionary Leadership in Commercial Real Estate

Seizing the opportunity presented by new municipal CBDs, the Group ventured into commercial real estate, establishing a distinctive presence across diverse commercial sectors

Deep Roots in China with a Global Outlook

In response to the "Going Global" strategy, the Group expanded into overseas markets, evolving into a multinational real estate developer

Diversified Deployment in a New Era

Driving innovation across Internet+ industry and trade, healthcare, sci-tech, and cultural tourism, we forge ahead in our mission to improve living environments and quality of life

OUR VALUE PROPOSITION

R&F Properties has always followed the development strategy of “Creating a quality living with the heartbeat of the city” since its establishment. Over the past thirty years, the Group has deepened its presence in the domestic market with professional capability and an innovative spirit, driving the transformation from property development to diversified operations, and continuously injecting vitality into cities and communities. We have also established a global presence to provide customers with higher quality products and services.

Centred on better living, we uphold the brand philosophy of “Fully Care, Fully Live, R&F’s Commitment to Comprehensive Care”, creating intelligent, amenity-rich and sustainable premium products that meet the needs of future living, and honouring market trust with craftsmanship and high-quality innovation.

Meanwhile, R&F has always been guided by the core value of “Positive Symbiosis” and has actively fulfilled its corporate social responsibility and continues to extend this philosophy into its business, ecosystem and charitable activities. We believe that value creation is driven not only by outstanding business results but also by long-term commitment to investors, employees, partners, communities, and the environment. We firmly believe that only through win-win cooperation can we achieve a sustainable future.

HONOURS AND AWARDS IN 2025

Comprehensive Strength



Hotel of the year for an Exceptional Stay Experience



2025 Outstanding Hotel of the year



Sichuan Cuisine Cultural Landmark Restaurant

Environmental Responsibility



“Five-Leaf” China Green Hotel



“Five-Leaf” China Green Hotel

Architectural Design



2025 City Signature Design Hotel

Social Responsibility



Partner Unit for Friendly Co-building



Civilised Demonstration Unit in Chengdu's Building Economy Industry



Marriott International Annual Best Caring General Manager

ESG HIGHLIGHT PERFORMANCE

Highlight Performance in 2025

Environment



Five additional green building certification projects were added



Scenario analysis was conducted to qualitatively assess climate risks and opportunities



Several of the Group's hotels have set **water conservation targets**

Social



Employee **training coverage** reached 100%



Through systematic inspections, the Group **avoided potential economic losses of approximately RMB40.18 million**



Garnered **multiple awards and recognitions**
Several of the Group's hotels were respectively awarded star ratings by the "Forbes Travel Guide" and selected for the "2025 Guangzhou Michelin Guide"

SUSTAINABILITY-RELATED MEMBERSHIP AND CHARTER





The Group is actively engaged in various social organisations to promote sustainable development. The Group also supports several international initiatives, including the “International Labour Organization Conventions” and the United Nations Sustainable Development Goals, committing to continuously creating long-term value at the economic, social and environmental levels.

Environmental	Economic	Community	Industry
<ul style="list-style-type: none"> • European Endangered Species Programme • Chengmai Wetland Protection Association • Alxa SEE Ecological Association • National Green Hotel Working Committee, China Hospitality Association 	<ul style="list-style-type: none"> • Guangzhou Chamber of Commerce of Private Enterprises • China Private Chamber of Commerce • American Chamber of Commerce in South China 	<ul style="list-style-type: none"> • Guangzhou Charity Association • Guangdong Charity Federation • Guangdong Anti-Drug Foundation • The Fourth Council of Guangzhou Righteousness and Courage Foundation • Guangdong Youth Development Foundation 	<ul style="list-style-type: none"> • Guangzhou Real Estate Industry Association • Guangdong Real Estate Association • Guangdong Real Estate Chamber of Commerce • All-China Real Estate Chamber of Commerce • Guangzhou Urban Renewal Association • Association for the Renovation of Old Villages and Old Factories in Guangdong Province • Sanya Tourism and Hotel Industry Association • Beijing Culture and Tourism Association

SUSTAINABILITY GOVERNANCE

GOVERNANCE STRUCTURE

The Group consistently upholds its mission of sustainable development. By continuously refining its ESG governance principles and strategies, the Group advances sustainability across its business.

<p>Board of Directors</p> 	<p>As the highest decision-making body for ESG matters, the Board of Directors is responsible for guiding and overseeing the overall direction of the Group’s sustainable development. The Board also reviews the effectiveness of the Group’s risk management and internal control systems based on the risk assessment results reported by the Audit Committee. Relevant details are set out in the “Corporate Governance Report” of the Annual Report.</p>
<p>Audit Committee</p> 	<p>The Audit Committee focuses on the Group’s risk management and internal control systems, including conducting ESG risk identification and assessment on a semi-annual basis, and reporting the results to the Board.</p>
<p>Management</p> 	<p>The Group’s management is responsible for coordinating various functional departments and operational entities, assisting the Board in driving ESG initiatives, and fully supporting the implementation of sustainable development management, including the materiality assessment and monitoring progress towards ESG targets.</p>
<p>Functional Departments and Operating Entities</p> 	<p>In accordance with the Group’s unified guidelines, each department and subsidiary is responsible for the annual collection of ESG data and information, and for submitting them to the Group’s management in a timely manner for regular review and internal progress tracking, ensuring the efficient and orderly implementation of ESG management. Relevant functional departments include the Corporate Management Centre, Legal and Compliance Monitoring Centre, Engineering Supervision Management Centre, Cost Management Centre, Human Resources and Administration Centre, Investment Management Centre and Asset Management Centre, as well as operational entities such as commercial operations companies, hotels and construction companies.</p>







During the reporting period, the Group’s risk assessment results indicated that ESG-related risks did not pose a significant threat to the Group. Moving forward, the Group will continue to strengthen its monitoring of ESG risks and enhance sustainability-related management practices.

The Board acknowledges its responsibility to ensure the authenticity of this report. Following its review, it has confirmed that there is no false information, misleading statements, or material omissions in the report. It objectively discloses the Group’s actions and performance on material topics.

MATERIALITY ASSESSMENT








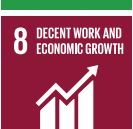


Stakeholders' feedback is critical to achieving our sustainability vision. We place great emphasis on effective communication with stakeholders and regularly conduct a range of diverse engagement activities to understand their key concerns, expectations, and feedback on sustainability matters. The stakeholders of R&F Properties include both internal and external groups, such as employees, shareholders, investors, clients, suppliers, contractors, government, regulatory authorities, community representatives, and environmental organisations.

The Group continuously refines its materiality assessment process and enhances its sustainability issues repository by referring to the "ESG Reporting Code" of the Hong Kong Stock Exchange, the "GRI Standards", and industry best practices. We identify, prioritise, verify and review material topics that have a significant impact on stakeholders and are aligned with the Group's long-term sustainability objectives and business operations. Following management review, the Group has identified the following material topics (**highlighted in bold**) that may have a significant impact on our operations.

Stakeholders		Key Topics in Focus	Communication Channels
Environmental Organisations/ Communities		<ul style="list-style-type: none"> • Water management • Energy efficiency • Greenhouse gas emissions • Emissions management • Tackling climate change 	<ul style="list-style-type: none"> • Regular meetings • Collaborative projects
Clients		<ul style="list-style-type: none"> • Product and service quality • Customer privacy management • Customer satisfaction 	<ul style="list-style-type: none"> • Complaint handling mechanism • Customer satisfaction surveys
Employees		<ul style="list-style-type: none"> • Employee safety and health • Training and development • Compensation and benefits • Anti-discrimination 	<ul style="list-style-type: none"> • Feedback channels • Employee activities • Training programmes
Community		<ul style="list-style-type: none"> • Community engagement • Contribution to urban construction and renewal 	<ul style="list-style-type: none"> • Community activities • In-kind donations
Contractors/Suppliers		<ul style="list-style-type: none"> • Supplier evaluation • Green supply chain 	<ul style="list-style-type: none"> • Supplier evaluation • Regular communication meetings
Government/Regulatory Authorities		<ul style="list-style-type: none"> • Socio-economic compliance • Environmental compliance 	<ul style="list-style-type: none"> • Policy advocacy • Regulatory inspections • Collaborative projects
Shareholders/Investors		<ul style="list-style-type: none"> • Business ethics • Anti-corruption 	<ul style="list-style-type: none"> • Annual/Interim reports • Investor conferences • General meeting of shareholders

CONTRIBUTING TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The Group is committed to progressively aligning its business operations with the Sustainable Development Goals by establishing four key focus areas for sustainable development. We strive to contribute to the United Nations Sustainable Development Goals through our daily operations.

Core Areas	Sustainable Development Goals	Relevant Topics
Collaborating for a Low-Carbon Future	 <p>9.1 – Develop quality, reliable, sustainable and resilient infrastructure</p>	<ul style="list-style-type: none"> Greenhouse gas emissions Tackling climate change Water management Environmental compliance Emissions management Energy efficiency Green building
	 <p>12.2 – Sustainable management and efficient use of natural resources 12.5 – Reduce waste generation</p>	
	 <p>13.1 – Strengthen resilience and adaptive capacity to climate related disasters 13.3 – Raise awareness of impacts on mitigation and adaptation of climate change</p>	
Responsible Enterprise	 <p>11.1 – Ensure access to adequate, safe and affordable housing and basic services for all</p>	<ul style="list-style-type: none"> Product and service quality Product sales and advertising Socio-economic compliance Customer privacy management Customer satisfaction Supplier evaluation Green supply chain Business ethics Anti-corruption
	 <p>12.a – Adopt sustainable production and consumption patterns</p>	
	 <p>16.5 – Reduce all forms of corruption and bribery</p>	
Our People	 <p>3.d – Strengthen capacity for early warning, risk reduction and management of health risks</p>	<ul style="list-style-type: none"> Prevention of child and forced labour Employee health and safety Socio-economic compliance Training and development Compensation and benefits Anti-discrimination
	 <p>8.5 – Full and productive employment and decent work with equal pay 8.7 – Prohibition of child labour 8.8 – Promote safe and secure working environments for all employees</p>	
Community Care	 <p>1.A – Poverty eradication</p>	<ul style="list-style-type: none"> Contribution to urban construction and renewal Community engagement
	 <p>11.3 – Strengthen capacities for participatory, integrated and sustainable human settlements planning and management</p>	

COLLABORATING FOR A LOW-CARBON FUTURE



9.1 – Develop quality, reliable, sustainable and resilient infrastructure



12.2 – Sustainable management and efficient use of natural resources
12.5 – Reduce waste generation



13.1 – Strengthen resilience and adaptive capacity to climate related disasters
13.3 – Raise awareness of impacts on mitigation and adaptation of climate change

ENVIRONMENTAL MANAGEMENT

The Group strictly complies with the “Environmental Protection Law of the People’s Republic of China”, the “Law of the People’s Republic of China on Environmental Impact Assessment”, the “Regulations on the Administration of Environmental Protection of Construction Projects”, and other applicable laws and regulations. In accordance with the ISO 14001 standard, we have established a comprehensive environmental management system. By formulating the “Quality and Environmental Management Manual” and a series of environmental management systems and measures, the Group regulates environmental aspects across its business and operations, builds a systematic eco-environmental protection mechanism, and ensures the capability to respond to various environmental emergencies. The Group closely integrates pollution prevention and control into its daily operations, whilst minimising the potential environmental impact to continuously enhance its environmental performance.

100% compliance with environmental protection-related laws

Zero material environmental incidents

During the reporting period, the Group did not encounter any major incidents concerning greenhouse gas emissions, water usage, land pollution, waste management, or the ecological environmental issues.

Environmental Management of Construction Operations

As part of the Group’s environmental management system, our Guangzhou Tianli Construction Co., Ltd. (“Tianli Construction”) actively implements environmental management requirements and practices.

Formulate pollution prevention and energy-saving measures in accordance with the ISO 14001 environmental management standard

Refine the environmental risk emergency management system periodically, to ensure effective prevention and response to environmental emergencies

Establish a safe and civilised construction management system, with the general manager coordinating environmental management and the production team responsible for on-site execution

Set pollutant emissions targets, and implement them through an environmental responsibility system for each unit and individual

Incorporate environmental protection requirements into contracting agreements and job responsibility system, to ensure comprehensive implementation of environmental measures during the construction process

DEVELOP GREEN BUILDINGS

The Group actively responds to national policies promoting the development of green buildings. We incorporate energy conservation and environmental protection principles into architectural design, construction and operations, adhering to internationally recognised green building standards. By applying Building Information Modelling (“BIM”) technology, we achieve comprehensive planning and management throughout the entire lifecycle of our buildings. Meanwhile, we remain firmly committed to green building principles, driving technological innovation, promoting the use of clean energy, and enhancing material efficiency. These efforts contribute to advancement of green construction and support sustainable urban development.

During the year, the Group received green building certification for 5 new projects, resulting in an increase of 130.3 thousand square metres in green building area. Currently, R&F Properties has a total of 185 projects that have been awarded green building certification, with a total green floor area of 25.78 million square metres.

2025 Green Building Achievements



5 new green building certification projects



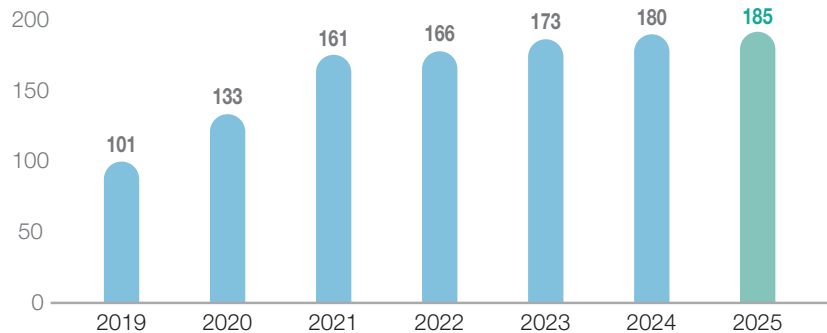
130.3 thousand square metres of newly certified green building floor area

Green building achievements as of 2025

185 Certified green building projects

25.78 million square metres total certified green building area

Number of Green Buildings Projects in R&F Properties







TACKLING CLIMATE CHANGE

Global climate change is presenting unprecedented challenges to various industries. As a company actively responding to the national “carbon peak and carbon neutrality” (referred to as ‘dual carbon’) goals, R&F Properties places great emphasis on the potential impacts of climate change and has integrated decarbonisation as a key component of its long-term strategy.

This section is prepared with reference to IFRS S2 and in accordance with the latest requirements of Part D “Climate-related Disclosures” of the “ESG Reporting Code” of the Hong Kong Stock Exchange. Centred on the four core pillars of “Governance, Strategy, Risk Management, and Metrics and Targets”, we systematically advance our climate change response to ensure the effective implementation of relevant management measures and actions.

GOVERNANCE

The Group has established a clear climate governance structure and has incorporated climate change risks into its corporate risk register as emerging risks for ongoing monitoring since 2019. For details of the governance structure, please refer to the section “SUSTAINABILITY GOVERNANCE — Governance Structure”. The Group also recognises that the Board and relevant management should possess appropriate skills and competencies. In addition, the Group will continue to monitor climate-related management and disclosure requirements and will, in due course, explore the feasibility of incorporating quantifiable climate-related performance indicators into remuneration and incentive arrangements.

Organisational Structure	Responsibilities	Reporting Frequency
Board of Directors 	<ul style="list-style-type: none"> Responsible for overseeing the Group’s climate risk management process, including the identification of and response to climate-related risks. 	<ul style="list-style-type: none"> Receives updates on the latest status from the relevant committee every six months.
▼		
Audit Committee 	<ul style="list-style-type: none"> Conducts comprehensive risk identification, analysis and review of management processes, and reports the assessment results to the Board of Directors. 	<ul style="list-style-type: none"> Reports to the Board of Directors every six months.
▼		
Management 	<ul style="list-style-type: none"> Guides various functional departments and operating entities. 	<ul style="list-style-type: none"> Regularly reports implementation progress to the Audit Committee.
▼		
Functional Departments and Operating Entities 	<ul style="list-style-type: none"> Under the guidance of management, responsible for implementing climate-related measures and strategies, promoting the achievement of targets, and responding to climate risks. 	<ul style="list-style-type: none"> Regularly reports implementation progress to management.

STRATEGY

Climate change poses physical and transition risks to the Group. Physical risks include the increasing frequency of extreme weather events and chronic impacts such as sea level rise, which may result in asset damage, construction delays, increased health risks for employees and rising operating costs. Meanwhile, transition risks are escalating due to tightening climate-related policies and disclosure requirements, a gradual market shift towards low-carbon products, and rising stakeholder expectations for sustainability. These pose challenges to compliance management, operational adjustments and corporate reputation.

In response to the above challenges, the Group also proactively seizes the opportunities arising from climate change, continues to enhance business resilience, and advances its green transformation to support long-term sustainable development. Accordingly, the Group applies climate scenario analysis to identify and assess climate-related risks and opportunities across the short, medium and long term, and to assess the potential impacts on the Group's business, value chain and financial position.

Inputs and Methodology of Scenario Analysis

Scope of Analysis

Consistent with the scope of ESG Report for this reporting period.

Scenarios Selected

Physical Risks	With reference to the Shared Socioeconomic Pathways (SSPs) in the Intergovernmental Panel on Climate Change (IPCC) "Sixth Assessment Report" (AR6), the SSP1-2.6 and SSP5-8.5 scenarios were selected.
Transition Risks	With reference to the scenario framework published by the Network for Greening the Financial System (NGFS), the Net Zero 2050 scenario and the Current Policies scenario were selected.
Rationale	<ul style="list-style-type: none"> The scenario settings cover both lower temperature rise and higher temperature rise scenarios to compare the differences in the principal impacts on the Group's financial performance and operating activities under different climate development pathways, and to assist in identifying the risks and opportunities arising from climate change to the business. The selected Net Zero 2050 scenario is aligned with the direction of the global temperature control target under the Paris Agreement.

Time Horizons

Short-term	2025-2030
Medium-term	2030-2050
Long-term	2050-2060
Rationale	When setting the time horizons for climate scenario analysis, the Group primarily referred to the national "dual carbon" goals, the global temperature control direction advocated by the Paris Agreement, and the relevant roadmap and milestone of Hong Kong's Climate Action Plan 2050.

Assessment Methodology

During the year, the Group conducted a climate qualitative assessment, primarily using “expected timing of occurrence” and “potential impact level” as the two key dimensions to assess climate-related risks and opportunities.

○	Low Risk	The risk is unlikely to materialise within the “expected timing of occurrence” and is expected to have a limited “potential impact” on the Group within that timeframe.
○	Medium Risk	The risk is equally likely to materialise within the “expected timing of occurrence” and is expected to have a moderate “potential impact” on the Group within that timeframe.
○	High Risk	The risk is more likely to materialise within the “expected timing of occurrence” and is expected to have a significant “potential impact” on the Group within that timeframe.

POTENTIAL IMPACT

Climate-related Risks and Opportunities		Impact on Business Model	Impact on Value Chain	Potential Financial Impact
Physical Risks				
Acute Risk	Extreme Weather Events	<ul style="list-style-type: none"> • Damage to projects under construction or completed projects • Affect the normal operations of the hotel business 	<ul style="list-style-type: none"> • Disruption in building material supply and transportation, affecting project progress 	<ul style="list-style-type: none"> • Decrease in fixed assets and increase in expenditure: Some projects are damaged, leading to higher repair costs • Decrease in hotel operating revenue • Increase in costs: Delays in project completion time lead to increased construction and housing development costs
Chronic Risk	Rising Sea Levels	<ul style="list-style-type: none"> • Increased cooling demand for hotels and properties • Increased risk of heatstroke or disease transmission, affecting employee health • Coastal housing damaged by flooding • Land reserves facing erosion risks 	<ul style="list-style-type: none"> • Project asset condition and availability are affected • Requirement for enhanced cooling and health protection arrangements to support daily operations 	<ul style="list-style-type: none"> • Decrease in revenue: High temperatures affect employee work efficiency • Increase in operating costs: Increased expenditure on cooling systems and health protection measures • Decrease in fixed assets: Damage to housing and land • Increase in expenditure: Repair costs for damaged housing and land
	Rising Mean Temperatures			

Climate-related Risks and Opportunities		Impact on Business Model	Impact on Value Chain	Potential Financial Impact
Transition Risks				
Policy and Legal Risk	Tightening of Carbon Regulations	<ul style="list-style-type: none"> • Stricter information disclosure requirements lead to higher compliance pressure on the Group • Increased risk of claims or legal litigation due to non-compliance 	<ul style="list-style-type: none"> • Increased workload in carbon emission data management and related compliance, posing higher requirement on internal management • Some existing projects may require progressive energy efficiency upgrades or technological adjustments • If the Group's carbon emission compliance level is low, it may be excluded from the supply chains by certain clients 	<ul style="list-style-type: none"> • Need to invest more in building energy-saving retrofits and other expenses • Increase in operating costs: Increased expenditure on compliance reviews, external consultants, and legal fees • Failure to meet disclosure requirements may affect future financing arrangements • Decline in asset valuation: high-carbon emission properties face market devaluation risks
	Mandatory Climate Disclosure Requirements	<ul style="list-style-type: none"> • Stricter building energy efficiency and carbon emission control standards require the enterprise to invest more resources to comply with regulations 		
Technical Risk	Low-carbon and Energy-efficient Technology Transition	<ul style="list-style-type: none"> • Failure to introduce new technologies or upgrade existing projects in a timely manner may result in higher energy consumption and reduced operating efficiency • Increased investment by peers in green building technologies creating a risk of substitution for existing projects 	<ul style="list-style-type: none"> • Greater reliance on low-carbon equipment manufacturers, energy suppliers and other providers of new equipment and services in construction and operation stages 	<ul style="list-style-type: none"> • High retrofit costs: substantial investment required to upgrade older projects to green building standards • Delayed transition progress may adversely affect sales revenue
Market Risk	Changes in Customer Preferences	<ul style="list-style-type: none"> • Customer preference shifting towards environmentally friendly products and services (such as green buildings), placing pressure on existing product positioning and sales/leasing strategies • Climate change potentially leading to environmental deterioration of tourist attractions, affecting hotel occupancy rates 	<ul style="list-style-type: none"> • Greater need for products to comply with green building requirements, driving corresponding design and configuration adjustments 	<ul style="list-style-type: none"> • Decrease in operating revenue if projects fail to respond to changes in market preferences
Reputational Risk	Rising Environmental Expectations of Stakeholders	<ul style="list-style-type: none"> • Possible loss of competitive advantage compared with competitors better responding to climate action • Disruption to existing cooperation arrangements or weakening of the ability to attract new partners 	<ul style="list-style-type: none"> • Impact on talent supply, increasing pressure on recruitment and retention • Possible impact on the confidence of partners/investors 	<ul style="list-style-type: none"> • Increase in financing costs due to failure to meet environmental standards, affecting investor confidence • Decrease in operating revenue due to loss of market competitiveness and customer attrition • Increase in labour costs: higher costs for recruiting and retaining outstanding employees

Climate-related Risks and Opportunities		Impact on Business Model	Impact on Value Chain	Potential Financial Impact
Opportunities				
Products and Services	Low-carbon and Green Building Highlights	<ul style="list-style-type: none"> Expansion of green building and low-carbon community development and operational arrangements in commercial property, residential and hotel projects Introduction of green building certification to enhance long-term asset attractiveness 	<ul style="list-style-type: none"> Coordination with suppliers and service providers to meet technical and management requirements for certification 	<ul style="list-style-type: none"> Increase in operating revenue: as green consumption awareness grows, green buildings and certification enhance project sales attractiveness and brand value
Resource Efficiency	Renewable Energy and Energy Management	<ul style="list-style-type: none"> Introduction of solar power generation, air-source heat pumps and intelligent energy management systems to reduce carbon emissions and improve energy efficiency 	<ul style="list-style-type: none"> Increased demand for operation, maintenance and management of energy management systems and related equipment 	<ul style="list-style-type: none"> Reduction in operating costs: lower energy expenditure Risk mitigation: reduced reliance on fossil fuel price volatility
Market	Green Bonds and Green Finance	<ul style="list-style-type: none"> Obtaining funding support for low-carbon and energy-saving projects through the issuance of green bonds or participation in green credit programmes 	<ul style="list-style-type: none"> Supporting supply chain partners in joint transition through green finance funding 	<ul style="list-style-type: none"> Expansion of financing channels: reduction in financing costs Broadened investor base: attracting ESG and long-term institutional investors and enhancing capital stability

ASSESSMENT RESULTS

Physical Risks	Relevance Assumptions	SSP1-2.6 Scenario			SSP5-8.5 Scenario		
		2030	2050	2060	2030	2050	2060
Extreme Weather Events	With reference to the IPCC SSPs scenarios, the Group has formulated assumptions regarding physical risks, including temperature rise, sea level rise and extreme weather. By integrating R&F Properties' regional asset distribution and operational characteristics, we have assessed the geographical impact of climate change on our asset locations and the potential financial implications for assets at risk.	○	○	○	○	○	○
Sea Level Rise		○	○	○	○	○	○
Increase in Average Temperature		○	○	○	○	○	○

Transition Risks	Relevance Assumptions	Net Zero 2050 Scenario			Current Policies Scenario		
		2030	2050	2060	2030	2050	2060
Tightening of Carbon Emission Regulations	The Group assumes that regulations in the Mainland will progressively tighten climate-related policies and legal requirements, while the transition to a low-carbon economy will necessitate significant capital expenditure. Any failure to meet the environmental performance expectations of stakeholders, such as investors and customers, may result in reputational damage and adversely affect sales, leasing performance/operating revenue.	○	○	○	○	○	○
Increase in Mandatory Climate Disclosure Requirements		○	○	○	○	○	○
Low-carbon and Energy-efficient Technology Transition		○	○	○	○	○	○
Changes in Customer Preferences		○	○	○	○	○	○
Rising Environmental Expectations of Stakeholders		○	○	○	○	○	○

Opportunities	Relevance Assumptions	Expected Timing of Occurrence
Low-carbon and Green Building Highlights	We have assessed the expected timing of the climate-related opportunities emerging during the Group's transition to a low-carbon economy.	Medium-term (2030-2050)
Renewable Energy and Energy Management		Short-term (2025-2030)
Green Bonds and Green Finance		Medium-term (2030-2050)

MITIGATION MEASURES

To mitigate the potential impact of extreme weather on the Company's operations, ensure business continuity and stability, and safeguard the safety of employees and assets, the Group has issued directives to its subsidiaries and departments, requiring them to develop emergency management systems. Additionally, regular emergency drills and specialised training sessions are conducted. The Group's emergency management focuses on three core areas: prevention, response, and recovery.

Pullman Taiyuan

In response to extreme cold weather, the hotel has developed the "Emergency Plan for Extreme Cold Weather Disasters". An emergency leadership team has been established, and regular training is conducted to ensure staff are proficient in operating specialised and responding to emergencies. Drills are held regularly to test the feasibility of the plan.

Hyatt Regency Chongqing

The "Typhoon Warning Procedures" have been issued, requiring departments to take specific emergency actions based on different typhoon warning signals to ensure the safety of both hotel staff and guests during a typhoon, while maintaining safe operations.

Grand Hyatt Guangzhou

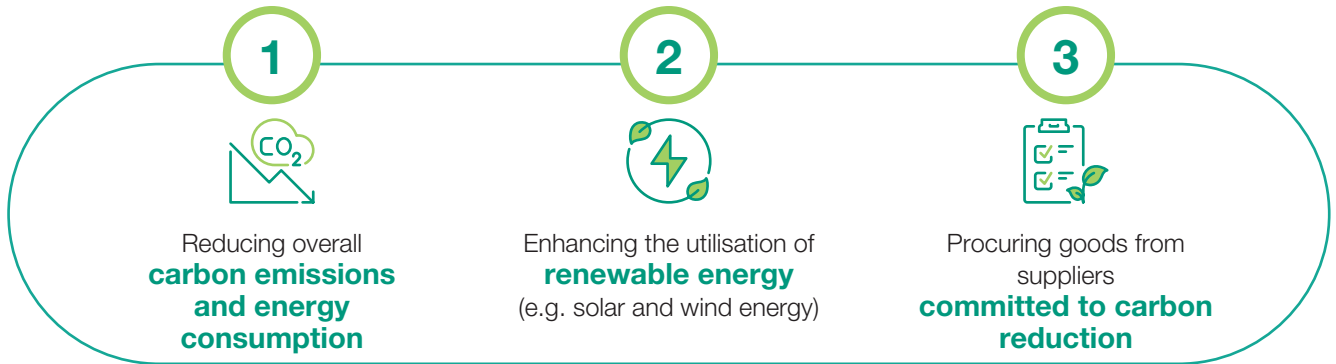
The hotel has established a "Typhoon Emergency Response Plan". Upon receipt of a typhoon warning, an emergency response leading group headed by the general manager is convened to coordinate departmental response teams and implement the typhoon response arrangements. Where necessary, a typhoon/storm command centre is set up in the fire control centre, with the aim of reducing casualties and minimising property losses.

Holiday Inn Chongqing University Town

The hotel has established an "Emergency Response Plan for Heavy Rain and other Severe Weather" and set up an emergency leading group headed by the general manager. During heavy-rain warnings, the hotel closely monitors weather updates and provides timely alerts to guests and employees, while implementing measures such as drainage inspections and flood-barrier protection.

Measures taken by hotels to respond to extreme weather

Meanwhile, some of the Group's hotels have been actively advancing the low-carbon transition. For example, Hyatt Regency Hainan Ocean Paradise Resort installed 860 square metres of solar thermal hot-water panels on the roof of the building. Renaissance Beijing Capital Hotel has set a target on emission reduction and has launched a climate action plan focusing on three key priorities:

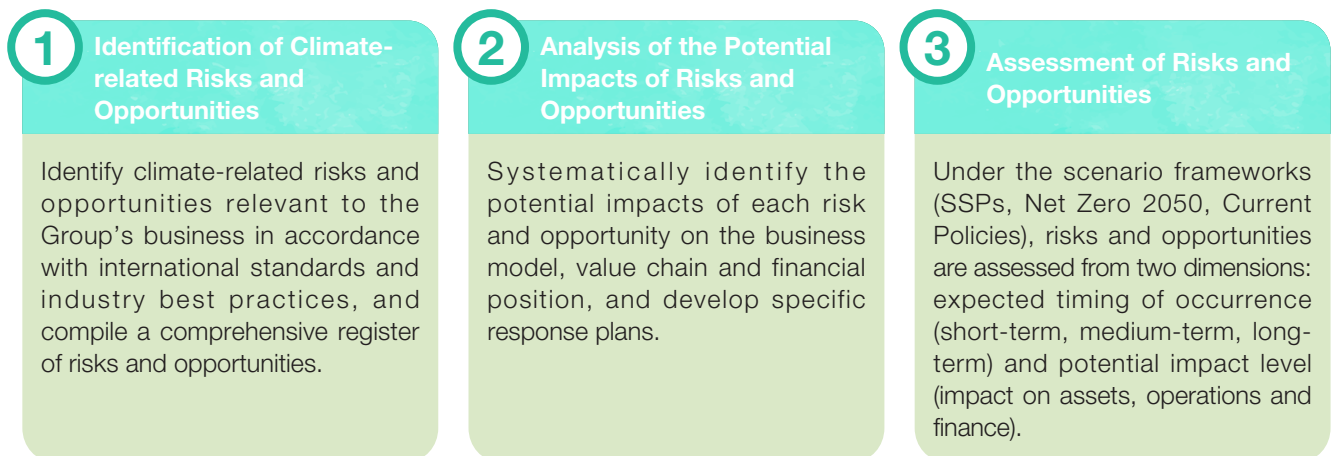


In addition, we proactively organise a range of environmentally-themed events (e.g., China Tree Planting Day, World Environment Day, etc.) to enhance employees' awareness and consciousness of climate change.

Risk Management

The Group regularly conducts assessments of climate-related risks and opportunities impacting financial performance, and integrates the climate change risk management process into the Group's overall risk management framework.

Climate-related Risk Management Process *(with scenario analysis newly added compared with the previous reporting period)*

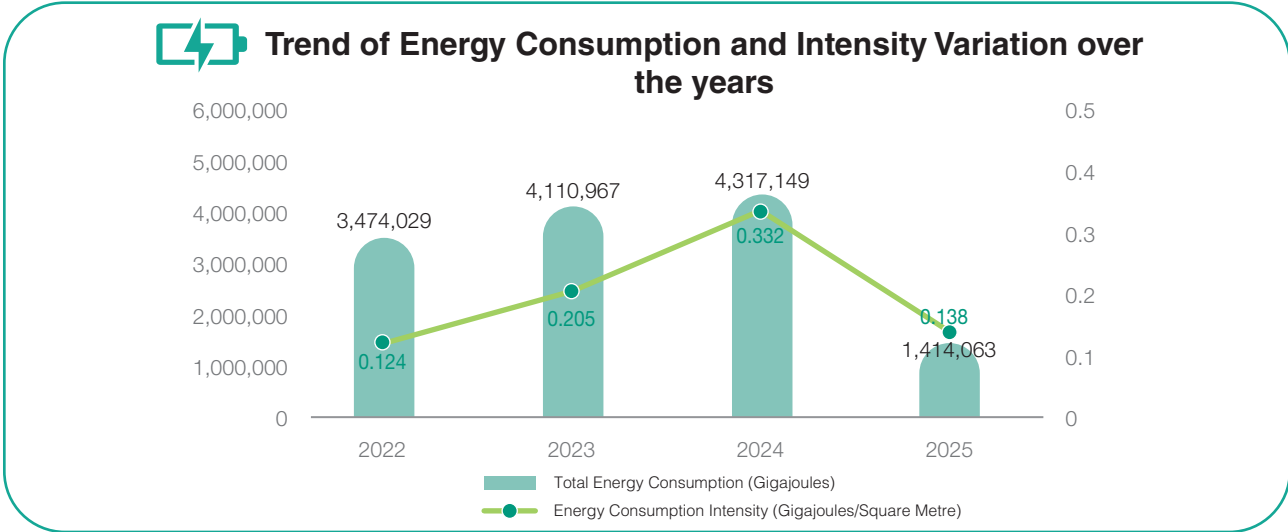


Based on these assessment results, the Group has prioritised risks and opportunities to guide subsequent decision-making and resource allocation.

METRICS AND TARGETS

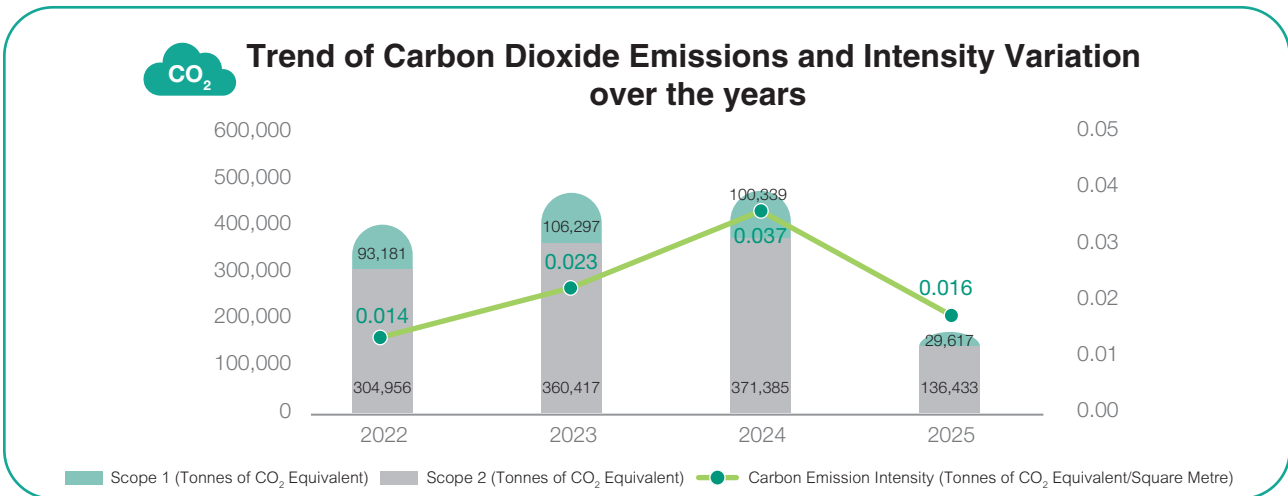
Energy Consumption

The Group's primary energy consumption is derived from electricity, gasoline, diesel, liquefied petroleum gas (LPG), and centralised heating and cooling. In 2025, the Group's total energy consumption¹ was as follows:



Greenhouse Gas Emissions

The Group's greenhouse gas (GHG) emissions² primarily consist of indirect emissions (Scope 2³) from the purchased electricity and heating, accounting for 84.7% of total emissions. Direct emissions (Scope 1) result from the consumption of fossil fuels and the use of refrigerants. During the year, the Group's GHG emissions⁴ were as follows:



¹ The Group's energy consumption encompasses energy usage across commercial management projects, hotels, office locations, and projects under construction. Energy-related data from office locations were not included in the 2024 figures. In addition, the relevant figures were revised following an internal review. The figures presented in the chart have been updated accordingly.

² The Group's GHG emission calculation standards and emission factors are based on the "How to Prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by Hong Kong Stock Exchange, the internationally recognised "Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard", and the "Announcement on the Release of the 2023 Carbon Dioxide Emission Factors for the Power Sector" issued by the Ministry of Ecology and Environment of the People's Republic of China. The Group defines its inventory boundaries using the operational control approach and measures Scope 1 and Scope 2 emissions using: "Activity Data × Emission Factor × Global Warming Potential (GWP)". Activity data is primarily derived from internal records of subsidiaries and utility bills (e.g., from power companies). Emission factors and GWP values are based on the latest available national/local grid factors and internationally recognised GWP values. There were no significant changes in methodology during the reporting period, except for updating relevant coefficients based on the latest emission factors and GWP values.

³ Scope 2 GHG emissions are calculated using the location-based method.

⁴ The Group's greenhouse gas emissions cover emissions from commercial management projects, hotels, office locations, and ongoing construction projects. The 2025 figures were significantly lower than those previously disclosed, primarily due to a reduction in the reporting scope of hotels. Greenhouse gas emissions data from office locations were not included in the 2024 figures. In addition, the relevant figures were revised following an internal review. The figures presented in the chart have been updated accordingly.

Energy Conservation and Emission Reduction

The Group actively contributes to attainment of the “dual carbon” goals and is committed to reducing greenhouse gas emissions through energy conservation and consumption reduction. We develop an “Energy Conservation Management Plan”, requiring subsidiaries and departments to strictly implement energy management measures in accordance with the system, ensuring effective implementation of energy-saving measures and continuous optimisation.

The Ritz-Carlton Harbin

The engineering director of The Ritz-Carlton, Harbin is responsible for the hotel's energy management in daily operations, in order to control and reduce energy wastage across all areas of the hotel and to minimise the negative impact on the environment, thereby ensuring a comfortable living environment for guests. To this end, the hotel has established the following requirements for energy management measures across various fields:

- **Lighting Management Standard:** Under non-special circumstances, all lighting fixtures in guest rooms shall be maintained at 220 volts. The minimum illuminance levels for the reading area and the desk/work area shall be maintained at 30 and 50 foot-candles, respectively.
- **Heating Standard:** The housekeeping department shall be responsible for setting the guest-room thermostat to 24°C after completing routine daily room cleaning, and for setting the supply-air fan speed to the low setting.
- **Cooling Standard:** Housekeeping staff shall be responsible for maintaining the guest-room temperature at 24°C. After each cleaning, the supply-air fan speed shall be adjusted to the low setting.
- **Refrigeration Standard:** The temperature and pressure settings of refrigerator or freezer compressors shall not be adjusted to the lowest numerical setting.
- **Power Distribution Standard:** Machinery and equipment that are not in use shall be switched off and disconnected from the power supply in a timely manner, such as office equipment, electric heaters, ovens, and the like.

Grand Hyatt Guangzhou

“Grand Hyatt Guangzhou Energy Conservation and Emission Reduction System and Operational Standards” stipulates the following:

- **Air Conditioning:** Make full use of natural ventilation during the spring and autumn seasons to adjust indoor temperatures. When air conditioning is in use during the summer and winter, windows must be closed. The temperature setting for air conditioning should not differ from the outdoor temperature by more than 7°C, with summer settings no lower than 26°C and winter settings no higher than 20°C.
- **Water Heaters:** In summer, the hot water temperature in guest rooms is controlled at 45°C, while in winter, it is controlled at 55°C.
- **Lighting:** To meet the hotel's lighting quality requirements, proportion of energy-efficient LED lights is being gradually increased to reduce energy consumption. The hotel's lighting system also employs smart energy saving technology.

Pullman Taiyuan

Pullman Taiyuan has established an Energy Conservation Executive Committee, led by the general manager, with support from the deputy general manager and the food & beverage (F&B) manager. The committee implements energy efficiency measures through coordinated efforts among department heads and managers, ensuring that all aspects of operations, from equipment management and food resource utilisation to daily operations, effectively contributes to achieving energy-saving and emission reduction targets. During the year, the Pullman Taiyuan reduced electricity consumption by 256,290 kWh.

- **Peak Electricity Usage Control:** Regulate electricity consumption during peak hours by optimising the operating schedules of electric heating systems, cooling units, fresh air systems, and laundry facilities.
- **Lighting and Timer Control:** Install timer-controlled switches in back-of-house logistics areas to manage lighting schedules; utilise LED floodlights in conference and banquet venues to minimise the use of high-power lighting fixtures.
- **Equipment Utilisation and Energy Management:** Shut down non-essential equipment, such as escalators, elevators, and certain ice machines in F&B areas without disrupting normal business operations.
- **Inspection and Timely Shutdown:** Enhance area inspections and ensure prompt deactivation of unused equipment and lighting to eliminate unnecessary energy waste.
- **Air Conditioning Efficiency Management:** Adjust the chilled water outlet temperature of air conditioning systems based on seasonal variations and weather conditions to optimise energy efficiency in cooling and heating operations.

EMISSIONS MANAGEMENT

The Group has established the “Pollutant Control Procedures” which clearly outlines the requirements for efficient use, recycling, and disposal of waste. We are committed to reducing wastewater, exhaust gases, and solid waste generated from daily operations and minimising generation of construction waste at project sites to mitigate the environmental impact of our activities.

EXHAUST EMISSIONS

The Group complies with the “Law of the People’s Republic of China on the Prevention and Control of Air Pollution” and local exhaust emissions regulations and actively implements exhaust management measures. Our objective is to strengthen the control of fumes from hotels, ensuring that they consistently meet local environmental standards and reducing the risks of visible smoke, unpleasant odors, and other forms of pollution. Additionally, the Group engages professionally qualified third-party monitoring agencies to monitor the exhaust emissions from our hotels, ensuring compliance with local environmental standards.

During the reporting period, emission volumes of air pollutants, including sulphur oxides (“SO_x”), nitrogen oxides (“NO_x”), and particulate matter (“PM”), generated from the use of fuel vehicles and other fossil fuels by the Group were 0.02 tonnes, 1.45 tonnes, and 0.15 tonnes, respectively.

Holiday Inn Chongqing University Town

- The quality and safety department oversees and manages pollutant emissions. Where monitoring results indicate non-compliance, the hotel implements its “Corrective and Preventive Measures Control Procedures” and notifies the relevant departments to take remedial actions, until compliance is achieved.
- For exhaust-gas emission sources, pollutant concentrations and total emissions are required to comply with the “Ambient Air Quality Standard” (GB3095-1996) and its 2000 amendment, meeting the requirements of the Class II standard.
- The hotel strengthens the management of ammonia and acetylene by ensuring appropriate safety separation distances for their storage and placement, in order to prevent incidents and reduce the risk of ammonia and acetylene gas leakage.

WASTE MANAGEMENT

The Group continuously monitors and manages waste data generated from its office locations, hotels, commercial management projects, and ongoing construction projects, ensuring that all waste is properly disposed of and managed in strict compliance with local laws and regulations. We engage qualified third-party companies to handle recycling and disposal of solid waste and construction debris. In addition, Renaissance Beijing Capital Hotel has set 2025 targets to reduce waste sent to landfill by 45% and to reduce food waste by 50%, using 2016 as the baseline year.

During the reporting period, the Group generated a total of 9.66 tonnes of hazardous waste, 320.88 tonnes of construction waste and 86,536 tonnes of other non-hazardous waste (including food waste, landscaping waste, and domestic waste).

Promote Digital Green Office Practice

- The Group has established a centralised printing management system to oversee the use and maintenance of printing equipment. By analysing printing statistics, the Group aims to reduce the consumption of printing-related supplies from multiple aspects, thereby effectively minimising paper usage.

CONSTRUCTION ENVIRONMENTAL MANAGEMENT

The Group has established the “Management System for the Recycling and Reuse of Tailings and Wastes” to provide waste reduction guidelines for project design and construction phases, promoting reuse of construction residuals and waste materials, while enhancing material usage efficiency. To implement waste reduction targets, we have adopted a number of management measures, including the application of BIM technology to scientifically and digitally manage the building environment through its entire lifecycle, and to effectively reduce raw material waste at both the source and during processing. Environmental management measures are rigorously enforced at construction sites, with real-time monitoring of environmental indicators and regular environmental risk assessments. To mitigate dust and noise impacts during construction, measures such as regular water spraying for dust suppression and installation of soundproof enclosures are adopted to minimise the impact on the surrounding environment.

Environmental Management Measures at Tianli Construction Sites

Air Pollution

- Pave concrete surfaces at the construction site to create hardened surfaces
- Regularly spray water to reduce dust during the construction period
- Cover construction materials prone to generating dust, or arrange for them to be stored indoors
- Set up a vehicle washing station at the construction site exit

Wastewater Treatment

- Separate rainwater and waste water to ensure that the pipe networks are used separately
- Recycle water from swimming pools and ornamental water features, and use it for landscaping irrigation after filtration
- Install sedimentation tanks at the construction site to ensure that wastewater is discharged into the municipal sewage system only after sedimentation

Noise Pollution

- Use low-noise concrete vibrators
- Employ soundproof enclosures to block loud noise
- Reasonably schedule construction time in strict accordance with relevant regulations on construction noise management

Waste Management

- Designate a specific temporary storage area for waste, separating construction waste from household waste
- Recycle reusable waste and manage oils and chemicals properly
- Set up a dedicated chemical storage facility and implement leak-proof measures for the storage area
- Prohibit use of toxic and hazardous waste for soil backfilling; such waste must be handled by specialised organisations
- Establish a separate storage room for flammable and explosive materials

WATER RESOURCE MANAGEMENT

Water Conservation Goals



The Ritz-Carlton, Harbin

Using 2016 as the base year, achieve a 15% reduction in water intensity by 2025



Holiday Inn Guangzhou Airport Zone

Wastewater discharge shall not exceed 54,760 tonnes



Renaissance Beijing Capital Hotel

Reduce water intensity by 15% by 2025 (based on the 2016 baseline)



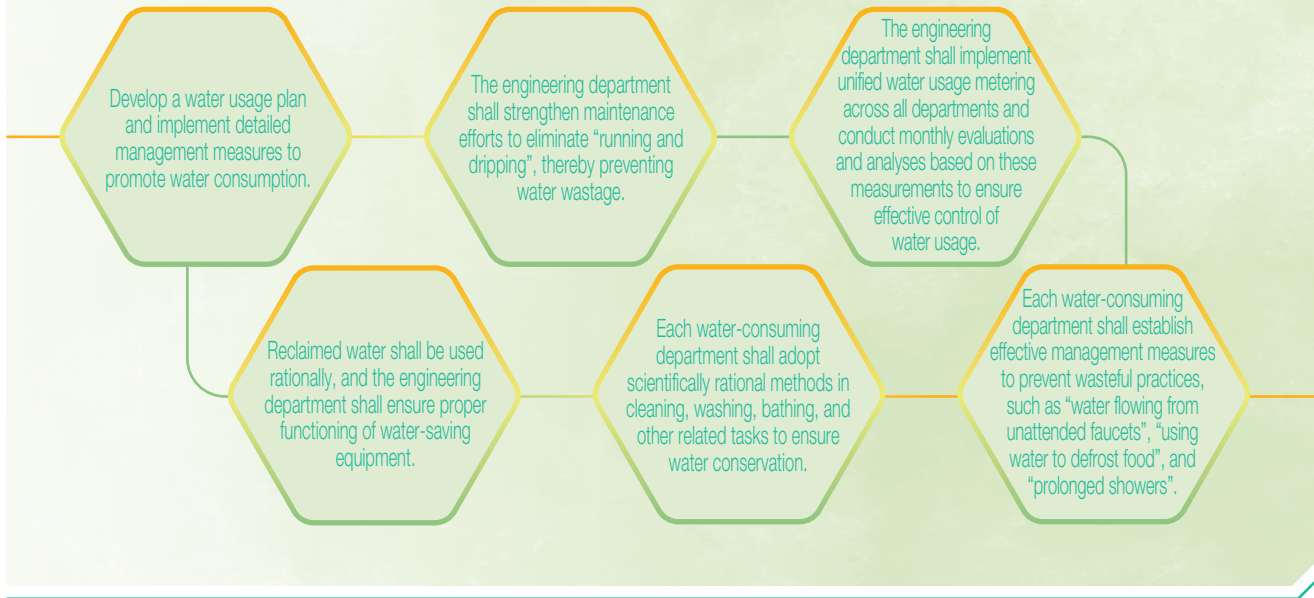
During the reporting period, total water consumption of the Group across commercial management, hotel services, office locations and projects under construction was 3,240,430 cubic metres, with a water use intensity of 0.316 cubic metres per square metre. The Group encountered no issues in securing water sources fit for the purpose.

The Group is dedicated to strengthening its water management, reducing overall water consumption, and continuously monitoring water use across its properties and development projects. Water consumption intensity is reduced through optimisation of design and deployment of advanced technologies, with the introduction of systems such as sensor operated faucets and self-flushing toilets. Furthermore, to enhance water efficiency, the Group has installed wastewater recycling systems at construction sites, significantly decreasing water usage through the reuse of water from automatic car wash spray systems.

Water Saving Measures of Renaissance Beijing Capital Hotel

To implement the “Water Saving Action” plan, Renaissance Beijing Capital Hotel installed water-saving devices in 216 guest room showers during the year. The water output per shower was reduced from 201.6L to 120L, achieving a total annual water saving of 6,434 cubic metres.

Water Saving Measures



PROTECT ECOLOGICAL DIVERSITY

Through ongoing assessments and management of its operations, the Group is committed to biodiversity conservation and maintaining ecosystem health and stability. To mitigate significant impact on the surrounding ecological environment, comprehensive environmental and ecological assessments are conducted prior to project development. We strictly avoid project development within national nature reserves and ecologically sensitive areas. During construction, the Group actively implements ecological restoration and remediation measures to rehabilitate affected areas. These efforts ensure sustainable coexistence of project development and the ecological environment, facilitating steady progress towards long-term environmental protection goals.

Hainan R&F Ocean Paradise



Hainan R&F Ocean Paradise is the only park in China to join the European Endangered Species Programme (EEP) and the European Association of Zoos and Aquaria (EAZA), having successfully achieved the self-breeding of an Atlantic bottlenose dolphin. The park houses the “Blue Ocean Conservation and Rescue Centre”, which was invested in and constructed by the Group. The centre is equipped with the capacity for the rescue, rehabilitation and breeding of cetaceans, birds and various wildlife species, and undertakes important wildlife rescue tasks in the South China Sea region.

During the year, mainstream media from nine Southeast Asian countries, together with Chinese and international press delegations such as China Media Group, gathered at the Hainan R&F Ocean Paradise Resort to gain in-depth understanding of Hainan’s marine animal conservation achievements and the island’s blue charm through immersive experiences.

Hainan Mangrove Wetland Protection Park



The Group developed and operates a national 4A-rated wetland protection park in Chengmai County, Hainan, covering an area of approximately 2,200 acres and featuring more than 40 rare tree species. Its subsidiary, Haikou R&F Tourism Development Co., Ltd., joined the Chengmai Wetland Protection Association in 2020 and has been actively involved in local wetlands conservation activities and promoting related educational and public outreach initiatives.

RESPONSIBLE ENTERPRISE



11.1 – Ensure access to adequate, safe and affordable housing and basic services for all



12.a – Adopt sustainable production and consumption patterns



16.5 – Reduce all forms of corruption and bribery

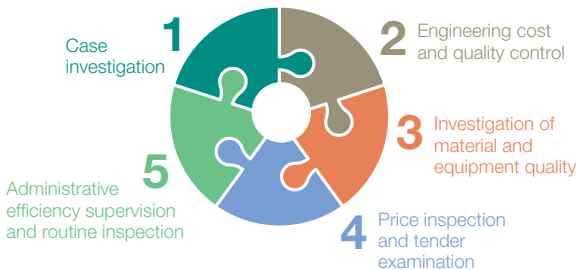
BUSINESS ETHICS

The Group adheres to the “Criminal Law of the People’s Republic of China”, the “Anti-Unfair Competition Law of the People’s Republic of China”, and Hong Kong’s “Prevention of Bribery Ordinance”, upholding principles of fairness and integrity in its operations. To strengthen integrity and compliance management, the Group has formulated and implemented the “R&F Properties Group Supervision and Management System” to systematically standardise operational processes, covering key areas such as anti-corruption and anti-bribery, information confidentiality and whistleblowing mechanisms, providing clear guidelines for the Group’s ethical and compliant operations.

In addition, the Group has formulated and issued the “Employee Handbook” and the “R&F Properties Code of Conduct for Integrity and Self-discipline”, stipulating the code of conduct for integrity that all employees must observe. More stringent operational requirements have been established for key positions in areas such as sales planning, cost control, auditing, tendering, procurement, construction management and design management, to strictly prevent bribery and fraud risks, including the forgery of documents and the provision of false accounting records. Any conduct involving corruption, bribery or fraud, regardless of whether it results in a loss to the Group, will be dealt with seriously in accordance with applicable laws and regulations, and the employment relationship will be terminated, reflecting a zero-tolerance approach to maintaining a compliant operating environment.

ANTI-CORRUPTION RISK MANAGEMENT

The Group has established a Legal and Compliance Monitoring Centre, led and supervised by a vice president of the Group authorised by the Chairman. This Centre includes branch inspection centres and regional and subsidiary supervision teams, operating under a vertical management system. It carries out comprehensive supervision and inspection activities based on internal regulations and inspection management systems to identify and mitigate integrity risks.



Key Focus Areas for Supervision

During the year, the Legal and Compliance Monitoring Centre focused on case investigation and daily supervision. Focusing on institutional execution and rooted in its core supervisory business, the Centre systematically carried out work in areas such as case investigation, normalised supervision, integrity system construction, and institutional framework development. In response to identified issues, it formulated regulations and addressed loopholes, while supervising and guiding regional, local, and subsidiary companies to improve their internal policies, establishing a total of 5 regulatory guidelines.

The Group continuously incorporates “fraud risk” into its semi-annual risk assessments and regularly reviews the effectiveness of its anti-corruption mechanisms and the strength of fraud prevention measures. Annual assessments indicate that the “fraud risk” index remains at a low level and has not posed a significant threat to the Group.

ANTI-CORRUPTION TRAINING

The Group continuously promotes anti-corruption training through the Legal and Compliance Monitoring Centre, conducting promotion and education for Board members, management and all employees to strengthen the awareness of integrity and promote the principle of “Internalised in heart, externalised in action”. During the year, the Group’s Legal and Compliance Centre and its branch offices organised integrity education activities under the theme of “Integrity and Self-discipline, Keep the Alarm Bells Ringing”, with a view to continuously strengthening employees’ awareness of integrity and self-discipline.



Through systematic inspections conducted this year, the Group successfully mitigated potential financial losses amounting to approximately RMB40.18 million.

WHISTLEBLOWING MECHANISM

The Group continues to optimise its whistleblowing and handling mechanisms to ensure that stakeholders can conveniently file grievances or reports. We strictly protect the identity and legitimate rights of whistleblowers, eliminating any form of retaliation or adverse consequences.

Strict Process Management System

All cases are thoroughly investigated and handled with the utmost seriousness. The Company’s Legal and Compliance Monitoring Centre is responsible for tasks such as judgment and analysis, forming a verification team to conduct investigations, providing feedback to the whistleblowers, obtaining their input, issuing verification reports, and ensuring proper retention of all records.

Whistleblower Protection System

The Group strictly maintains confidentiality of whistleblowers’ personal information and prohibits disclosure of reporting materials to the reported parties or individuals to ensure the safety of whistleblowers. During the case acceptance or investigation process, the whistleblower’s identity is not revealed to protect their personal rights, legal interests, and to prevent any form of obstruction, suppression, or retaliation.

Diversification of Reporting Channels

The Group encourages employees, suppliers, and business partners to report any suspicious cases involving unethical behaviour to the Legal and Compliance Monitoring Centre through open channels. Whistleblowers can also report in writing to the Audit Committee under the Board of Directors. The Group’s official website, public accounts, and other platforms provide dedicated phone lines, mailing addresses, and email addresses as open reporting channels.

– Email: jiancha@rfchina.com

– Whistleblowing Hotline: 020-38882777 (Extension 3876)

During the reporting period, there were no concluded legal cases regarding corruption brought against the Group. Upon receipt of any reports, we will conduct investigations following established procedures and deal with them in accordance with laws and regulations.

SUPPLY CHAIN RESPONSIBILITY

The Group attaches significant emphasis to the role of supply chain management in driving sustainable development. We actively manage suppliers through a “Supplier Relationship Management System Platform” and in accordance with relevant regulatory documents such as the “R&F Group Procurement Management System”, the “Operational Guidelines for the Management of Supplier Shortlisting Evaluation”, and the “Standards and Monitoring Measures for the Selection of Hotel Management Companies”. These guidelines provide clear directions for departments involved in supply chain management. The scope of management covers project tendering, material and equipment procurement, and supplier management, with the aim of fostering responsible business practices and strengthening long-term cooperative relationships.

SUPPLIER MANAGEMENT

The Group implements strict management of all suppliers and has established clear mechanisms for supplier development, admission and evaluation, ensuring that their products and services comply with the Group’s standards and requirements.

Supplier Management Process

1

Supplier Development

1. Develop suppliers through various methods.
2. Implement risk mitigation measures, including strictly prohibiting suppliers with related-party relationships or related businesses from participating in the unified procurement competition for materials and equipment.



2

Supplier Admission

1. Reputation verification: Exclude suppliers with quality defects, illegal activities, or poor reputation in the past two years.
2. Documents review: Examine the “Qualification Pre-Assessment Documents” and attachments, and exclude suppliers whose qualifications and products do not meet the pre-selection standards.
3. On-site evaluation: The review team conducts on-site assessments of the suppliers’ performance, technology, product quality, and compliance.



3

Supplier Evaluation

1. Conduct regular annual evaluations of the suppliers’ qualifications and performance.
2. Basic qualification assessment: Review the suppliers’ business operations, certifications, production equipment, and other fundamental information and capabilities.
3. Performance evaluation: Assess the suppliers’ product quality, delivery performance, after-sales service, and handling of customer complaints.

To ensure reliability and stability of the supply chain, the Group regularly reviews and evaluates suppliers, aiming to mitigate any potential risks related to quality, health, and safety. As of the end of the year, the Group has a total of 292 suppliers in Mainland China, primarily covering material and equipment suppliers as well as project contractors.

SUPPLIER ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT

The Group fully integrates environmental and social risk management into the supplier management process, striving to enhance suppliers' environmental and social management standards. We continuously monitor and encourage hotel management companies to incorporate energy conservation, environmental protection, community service, charitable activities, and employee development into their strategic planning, construction, and operational activities, thereby further strengthening their commitment to corporate social responsibility.

In addition, we incorporate "supply chain risk" assessment into the Group's semi-annual risk assessment process. The latest assessment results indicate that "supply chain risk" index is relatively low and does not pose a significant threat to the Group.

GREEN PROCUREMENT

The Group actively embraces the concept of green procurement, prioritising products with a lower environmental impact to align procurement practices with our commitment to environmental sustainability.

Green Procurement and Environmental Practices

➤ **Office Supplies Procurement:**

The Group prioritises environmentally friendly paper certified by the Forest Stewardship Council (FSC), ensuring that its daily operations are in consonance with environmental sustainability principles.

➤ **Environmental Measures in Hotel Operations:**

- Encourage purchase of seafood certified by the Marine Stewardship Council (MSC).
- Replace paper straws, use biodegradable garbage bags and tableware made from environmentally friendly materials.
- Gradually transition to large, non-bottled packaging for toiletries in guest rooms.



Moving forward, the Group will continue to drive additional sustainable procurement projects, further extending the green concept across a broader spectrum of business activities.

SUPPLIER COMMUNICATION

To enhance supplier communication and collaboration, the Group has implemented multiple communication channels and established a regular mechanism for collecting and addressing supplier feedback, thereby jointly promoting the development of a responsible supply chain.

EXCELLENT SERVICES

CUSTOMER SATISFACTION

The Group consistently strives to enhance the quality and standards of its customer service. We adhere to the “R&F Group Customer Satisfaction Survey Administrative Measures (2022 Revised Edition)”, focusing on two core areas of product quality and property services. Comprehensive customer satisfaction surveys are regularly conducted to actively collect and address customer feedback regarding our products and services. Upon completion of the surveys, the Engineering Supervision Management Centre consolidates the data and prepares a detailed “Special Report on Customer Satisfaction”, which is then submitted to the Group Chairman for deliberation on follow-up actions for subsequent improvements. During the year, customer satisfaction levels have remained consistently high.



Key Dimensions of Hotel Satisfaction Surveys

In addition, the Group’s hotels continue to conduct multi-dimensional customer satisfaction surveys covering various key aspects to delve into potential areas for service improvement. During the year, Hyatt Centric Lakeside Ningbo and Grand Hyatt Guangzhou recorded customer satisfaction scores of 97.8 and 97.5, respectively, for cleanliness. In addition, the likelihood to recommend score of Hyatt Regency Chongqing increased by 2.9 points year on year.

CUSTOMER FEEDBACK

Customer feedback and complaints serve as critical drivers for continuous service enhancement. The Group provides diversified feedback channels to allow customers to express their needs and concerns conveniently. Meanwhile, we have established a standardised customer complaint handling process to ensure that every complaint is promptly handled and properly resolved. The complaint handling process is as follows:



Diversified Feedback Channels



Looking ahead, the Group will continue to optimise its customer service system, further enhance service quality, and refine complaint feedback and handling mechanisms to improve operational efficiency.



12 major complaints related to products and services, 100% complaint response rate

CUSTOMER PROTECTION

The Group recognises its responsibility for the products it delivers and is committed to providing safe, high-quality products that meet customer needs. We require all our hotels to strictly comply with the food safety management requirement and obtain ISO 22000 certification on food safety. Additionally, hotels are required to conduct inspections of their food suppliers at least once a month to ensure food safety.

Furthermore, the Group updates its “Emergency Response Drill Plan” annually based on actual operations, outlining response measures for emergencies such as fires, floods and major equipment failures. We require the property management companies contracted by the Group to regularly organise relevant training sessions to enhance employee emergency response capabilities, providing a more comprehensive safety assurance for our customers.

Due to the nature of the Group’s business, there were no product recalls during the reporting period for safety or health reasons.

EXTERNAL RECOGNITION

During the reporting period, the Group’s hotels and catering services received several accolades from authoritative guides and awards, highlighting our continuous excellence in service quality and catering standards.

Hotel Operations: Forbes Travel Guide Award Highlights



2025

The Ritz-Carlton, Guangzhou
Awarded the “Forbes Travel Guide”
Five-Star rating for
eleven consecutive times



2025

The Ritz-Carlton Spa, Guangzhou
Awarded the “Forbes Travel Guide”
Four-Star rating



2025

The Ritz-Carlton, Chengdu
Awarded the “Forbes Travel Guide”
Five-Star rating for
six consecutive times



The service quality of the Group’s premier hotels has been widely recognised by the industry. Park Hyatt Guangzhou was once again included in the Forbes Travel Guide’s List of Recommended Hotels.



Hotel Operations: 2025 Guangzhou Michelin Guide Award Highlights



2025

**The Ritz-Carlton,
Guangzhou – “Lai Heen”**

Retained the “Michelin One-Star Restaurant” rating for eight consecutive years



2025

**Park Hyatt Guangzhou –
“Yue Jing Xuan”**

Selected as a “Michelin Guide Selected Restaurant” for eight consecutive years



2025

**Grand Hyatt Guangzhou –
“Sky Garden”**

Recognised as a “Michelin Guide Selected Restaurant” for six consecutive years



Multiple restaurants under the Group’s hotels were selected in the 2025 Michelin Guide Guangzhou, demonstrating craftsmanship and excellence and shining on the culinary scene.



RESPONSIBLE MARKETING

The Group strictly adheres to the “Advertising Law of the People’s Republic of China” and has established and implemented the “Advertising Design Standards and Management System” to regulate the advertising review process. This ensures the authenticity, accuracy, and compliance of advertising content, while preventing any exaggerated, misleading, or false information. The Group explicitly stipulates that promotional designs, materials, and promotional activities must not infringe intellectual property rights of others.

DIGITAL DEVELOPMENT AND INFORMATION SECURITY

The Group has developed an independent digital R&D system, where the Corporate Management Centre collaborates with various business departments to create a master data platform. This platform facilitates centralised management of land parcels, projects, phases, business formats, and building products, standardising naming conventions and division principles, while clearly defining data maintenance responsibilities at each stage.

The Group has established a R&F local data centre to integrate various business systems, centralising the entry and distribution of project data. This reduces redundant maintenance, improves update efficiency, ensures data consistency, and serves as a foundation for advancing multiple digital initiatives. By interconnecting digital resources across business segments, regional companies, and subsidiaries, the Group has built a project analysis system to facilitate information sharing, production-sales balance management, and further improve resource utilisation efficiency.

In addition, Vsign mini-programme is used for centralised management of non-process-related approval documents, recording approval steps and ensuring standardised document management with traceability. To ensure information security, the system requires employees to use their OA accounts for approval completion, safeguarding the integrity of online signatures.

PRIVACY PROTECTION

The Group attaches great importance to the protection of customer privacy, strictly controlling access permissions to customer data and formulating the “Customer File Management Work Instructions” to clearly define employees’ confidentiality obligations. Meanwhile, we strengthen the management and supervision of property service contractors to ensure that customer information is properly protected across all stages.

Throughout the full project development cycle, the Group implements unified confidentiality and retention management for both paper and electronic files. Each property management company is required to assign dedicated personnel responsible for daily control and execution, eliminating the risk of data breaches caused by inadequate management. In addition, Holiday Inn Chongqing University Town has established operational guidelines on “Guest Safety and Privacy” and conducts regular training, covering data verification requirements for procedures such as check-in, call transfers and the issuance of replacement room keys.

QUALITY ASSURANCE

The Group is dedicated to providing customers with high-quality, comfortable commercial and residential environments, while continuously optimising quality management processes at each stage of construction. We have developed guidelines such as the “Implementation Measures for the Quality of R&F Group Residential Projects for One Household and One Inspection”, the “R&F Group Landscaping Project Acceptance Management Measures”, and the “R&F Group Pile Foundation Project Management Measures” to standardise construction standards and quality across ongoing projects within the Group. In parallel, we implement a range of measures to ensure comprehensive quality assurance throughout our projects.



Quality Assurance for Projects under Construction

- Establish a dedicated inspection team to conduct comprehensive inspections and evaluations of various aspects of construction projects, including structural engineering, renovation work, and waterproofing, in accordance with relevant national regulations and standards
- The inspection results are reported by the Engineering Supervision Management Centre to the Group management. After review by the management, rewards and penalties are administered according to internal regulations



“One household and one inspection”

- Two months before project delivery, the general manager or the deputy general manager of engineering from the regional company takes the lead in conducting inspections room by room, unit by unit, and section by section according to relevant quality acceptance standards
- For projects that do not pass the inspection, the working group requires the construction unit to make corrections within a specified time frame, followed by a re-inspection for acceptance



Comprehensive Acceptance Evaluation

- Within the first 6 months after the project's completion and acceptance, the Quality Control Team organises relevant units, departments, and owner representatives to conduct a comprehensive follow-up and evaluation of the project's quality
- The Engineering Supervision Management Centre administers rewards and penalties based on the evaluation results and the Group's relevant regulations



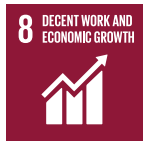
Maintenance Management

- A warranty period is provided to clients for all projects. Any issues that arise within the warranty period are addressed by the Real Estate Engineering Project Department, which will formulate the optimal maintenance plan
- Issues that arise after the warranty period, if covered under the project's maintenance scope, are managed by the Property Services Group

OUR PEOPLE



3.d – Strengthen capacity for early warning, risk reduction and management of health risks



- 8.5 – Full and productive employment and decent work with equal pay
- 8.7 – Prohibition of child labour
- 8.8 – Promote safe and secure working environments for all employees

DIVERSITY AND INCLUSION

The Group fully complies with the “Labour Law of the People’s Republic of China”, the “Labour Contract Law of the People’s Republic of China”, the “Provisions on the Prohibition of Child Labour”, and the “Law of the People’s Republic of China on Protection of Minors”, along with other applicable laws and regulations. We are committed to fostering a working environment that is diverse, equitable, and inclusive, guided by the principles of “openness, fairness, justice, and legality”, ensuring that all employees are treated equally and enjoy equal rights.

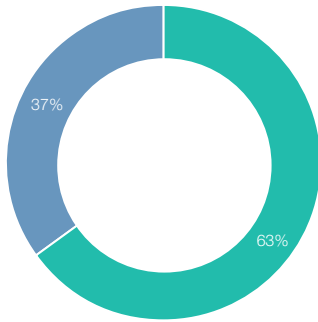
In its policies regarding recruitment, training, promotion, compensation, resignation, working hours, leave, and employee benefits, the Group ensures equal treatment for all employees, without discrimination based on age, gender, marital and family status, pregnancy, disability, race, nationality, religion, or any other factors unrelated to job performance. The Group maintains a zero-tolerance policy towards any form of discrimination or harassment and safeguards the legitimate rights of all employees.

In addition, the use of child labour or forced labour is strictly prohibited. During the recruitment process, the Human Resources and Administration Centre rigorously verifies the age of applicants to ensure compliance with legal working age regulations. Any violations result in immediate withdrawal of offer or termination of employment.

EMPLOYEE DISTRIBUTION

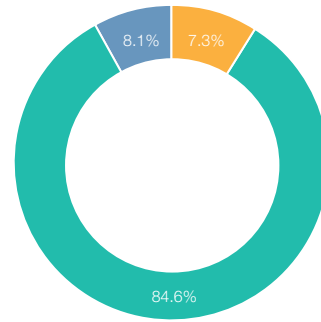
As of the end of the year, the Group had a total of 10,946 full-time employees, with the distribution as follows:

Employee Gender Distribution



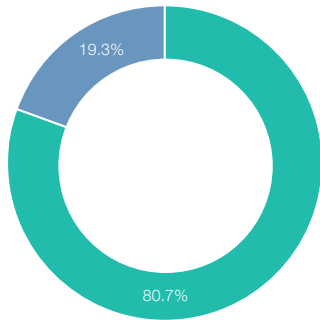
● Male ● Female

Employee Age Distribution



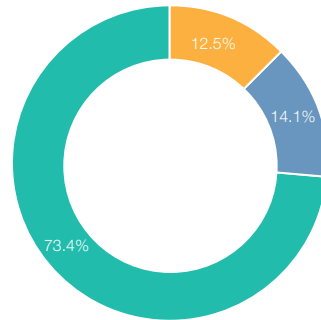
● Under 30 ● 30-50 ● Over 50

Employee Education Distribution



● Bachelor and above ● Under Bachelor

Employee Position Distribution



● Senior management ● Mid-level management ● General staff

TRAINING AND DEVELOPMENT

EMPLOYEE TRAINING

While promoting business growth, the Group actively supports the personal development of its employees. To accurately identify departmental training needs, the Group regularly collects training plans from each department on an annual basis and authorises them to flexibly adjust the content according to actual circumstances. During the year, the Group focused on business priorities and capacity building, providing employees with diversified professional courses. Topics covered included AI-driven enhancement of office efficiency, quality improvement of residential projects and the promotion of “Good Homes” standards, digital marketing capabilities for real estate, as well as asset revitalisation and optimised asset management, continuously enhancing employees’ professional competence.



AI-enabled Office Efficiency Enhancement Training

To assist employees in exploring new perspectives on intelligent office practices and enhancing work efficiency, on 16 April 2025, R&F Group, in collaboration with the Guangdong Urban Construction Association and the Guangdong Decoration Association, organised a series of thematic training sessions themed “AI-Enabled Office Efficiency Enhancement”. The training utilised a combination of physical instruction and live video streaming, attracting a full house at the venue, while regional companies nationwide participated simultaneously online.

The programme focused on two dimensions of “Efficiency Enhancement” and “Innovation”, demonstrating the use of AI to efficiently generate textual content and presentations, as well as supporting the compilation of meeting minutes and one-click generation of data analysis reports for daily office scenarios. The training also extended to creative fields such as AI-assisted production of corporate promotional micro-films and the design of cultural and creative products, receiving enthusiastic feedback from participants.



Crafting “Good Homes” with Dedication: Thematic Seminar on Enhancing Quality of Residential Projects

To better implement the Group’s “three improvements” requirements for project quality and to respond to the Project Code for Residential Buildings towards “Good Homes” (i.e. safe, comfortable, green and smart), the Group’s Human Resources and Administration Centre and the Group Operations Centre jointly organised, on 31 March 2025, the thematic seminar on “Product Upgrade and Quality Enhancement”, together with a dedicated briefing session on the R&F Group Residential Project Quality Enhancement Manual.

The briefing session was delivered through a three-stage approach of “mechanism interpretation – professional deconstruction – strategic benchmarking”. The expert team provided in-depth analysis across three dimensions: planning and architecture, fit-out standards, and landscape and gardening, and reviewed over 200 key points for standards upgrading. The session focused on three main objectives: “optimising the practical efficiency of unit layout and space”, “iteratively upgrading fit-out standards”, and “enhancing the residential environment and supporting amenities”, with clear implementation pathways and assurance mechanisms defined.

More than 1,000 managers from various regional companies and departments, including design, engineering, marketing and cost management, participated both online and on-site.





1. Thematic Seminar on “Reshaping Value, Empowering Renewal – Revitalising Real Estate Projects and Optimising Assets”



2. Thematic Seminar on “Smart Synergy for Growth, Winning the Future through Efficiency – Digital Marketing in Real Estate”



3. Thematic Seminar on “Reshaping Value, Empowering Renewal – The Principles and Practices of Asset Optimisation for Real Estate Enterprises”

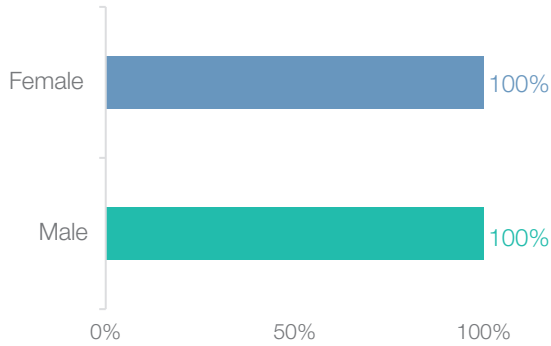


4. Thematic Seminar on “Focusing on New Regulations, Building a Smart Future – Creating Good Homes with a Product Mindset”

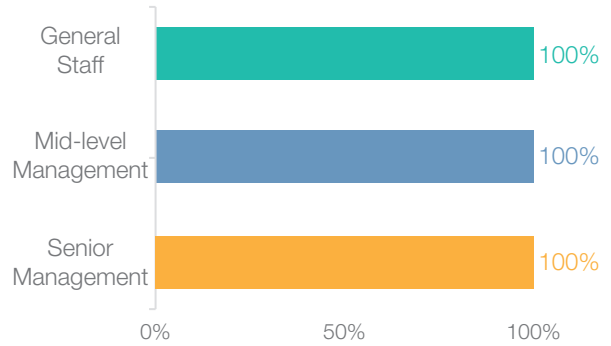
TALENT DEVELOPMENT DATA OVERVIEW

Percentage of Employees Trained

Distribution by gender

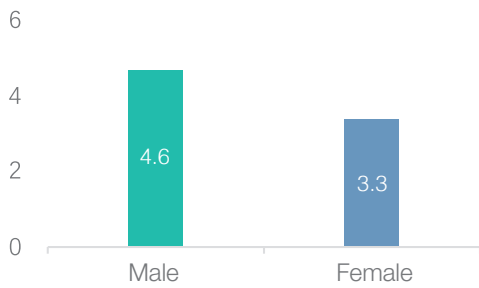


Distribution by position

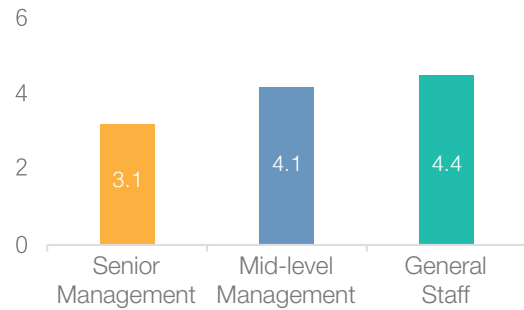


Average Number of Training Hours per Employee

Distribution by gender
Unit (hours)



Distribution by position
Unit (hours)



TALENT DEVELOPMENT

The Group adheres to the three core principles of being systematic, long-term and dynamic in building its talent development system. We assign counsellors, mentors and department heads to new employees to assist in setting personalised short-term and long-term development goals. These goals are formulated by integrating business needs, employee aspirations, competency foundations and job requirements into targeted development plans. On this basis, we unlock employees' potential and enhance their personal capabilities, achieving synergistic progress between individual growth and business objectives.



Systematic Principle

- Establish different career development pathways corresponding to employees of different types and with diverse strengths



Long-term Principle

- Development planning should be carried out throughout an employee's career

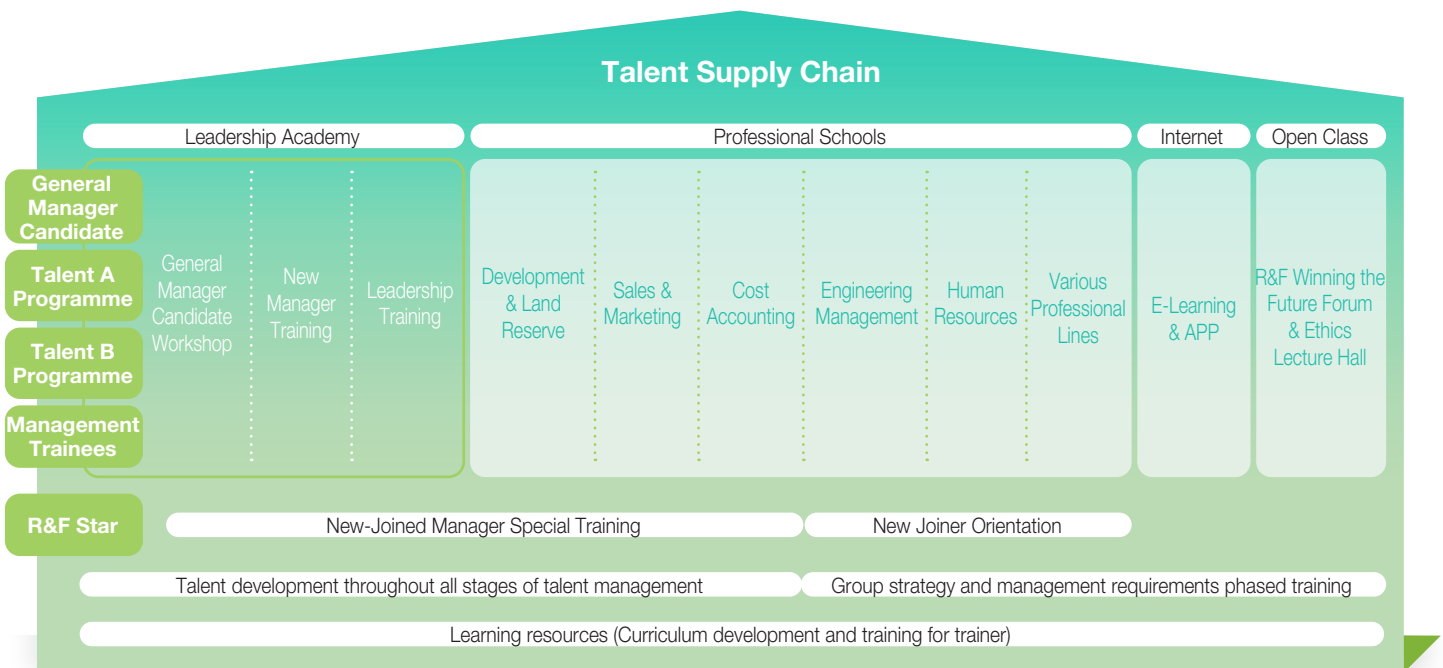


Dynamic Principle

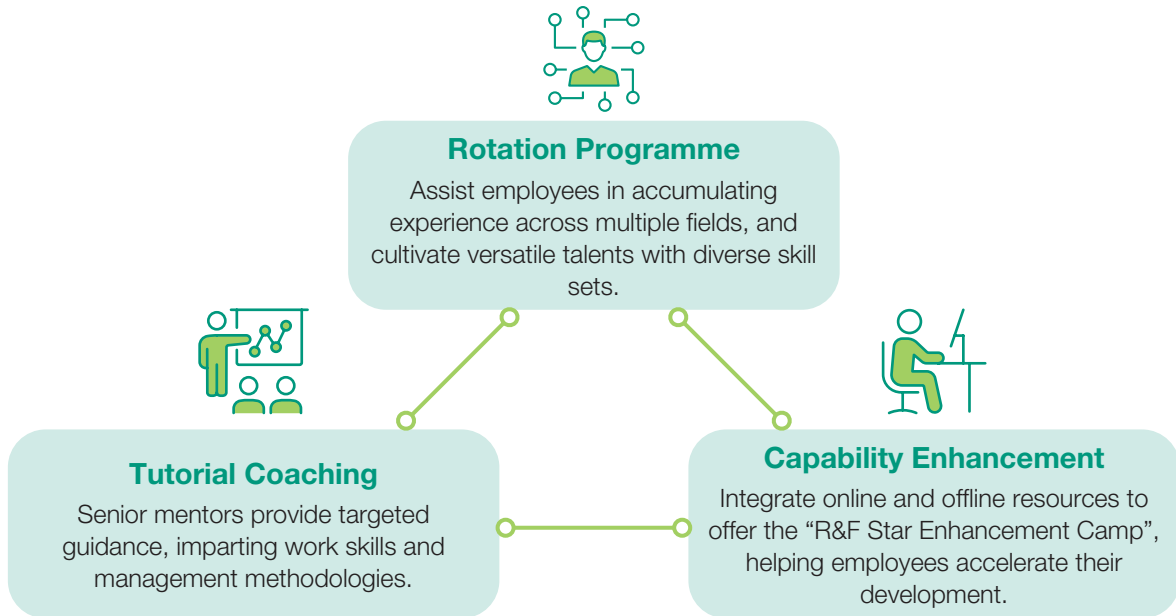
- Continuous adjustment of planning in accordance with the Group's development, changes in organisational structure and the development needs of staff at different times

TALENT SUPPLY CHAIN

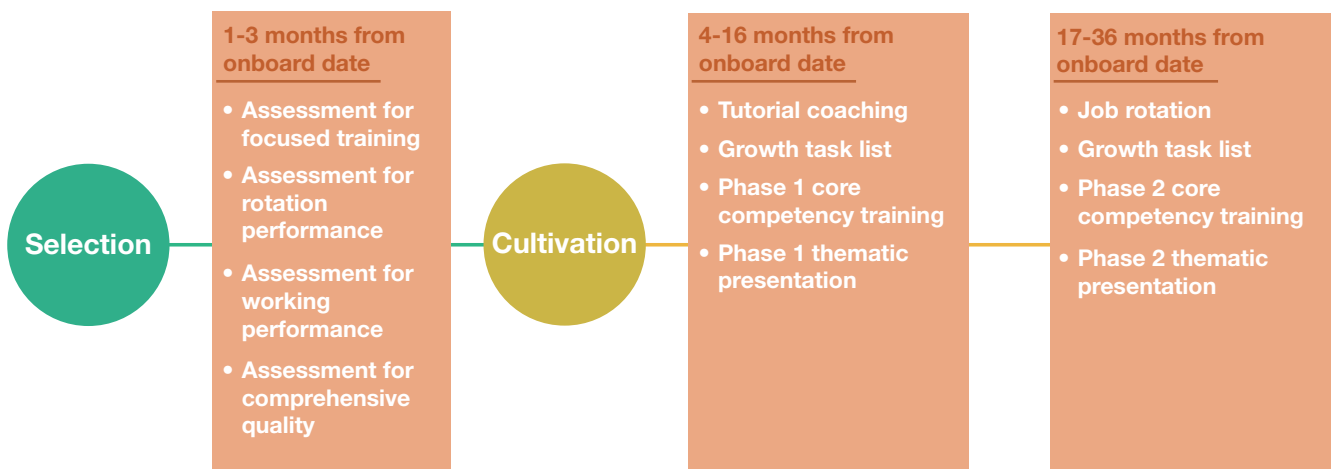
The Group, underpinned by a comprehensive curriculum framework, a strong pool of instructors, and well-established institutional resources, embeds talent development throughout the full talent management lifecycle. Closely aligned with the Group's strategic direction, tiered training programmes are implemented, and targeted capability-enhancement training is carried out comprehensively across all business lines. The Group continues to refine its talent development mechanisms, with a view to building a complete talent supply chain with sustained dynamism and vitality.



The “R&F Star Programme” is a flagship campus recruitment initiative aimed at identifying and cultivating future leaders with high potential. Through a structured training model, the programme offers diverse development pathways, including job rotations, tutorial coaching and capability enhancement activities to enhance trainees’ professional competencies and overall capabilities.



Outstanding performers will be eligible to join the “Management Trainee Programme” and receive structured, advanced development over 2–3 years, progressing to roles such as project manager or department manager.



HEALTH AND WELL-BEING

EMPLOYEE BENEFITS

REMUNERATION AND BENEFITS

The Group offers employees competitive remuneration and benefits, including leave, preferential home purchases, social insurance, medical services and discretionary bonuses. We regularly review remuneration packages to ensure that our remuneration packages are fair and competitive in the industry. Additionally, the Group has implemented various performance appraisal systems to provide compensation that reflects the performance and contributions of employees. In addition to statutory holidays, the Group offers a range of paid leave options, including annual leave, birthday leave, parental leave, and paternity leave.



Statutory Benefits

Social insurance, housing provident fund and statutory holidays



Corporate Benefits

Paid leave, home purchase discounts, medical services, discretionary bonuses, group travel and birthday parties etc

WELFARE ACTIVITIES

R&F regularly organises a diverse range of distinctive activities, adding vibrancy and enjoyment to employees' leisure lives.

International Women's Day "Tofu Pudding DIY Activity"

To foster a caring and inclusive corporate culture and prioritise the physical and mental well-being of female employees, the Group's Human Resources and Administration Centre, in collaboration with the South China Regional Administration and Customer Service Department, hosted a special Women's Day campaign themed "Warmth and Sweetness Just for You" in the staff canteen on 7 March 2025, inviting female colleagues to participate in a DIY tofu pudding experience.

To prepare for the event, the canteen chefs meticulously crafted the fresh tofu pudding, while male colleagues assisted with venue decoration and ingredient preparation. A wide selection of ingredients was provided on site for employees to mix and match freely. In a relaxed and interactive atmosphere, employees exchanged festive greetings, fully reflecting R&F's corporate culture of unity and mutual care as one big family.



Parent-child Movie Outing for Children's Day

On the morning of 1 June 2025, the Group's Human Resources and Administration Centre, together with the commercial operations management company, organised the "Children's Day Parent-Child Movie Outing". Employees were invited to attend with their children and watched Spider-Man: Across the Spider-Verse at the cinema. Through parent-child interaction and warm companionship, the event further strengthened employees' sense of family belonging and deepened the emotional connection fostered by the Group's "family culture".



OCCUPATIONAL SAFETY AND HEALTH

EMPLOYEE HEALTH

The Group prioritises employees' health and wellbeing. To mitigate the impact of seasonal influenza and other diseases on employee health, the Group regularly provides free medical check-ups for all employees and arranges vaccination services for hepatitis B and other infectious diseases as needed. To respond to unforeseen natural disasters, the Group has developed a comprehensive emergency response plan covering scenarios such as earthquakes, floods, heavy rainfall, snow, low temperatures, and other extreme weather conditions. During emergencies, the medical rescue team is responsible for on-site medical assistance, while the material supply team ensures that affected employees receive essential supplies to safeguard their well-being.

Special Lectures on Psychological Care

To prioritise employees' psychological well-being and enhance their resilience and stress management capabilities, the Group's Human Resources and Administration Centre hosted a mental empowerment seminar themed "Light Ahead, Meeting a Better Self" at Guangzhou R&F Centre on 29 July 2025. Master Huikuan was invited as the keynote speaker, with management personnel and key staff members from various companies participating both online and offline.

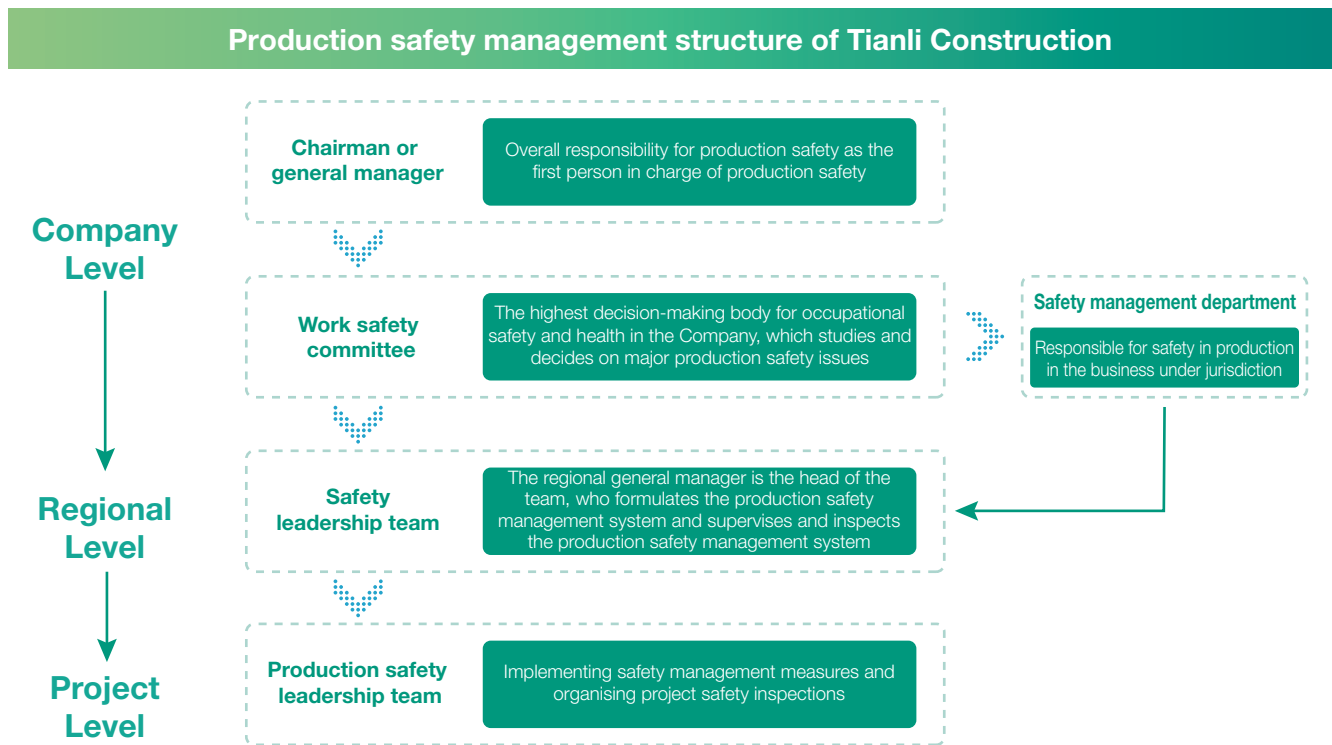
The seminar was delivered in the context of industry changes and guided employees, from both personal and societal perspectives, to develop self-awareness, embrace themselves and pursue continuous growth. It introduced approaches such as "freedom in observing things", "freedom in observing circumstances", "freedom in observing others", and "freedom in observing the mind", encouraging employees to face challenges with a more stable mindset and, when encountering favourable, adverse or difficult situations in life, to relieve stress, self-soothe, slow down and live with joy.



CONSTRUCTION SAFETY

The Group places significant emphasis on safety management in its construction operations, adhering to the principle of “Safety First, Prevention First, Comprehensive Management”. We strictly enforce relevant policies and are committed to providing comprehensive occupational health and safety protection for all employees. We also mandate that our service subcontractors and suppliers strictly comply with occupational health and safety standards. Through the establishment of a robust safety production framework, implementation of a stringent safety inspection system, and clear definition of safety responsibilities, we embed occupational health and safety management into every aspect of production. This approach ensures construction safety from the outset and aligns our operations with sustainable development standards.

Under this framework, the chairman or general manager of each subsidiary assumes the role of the first person in charge for production safety, overseeing all related activities. Additionally, Tianli Construction, a subsidiary of the Group, has established a Work Safety Committee (the “Safety Committee”) as the decision-making and coordination body for occupational health and safety, responsible for addressing significant issues related to safety in production. The Safety Committee oversees a dedicated safety management department that works in conjunction with regional safety leadership teams and project-level safety production leadership teams to ensure effective implementation of safety in production requirements at all levels.



Additionally, the Group employs the “Project Safety Civilisation Assessment Form” to conduct quarterly evaluations for all ongoing projects. These assessments cover four key areas: safety management, safety education, civilised construction practices, and data management. The Group mandates that responsible units promptly rectify any identified “non-compliance”, and arrange for follow-up inspections to ensure that any potential safety hazards are addressed appropriately. In addition, communication channels are established to regularly gather employee feedback on safety policies, implementation effectiveness, and risk assessments, which are subsequently reviewed and optimised.

Safety Targets for Construction Operations	Achievement Status for 2025
The monthly work-related fatality rate and work-related injury rate shall not exceed 2%	✔ Achieved
100% coverage of safety training for employees and contractors of construction units	✔ Achieved

To further enhance safety management at construction sites, the Group has implemented a series of measures to safeguard the health and safety of both employees and contractors. All contractors are required to sign the “Work Safety Management Agreement” (the “Agreement”), which clearly defines their safety responsibilities and obligations. Furthermore, the Group ensures that all personnel entering the construction site undergo safety education and receive training in safety production skills. Only individuals who have completed this training are authorised to work on-site.



The Agreement signed by the Group with contractors also sets health and safety goals, aiming to prevent fatalities, serious injuries, fires and other major accidents, and to control the monthly minor injury rate within 2%.

HOTEL SECURITY MANAGEMENT

The Group’s hotel business has established a comprehensive occupational health and safety management system. To effectively prevent, control and eliminate occupational disease hazards, we have formulated the “Regulations on Occupational Health and Safety Management”. This framework encompasses identification of occupational health and safety hazards, notification and warning, occupational health declaration, employee health check-ups, occupational health and safety training, and management of protective equipment.

Additionally, the Group conducts regular occupational safety and health risk assessments, and optimises and improves the working environment and processes based on the assessment to minimise health and safety risks. We also enforce a safety management responsibility system to ensure rigorous implementation of all safety requirements.

Safety Management at Pullman Taiyuan

During the year, Pullman Taiyuan Hotel established and strictly implemented the “Working at Height Operation Procedure”. The procedure covers multiple aspects, including health requirements for personnel working at height, safety technical training, work-environment requirements, operational requirements, and the use of personal protective equipment, to ensure that every step of the work process complies with stringent safety standards.



Working at Height Operation Process

SAFETY DRILLS AND TRAINING

The Group regularly conducts safety drills and training sessions. During the reporting period, we provided multiple training programmes covering various safety topics for our employees. Below are the selected training activities of the hotel operations:



COMMUNITY CARE



1.A – Poverty eradication



11.3 – Strengthen capacities for participatory, integrated and sustainable human settlements planning and management

CONTRIBUTE TO CITIES CONSTRUCTION

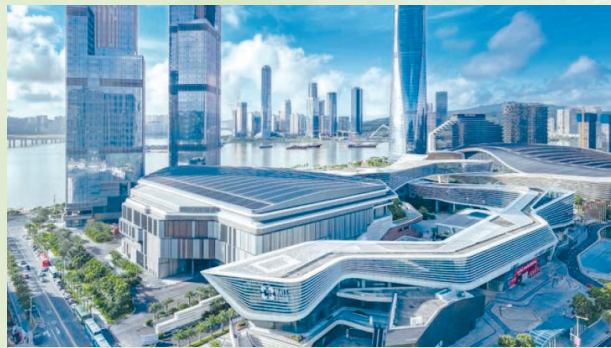
URBAN RENEWAL

The Group is committed to deeply engaging in renovation and construction of three types of projects: old towns, old factories and old villages, with the aim of enhancing the living environment and promoting high-quality development of the city. To date, the Group has successfully completed a number of old village renovation projects, including Lie De Village and Yang Ji Village in Guangzhou, and led the renovation and construction of Chentian Village, Bicun Village and Maogang Village.

“Chentian Village” Old Village Renovation Project in Guangzhou

During the reporting period, the Guangzhou Chentian Old Village Redevelopment Project reached a key milestone. On 20 November 2025, a renewal ceremony and project naming announcement were held, and Area A was officially named “Yunshanjing”. Under the leadership of the Guangzhou Municipal Government and the Baiyun District Government, Industrial Bank and Huafa Construction Management joined the Group to establish a “government–enterprise–bank” coordination mechanism. Safeguards, including “state-owned enterprise quality control + bank funds supervision”, have been put in place to accelerate project construction.

Strategically located on the central axis of Baiyun New City, adjacent to Baiyun Station and served by two metro lines, the project leverages the ecological resources of Baiyun Mountain to create a comprehensive community integrating residential, commercial and educational facilities. The construction and delivery of supporting facilities, including schools, clubhouse swimming pools, commercial complexes and resettlement housing, are progressing steadily, contributing to the functional enhancement and urban renewal of the district.



LIVEABLE COMMUNITY

The Group is dedicated to creating higher-quality communities by implementing its brand philosophy. This approach combines thoughtful landscape design with genuine needs of contemporary urban residents, aiming to develop a liveable community that offers both comfort and warmth. We prioritise integration of green spaces and diverse sports facilities, providing residents with abundant social and recreational areas, strengthening community cohesion, improving residents’ well-being, and actively contributing to the welfare of the community.

“The Fortune Residence, Guangzhou”

Located in the core area of Yuzhu’s second CBD, the project won the “Annual Outstanding Contribution to Urban Development Real Estate Project” award from Information Times. With a total construction area of over 2.3 million square metres, it is adjacent to the Hulin Road High-tech Zone, surrounded by six major commercial facilities, Huangpu Experimental School (West Campus) of the Guangzhou University Affiliated High School, a number of tertiary hospitals and municipal parks, with complete supporting facilities and a convenient and liveable life.



“R&F First Mansion, Hainan”

Located in the core area of Haikou Daying Mountain Guoxing CBD, the project won the “High-quality Development Demonstration Building of Hainan Free Trade Port” award. As an important part of the free trade port’s “financial agglomeration area”, it includes high-end residences, office buildings, and commercial streets, attracting more than 170 enterprises, including China Life and China Power Construction Group. Relying on its diversified functions and high-quality supporting facilities, R&F First Mansion contributes to regional economic development and injects new vitality into the construction of the free trade port.



In response to market expectations for “Good Homes” and healthy living environments, the Group continues to drive exchanges and initiatives centred on healthy human settlements.

Industry Collaboration: Traditional Wisdom Empowers Healthy Living

During the reporting period, the Group, in collaboration with the Guangdong Urban Construction Association and the Guangdong Decoration Industry Association, hosted a themed salon entitled “Inheriting Culture, Healthy Living” at Guangzhou R&F Centre on 9 April 2025. The event convened nearly a hundred industry experts, designers and traditional culture enthusiasts to explore the integration of traditional architectural wisdom with modern green living environments. Guided by the residential upgrading philosophy of “Culture as the Core, Technology as the Catalyst”, the salon examined spatial layout, colour palettes, and the holistic well-being of residents. It also incorporated the WELL Building Standard and cutting-edge technologies such as the “Five-Constant System” (constant temperature, humidity, oxygen, cleanliness and quietness), sharing practical directions for healthy housing and low-carbon energy efficiency. By promoting “Good Homes” and “Excellent Services”, the Group aims to rebuild market confidence and contribute to the creation of safer, more comfortable, greener, and smarter liveable communities.



PUBLIC WELFARE

The Group places significant emphasis on areas such as education, environmental protection, and support for vulnerable groups. It strives to achieve harmonious coexistence and a win-win outcome between the enterprise and society through financial donations, volunteer services, and collaborative projects.

Cumulative charitable donations across various activities have reached RMB **750** million.



APPENDIX

APPLICABLE LAWS AND REGULATIONS

Issues	Applicable laws and regulations	Compliance status
Environment	<ul style="list-style-type: none"> Environmental Protection Law of the People's Republic of China 	<p>During the year, the Group had no violations of laws and regulations related to emissions of gas and greenhouse gases, discharge of water to land, generation of hazardous or non-hazardous waste and ecological environment which had a significant impact on the Group.</p>
	<ul style="list-style-type: none"> Law of the People's Republic of China on the Prevention and Control of Air Pollution 	
	<ul style="list-style-type: none"> Law of the People's Republic of China on the Prevention and Control of Water Pollution 	
	<ul style="list-style-type: none"> Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste 	
	<ul style="list-style-type: none"> Energy Conservation Law of the People's Republic of China 	
	<ul style="list-style-type: none"> Law of the People's Republic of China on Environmental Impact Assessment 	
	<ul style="list-style-type: none"> Regulations on the Administration of Environmental Protection of Construction Projects 	
	<ul style="list-style-type: none"> Law of the People's Republic of China on the Prevention and Control of Soil Pollution 	
Employment	<ul style="list-style-type: none"> Labour Law of the People's Republic of China 	<p>During the year, the Group had no violations of laws and regulations related to employment and labour affairs that had a significant impact on it, nor were there violations of laws and regulations related to the use of child labour and forced labour.</p>
	<ul style="list-style-type: none"> Labour Contract Law of the People's Republic of China 	
	<ul style="list-style-type: none"> Provisions on the Prohibition of Child Labour 	
	<ul style="list-style-type: none"> Law of the People's Republic of China on the Protection of Minors 	
Safety	<ul style="list-style-type: none"> Work Safety Law of the People's Republic of China 	<p>During the year, the Group had no violations of laws and regulations related to occupational safety and health that had a significant impact on it.</p> <p>During the year, the Group had no serious work-related injuries and work-related fatalities.</p>
	<ul style="list-style-type: none"> Law of the People's Republic of China on the Prevention and Control of Occupational Diseases 	
Product Liability	<ul style="list-style-type: none"> Construction Law of the People's Republic of China 	<p>During the year, the Group had no violations of laws and regulations related to the health and safety, advertising, labelling and privacy of its products and services that had a significant impact on it.</p>
	<ul style="list-style-type: none"> Law of the People's Republic of China on the Administration of Urban Real Estate 	
	<ul style="list-style-type: none"> Law of the People's Republic of China on Urban and Rural Planning 	
	<ul style="list-style-type: none"> Advertising Law of the People's Republic of China 	
Anti-corruption	<ul style="list-style-type: none"> Criminal Law of the People's Republic of China 	<p>The Group had no violations of laws and regulations related to the prevention of bribery, extortion, fraud and money laundering that have materially affected it.</p>
	<ul style="list-style-type: none"> Anti-Unfair Competition Law of the People's Republic of China 	
	<ul style="list-style-type: none"> Prevention of Bribery Ordinance, Hong Kong 	

PERFORMANCE DATA SUMMARY

ENVIRONMENTAL MANAGEMENT

Indicators	unit	Commercial management projects ⁵		Hotel ⁶		Office Locations ⁷		Projects under Construction ⁸	
		2025	2024	2025	2024 ⁹	2025	2024 ¹⁰	2025	2024 ¹¹
Resources consumption									
Electricity	kWh	68,084,158	74,489,092	99,407,747	390,090,631	61,933,154	N/A	679,731	1,731,900
Gasoline	liters	N/A	N/A	44,796	515,053	454,770	434,366	121,407	115,454
Diesel	liters	2,030	2,218	2,365	72,976	81	1,050	62,113	25,218
LPG	liters	N/A	N/A	0	0	N/A	N/A	N/A	N/A
Steam	tonnes	N/A	N/A	16,539	311,874	N/A	N/A	N/A	N/A
Natural gas	m ³	1,153,176	1,138,275	7,507,895	37,727,875	3,166,778	N/A	2,808	4,160
Acetylene	liters	N/A	N/A	43	80	N/A	N/A	2,208	4,240
Central cooling	kWh	7,057,278	5,404,967	13,368,899	49,745,254	N/A	N/A	N/A	N/A
Central heating	kWh	961,702	878,366	2,448,584	16,615,315	N/A	N/A	N/A	N/A
Total energy consumption	GJ	316,250	335,174	735,667	3,970,995	353,472	N/A	8,674	10,980
Energy intensity	GJ/m ²	0.282	0.293	0.972	1.068	3.035	N/A	0.001	0.001
Water consumption									
Tap water	m ³	848,703	1,147,096	1,530,388	8,717,237	559,210	N/A	302,129	443,960
Intensity of tap water	m ³ /m ²	0.756	1.004	2.201	2.344	4.802	N/A	0.037	0.055
Use of Raw Materials									
Steel bars	tonnes	N/A	N/A	0	0.31	N/A	N/A	141,970	162,416
Concrete	m ³	20	160	11.02	55.74	N/A	N/A	72,530	96,900
H-shapes iron	tonnes	N/A	N/A	0	1.20	N/A	N/A	N/A	N/A
Wooden board	tonnes	N/A	N/A	7.46	26.57	N/A	N/A	45,120	57,110
Use of Refrigerants									
R134a	kg	1,054.4	N/A	425.1	3,485.9	3	N/A	N/A	N/A
R22	kg	N/A	N/A	218.6	981.0	N/A	N/A	N/A	N/A
R22a	kg	N/A	N/A	18.0	151.6	N/A	N/A	N/A	N/A
R410a	kg	N/A	N/A	109.6	453.1	6	N/A	N/A	N/A
R404a	kg	N/A	N/A	252.7	1,783.2	N/A	N/A	N/A	N/A
R134	kg	N/A	N/A	51.0	196.8	N/A	N/A	N/A	N/A
R32	kg	N/A	N/A	20.0	147.5	N/A	N/A	N/A	N/A
K404A	kg	N/A	N/A	0	0	N/A	N/A	N/A	N/A

Indicators	unit	Commercial management projects ⁵		Hotel ⁶		Office Locations ⁷		Projects under Construction ⁸	
		2025	2024	2025	2024 ⁹	2025	2024 ¹⁰	2025	2024 ¹¹
Greenhouse gas emissions									
Direct emissions (Scope 1)	tonnes CO ₂ e	2,499	2,467	18,547	97,490	8,077	1,158	494	382
Indirect emissions (Scope 2)	tonnes CO ₂ e	39,301	42,459	63,909	327,997	32,862	N/A	361	929
Total emissions	tonnes CO ₂ e	41,800	44,926	82,456	425,487	40,939	N/A	855	1,311
Intensity of total emissions	tonnes CO ₂ e/m ²	0.037	0.039	0.109	0.114	0.352	N/A	0.0001	0.0002
Air Pollutants									
Sulfur oxides (SO _x)	tonnes	0.001	0.001	0.001	0.014	0.007	0.006	0.008	0.008
Nitrogen oxides (NO _x)	tonnes	0.056	0.061	0.379	1.764	0.446	0.350	0.572	0.561
Particulate matter (PM)	tonnes	0.007	0.008	0.039	0.187	0.037	0.029	0.071	0.071
Hazardous Waste									
Total hazardous waste	tonnes	N/A	N/A	9.66	32.11	N/A	N/A	N/A	N/A
Intensity of hazardous waste	kg/m ²	N/A	N/A	0.013	0.010	N/A	N/A	N/A	N/A
General waste									
Construction waste	tonnes	180	1,478	140.80	202.49	N/A	N/A	N/A	N/A
Inert waste on site	tonnes	0	0	4.00	43.96	N/A	N/A	1,088	1,820
Food waste	tonnes	3,253.66	3,371.37	1,990.15	44,852.34	N/A	N/A	N/A	N/A
Green waste	tonnes	20	8	48.40	130.91	N/A	N/A	32	60
Domestic waste	tonnes	74,502.30	73,274.27	5,565.60	46,441.94	N/A	N/A	32	55
Intensity of non-hazardous waste	kg/m ²	69.404	68.398	10.234	24.648	N/A	N/A	0.139	0.241

Environmental Data Reporting Scope for 2025 and 2024:

- ⁵ Covers 16 commercial management projects in operation in 2025, including office buildings, shopping centres, industrial parks, etc; covers 16 commercial management projects in operation in 2024, including office buildings, shopping centres, industrial parks, etc.
- ⁶ Covers 15 hotel projects in operation in 2025; covers 84 hotel projects in operation in 2024.
- ⁷ Covers the office locations of all employees of the Group in 2025; covers the office locations of all employees of the Group in 2024.
- ⁸ Covers all projects under construction fully undertaken in 2025; covers 60 projects under construction fully undertaken in 2024.
- ⁹ The 2024 electricity and gasoline data of the hotels were revised following an internal review, and the relevant data updates have been reflected in the report.
- ¹⁰ Energy and municipal water data for this business unit are not included in the 2024 figures, the relevant items have been marked as "N/A" in this summary.
- ¹¹ The 2024 environmental data for projects under construction has undergone internal review and revision, and the relevant updates have been incorporated into the report.

EMPLOYEES MANAGEMENT

Indicators	2025 Total	2024 Total
Staff Information		
Total Headcount	10,946	21,819
By Gender		
Male	63%	65%
Female	37%	35%
By Employee Category		
Management	13%	11%
Mid-level manager	14%	24%
General staff	73%	65%
By Age		
<30 years old	7%	8%
30-50 years old	85%	84%
>50 years old	8%	8%
By Geographical Distribution		
Guangzhou	46%	25%
Other areas	54%	75%
By Educational Background		
University or above	81%	95%
Secondary school and others	19%	5%
Turnover Rate		
Turnover Rate Rate by Age		
<30 years old	47%	33%
30-50 years old	21%	23%
>50 years old	25%	33%
Turnover Rate by Gender		
Male	24%	26%
Female	21%	23%
Turnover Rate by Geographical Distribution		
Guangzhou	22%	23%
Other areas	24%	25%

Indicators	2025 Total	2024 Total
Training performance		
Training		
Training hours	46,302	174,522
Average training hours	4.23	8.00
Average Training Hours by Gender		
Male	4.60	9.00
Female	3.26	7.00
Average Training Hours by Employment Level		
Management	3.10	9.00
Mid-level manager	4.10	10.90
General staff	4.40	6.70
Occupational Health and Safety Training		
Total training person-time	15,190	150,855
Total training hours	59,377.90	190,489.45
Occupational Health and Safety Performance		
Employees of the Group		
Number of work-related fatalities	0	0
Annual rate of work-related fatalities	0%	0%
Lost workdays due to work-related injuries	2,254	16,507

CONTENT INDEX

The content index covers the GRI Standards, IFRS S2 and the ESG Reporting Code.

GRI STANDARDS AND ESG REPORTING CODE CONTENT INDEX

Substantive Aspects	GRI Standards	ESG Reporting Code	Description	Chapters/Notes
General Disclosure				
The Organisation and its Reporting Practices	2-1	–	– Organisational details	Annual Report
	2-2	–	– Entities included in the organisation's sustainability report	About This Report
	2-3	–	– Reporting period, frequency, and contact point	About This Report
	2-4	–	– Restatements of information	No Restatements
	2-5	–	– External assurance	No External Assurance
Activities and Workers	2-6	B5.1, B5.2	– Activities, value chain and other business relationships	Responsible Enterprise
	2-7	B1.1	– Employees	Our People
	2-8	B1.1	– Workers other than employees	Not Applicable
Governance	2-9	–	– Governance structure and composition	Sustainability Governance
	2-10	–	– Nomination and selection of the highest governance body	Annual Report
	2-11	–	– Chair of the highest governance body	Annual Report
	2-12	–	– Role of the highest governance body in overseeing the management of impacts	Annual Report
	2-13	–	– Delegation of responsibility for managing impacts	Not Applicable
	2-14	–	– Role of the highest governance body in sustainability reporting	Sustainability Governance
	2-15	–	– Conflict of interest	Annual Report
	2-16	–	– Communication of critical concerns	Sustainability Governance
	2-17	–	– Collective knowledge of the highest governance body	Not Applicable
	2-18	–	– Evaluation of the performance of the highest governance body	Not Applicable
	2-19	–	– Remuneration Policy	Annual Report
2-20	–	– Process to determine remuneration	Annual Report	
2-21	–	– Annual total compensation ratio	Annual Report	
Strategy	2-22	–	– Statement on sustainable development strategy	Sustainability Governance
	2-23	–	– Policy commitments	Responsible Enterprise
	2-24	–	– Integrated policy commitments	Responsible Enterprise
	2-25	–	– Procedures for remedying negative impacts	Responsible Enterprise
	2-26	–	– Mechanism for seeking advice and raising concerns	Responsible Enterprise
	2-27	–	– Compliance with laws and regulations	No Significant Violations
	2-28	–	– Membership in associations	About R&F Properties
	2-29	–	– Stakeholder engagement approach	Sustainability Governance
Stakeholder Engagement	2-30	–	– Collective bargaining agreement	Not Applicable

Substantive Aspects	GRI Standards	ESG Reporting Code	Description	Chapters/Notes
Material Issues				
Environment				
Greenhouse Gas Emissions Emission Management	–	A1	<ul style="list-style-type: none"> – Regarding emissions of exhaust gases and greenhouse gases, discharge of sewage into water and land, generation of hazardous and non-hazardous wastes, etc.: <li style="padding-left: 20px;">(a) Policies; and <li style="padding-left: 20px;">(b) Compliance with relevant laws and regulations that have a material impact on the issuer 	Collaborating for a Low-Carbon Future Appendix – Performance Data Summary Appendix – Applicable Laws and Regulations
	305-7	A1.1	<ul style="list-style-type: none"> – Types of emissions and related emission data 	
	305-1	Part D: Climate-related disclosure	<ul style="list-style-type: none"> – Total greenhouse gas emissions (in tons) and, where applicable, intensity (e.g., per unit of production, per facility) 	
	–	A1.3	<ul style="list-style-type: none"> – Total hazardous waste generated (in tons) and, where applicable, intensity (e.g., per unit of production, per facility) 	
	–	A1.4	<ul style="list-style-type: none"> – Total non-hazardous waste generated (in tons) and, where applicable, intensity (e.g., per unit of production, per facility) 	
	305-2 305-4 306-3	A1.5 A1.6	<ul style="list-style-type: none"> – Description of emission reduction targets and steps taken to achieve these targets – Description of methods for handling hazardous and non-hazardous waste, and description of waste reduction targets and steps taken to achieve these targets 	
Energy Efficiency	–	A2	<ul style="list-style-type: none"> – Policies on efficient use of resources (including energy, water, and other raw materials) 	Collaborating for a Low-Carbon Future Appendix – Performance Data Summary
	302-1 302-3	A2.1	<ul style="list-style-type: none"> – Total direct and/or indirect energy consumption by type (e.g., electricity, gas, or oil) (in thousands of kWh) and intensity (e.g., per unit of production, per facility) 	
	302-4	A2.3	<ul style="list-style-type: none"> – Description of energy efficiency programs and outcomes achieved 	
Water Management	–	A2	<ul style="list-style-type: none"> – Policies on efficient use of resources (including energy, water, and other raw materials) 	Collaborating for a Low-Carbon Future – Water Resource Management Appendix – Performance Data Summary
	303-1	A2.2	<ul style="list-style-type: none"> – Total water consumption and intensity (e.g., per unit of production, per facility) 	
	–	A2.4	<ul style="list-style-type: none"> – Description of any challenges in sourcing suitable water supplies, as well as water efficiency programs and outcomes achieved 	
Addressing Climate Change	–	Part D: Climate-related disclosure	<ul style="list-style-type: none"> – Policies for identifying and addressing significant climate-related issues that have or may have an impact on the issuer 	See IFRS S2 Climate-related Disclosures Content Index for details
	–	Part D: Climate-related disclosure	<ul style="list-style-type: none"> – Description of significant climate-related issues that have or may have an impact on the issuer, and actions taken to address them 	

Substantive Aspects	GRI Standards	ESG Reporting Code	Description	Chapters/Notes
Society				
Anti-discrimination Employee Communication	103 401-2	B1	<ul style="list-style-type: none"> Regarding compensation and dismissal, recruitment and promotion, working hours, leave, equal opportunities, diversity, anti-discrimination, and other benefits and entitlements: <ul style="list-style-type: none"> (a) Policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer 	Our People Appendix – Performance Data Summary Appendix – Applicable Laws and Regulations
	–	B1.1	<ul style="list-style-type: none"> Total number of employees by gender, employment type (e.g., full-time or part-time), age group, and region 	
	–	B1.2	<ul style="list-style-type: none"> Employee turnover rate by gender, age group, and region 	
Training and Development	404-2	B3	<ul style="list-style-type: none"> Policies on enhancing employees' knowledge and skills to fulfill job responsibilities, and description of training activities 	Our People – Training and Development Appendix – Performance Data Summary
	–	B3.1	<ul style="list-style-type: none"> Percentage of employees trained by gender and employee category (e.g., senior management, middle management, etc.) 	
	404-1	B3.2	<ul style="list-style-type: none"> Average hours of training completed per employee by gender and employee category 	
Other Issues				
Environment				
Green Building	–	A3	<ul style="list-style-type: none"> Policies to reduce the issuer's significant impact on the environment and natural resources 	Collaborating for a Low-Carbon Future – Develop Green Buildings
	–	A3.1	<ul style="list-style-type: none"> Description of the significant impact of business activities on the environment and natural resources, and actions taken to manage such impacts 	
Environmental Compliance	–	A1	<ul style="list-style-type: none"> Regarding emissions of waste gases and greenhouse gases, discharge into water and land, and generation of hazardous and non-hazardous waste: <ul style="list-style-type: none"> (a) Policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer 	Collaborating for a Low-Carbon Future Appendix – Applicable Laws and Regulations
Environment and Natural Resources	–	A3	<ul style="list-style-type: none"> Policies to reduce the issuer's significant impact on the environment and natural resources 	Collaborating for a Low-Carbon Future – Protect Ecological Diversity
	–	A3.1	<ul style="list-style-type: none"> Description of the significant impact of business activities on the environment and natural resources, and actions taken to manage such impacts 	

Substantive Aspects	GRI Standards	ESG Reporting Code	Description	Chapters/Notes
Society				
Compensation and Benefits Social and Economic Compliance	103 401-2	B1	<ul style="list-style-type: none"> - Regarding remuneration and termination, recruitment and promotion, hours worked, leave, equal opportunities, diversity, anti-discrimination and other treatments and benefits: <ul style="list-style-type: none"> (a) Policies, and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer 	Our People Appendix – Performance Data Summary Applicable Laws and Regulations
	-	B1.1	<ul style="list-style-type: none"> - Total number of employees by gender, type of employment (e.g. full-time or part-time), age group and region 	
	-	B1.2	<ul style="list-style-type: none"> - Employee turnover rates by gender, age group and region 	
Employee Safety and Health Social and Economic Compliance	403	B2	<ul style="list-style-type: none"> - Regarding the provision of a safe working environment and protection of employees from occupational hazards: <ul style="list-style-type: none"> (a) Policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer 	Our People – Health and Well-being Appendix – Performance Data Summary Appendix – Applicable Laws and Regulations
	403-9	B2.1	<ul style="list-style-type: none"> - The number and rate of work-related deaths occurred in each of the past three years including the reporting year 	
	-	B2.2	<ul style="list-style-type: none"> - Number of workdays lost due to work-related injuries 	
	-	B2.3	<ul style="list-style-type: none"> - Describe the occupational health and safety measures adopted, as well as the associated implementation and monitoring methods 	
Labour Standards	408 409	B4	<ul style="list-style-type: none"> - Regarding the prevention of child or forced labour: <ul style="list-style-type: none"> (a) Policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer 	Our People – Diversity and Inclusion Appendix – Applicable Laws and Regulations
	-	B4.1	<ul style="list-style-type: none"> - Describe measures to review recruitment practices to avoid child labour and forced labour 	
	-	B4.2	<ul style="list-style-type: none"> - Describe the steps taken to eliminate a violation if it is discovered 	
Supplier Evaluation Green Supply Chain	-	B5	<ul style="list-style-type: none"> - Policies for managing environmental and social risks in the supply chain 	Responsible Enterprise – Supply Chain Responsibility
	-	B5.1	<ul style="list-style-type: none"> - Number of suppliers by region 	
	-	B5.2	<ul style="list-style-type: none"> - Description of practices for engaging suppliers, the number of suppliers subject to these practices, and the methods for implementing and monitoring these practices 	
	-	B5.3	<ul style="list-style-type: none"> - Description of practices for identifying environmental and social risks at each stage of the supply chain, and related implementation and monitoring methods 	
	-	B5.4	<ul style="list-style-type: none"> - Description of practices for promoting the use of environmentally friendly products and services in supplier selection, and related implementation and monitoring methods 	

Substantive Aspects	GRI Standards	ESG Reporting Code	Description	Chapters/Notes
Customer Satisfaction Product and Service Quality Social and Economic Compliance	–	B6	– Regarding health and safety, advertising, labelling and privacy matters and remedies relating to the products and services offered: (a) Policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer	Responsible Enterprise Appendix – Applicable Laws and Regulations
	–	B6.1	– The percentage of the total number of products sold or shipped that must be recovered for safety and health reasons	
	–	B6.2	– The number of complaints received about products and services and how to deal with them	
	–	B6.3	– Describe practices related to the maintenance and protection of intellectual property rights	
	–	B6.4	– Describe the quality assurance process and product recall procedures	
	–	B6.5	– Describe our consumer data protection and privacy policy, as well as our enforcement and monitoring practices	
Anti-corruption Business Ethics Social and Economic Compliance	205-2	B7	– Regarding prevention of bribery, extortion, fraud and money laundering: (a) Policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer	Responsible Enterprise – Business Ethics
	–	B7.1	– Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	
	205-3	B7.2	– A description of the preventive measures and reporting procedures, as well as the relevant enforcement and monitoring methods	
	–	B7.3	– Describe the anti-corruption training provided to directors and staff	
Local Economic Development Community Engagement	203-1 203-2	B8	– Policies on community engagement to understand the needs of communities where operations are located and to ensure business activities consider community interests	Community Care
	–	B8.1	– Focus areas for contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	
	–	B8.2	– Resources allocated (e.g. money or time) to focus areas	

IFRS S2 Climate-related Disclosures

Disclosure Notes	Chapter/Notes
Governance	
<p>5 The objective of climate-related financial disclosures on governance is to enable users of general purpose financial reporting to understand the governance processes, controls and procedures used to monitor and manage climate-related risks and opportunities.</p>	
<p>6(a) To achieve this objective, an entity shall disclose information about: the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:</p>	
<p>(i) how responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);</p>	<p>Collaborating for a Low-Carbon Future – Tackling Climate Change – Governance</p>
<p>(ii) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;</p>	<p>Collaborating for a Low-Carbon Future – Tackling Climate Change – Governance</p>
<p>(iii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;</p>	<p>Collaborating for a Low-Carbon Future – Tackling Climate Change – Governance</p> <p>The Group recognises the need to ensure that the Board and relevant management have appropriate skills and competencies to oversee strategies addressing climate-related risks and opportunities. The Group continues to strengthen climate-related capabilities and, where appropriate, draws on external specialist support.</p>
<p>(iv) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and</p>	<p>Collaborating for a Low-Carbon Future – Tackling Climate Change</p> <p>The Group has included climate change risks in its corporate risk register and incorporated climate-related risk management processes into the Group's overall risk management framework. The Group will, taking into account the significance of the relevant matters, the availability of data and the prevailing management arrangements, consider whether the results of climate risk assessments and scenario analysis should be further incorporated into its long-term strategies, annual operating plans and major investment project review processes. In making relevant decisions, the Group will also take into consideration potential impacts such as energy costs, compliance requirements and brand reputation, as well as the trade-offs between risks and opportunities.</p>

Disclosure Notes	Chapter/Notes
(v) how the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitor progress towards targets (see paragraphs 33-36), including whether and how related performance metrics are included in remuneration policies (see paragraph 29(g)).	Collaborating for a Low-Carbon Future – Tackling Climate Change – Governance
6(b) management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	
(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	Collaborating for a Low-Carbon Future – Tackling Climate Change – Governance
(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Collaborating for a Low-Carbon Future – Tackling Climate Change – Governance Collaborating for a Low-Carbon Future – Tackling Climate Change – Risk Management
Strategy	
8 The objective of climate-related financial disclosures on strategy is to enable users of general purpose financial reports to understand an entity’s strategy for managing climate-related risks and opportunities.	
9(a) the climate-related risks and opportunities that could reasonably be expected to affect the entity’s prospects (see paragraphs 10-12);	Collaborating for a Low-Carbon Future – Tackling Climate Change – Strategy
9(b) the current and anticipated effects of those climate-related risks and opportunities on the entity’s business model and value chain (see paragraph 13);	Collaborating for a Low-Carbon Future – Tackling Climate Change – Strategy
9(c) the effects of those climate-related risks and opportunities on the entity’s strategy and decision-making, including information about its climate-related transition plan (see paragraph 14);	Collaborating for a Low-Carbon Future – Tackling Climate Change – Strategy The Group has formulated response measures based on the results of the climate risk and opportunity assessment. At the present stage, such measures and related content have not yet been consolidated into a standalone and comprehensive climate transition plan.
9(d) the effects of those climate-related risks and opportunities on the entity’s financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity’s financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity’s financial planning (see paragraphs 15-21); and	Collaborating for a Low-Carbon Future – Tackling Climate Change – Strategy The Group has conducted a qualitative analysis of the potential impact of climate-related risks and opportunities on its operations and cost structure (e.g. decrease in revenue), but due to the limitations of financial quantitative models and data maturity, it has not yet fully disclosed specific financial impact values in the short, medium and long term.

Disclosure Notes	Chapter/Notes
9(e) the climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities (see paragraph 22).	Collaborating for a Low-Carbon Future – Tackling Climate Change – Strategy
Climate-related risks and opportunities	
10 An entity shall disclose information that enables users of general purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:	
10(a) describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	Collaborating for a Low-Carbon Future – Tackling Climate Change – Strategy
10(b) explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;	Collaborating for a Low-Carbon Future – Tackling Climate Change – Strategy
10(c) specify, for each climate-related risk and opportunity the entity has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	Collaborating for a Low-Carbon Future – Tackling Climate Change – Strategy
10(d) explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	Collaborating for a Low-Carbon Future – Tackling Climate Change – Strategy As the application of scenario analysis deepens, the Group will continue to optimise the connection between the time frame and the internal planning cycle to better support strategic decision-making.
Business model and value chain	
13 An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:	
13(a) a description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain; and	Collaborating for a Low-Carbon Future – Tackling Climate Change – Strategy
13(b) a description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Collaborating for a Low-Carbon Future – Tackling Climate Change – Strategy

Disclosure Notes	Chapter/Notes
Strategy and decision-making	
14 An entity shall disclose information that enables users of general purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose:	
14(a) information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:	Collaborating for a Low-Carbon Future – Tackling Climate Change
(i) current and anticipated changes to the entity’s business model, including its resource allocation, to address climate-related risks and opportunities;	Collaborating for a Low-Carbon Future – Tackling Climate Change
(ii) current and anticipated direct mitigation and adaptation efforts;	
(iii) current and anticipated indirect mitigation and adaptation efforts;	
(iv) any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity’s transition plan relies; and	The Group has formulated response strategies based on the results of the climate risk and opportunity assessment. At the present stage, such measures and related content have not yet been consolidated into a standalone and comprehensive climate transition plan.
(v) how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33–36.	Collaborating for a Low-Carbon Future – Tackling Climate Change The Group currently has qualitative greenhouse gas targets.
14(b) information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a).	Collaborating for a Low-Carbon Future – Tackling Climate Change
14(c) quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).	Collaborating for a Low-Carbon Future – Tackling Climate Change
Financial position, financial performance and cash flows	
15 An entity shall disclose information that enables users of general purpose financial reports to understand:	
15(a) the effects of climate-related risks and opportunities on the entity’s financial position, financial performance and cash flows for the reporting period (current financial effects); and	Collaborating for a Low-Carbon Future – Tackling Climate Change

Disclosure Notes	Chapter/Notes
15(b) the anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	The Group has provided qualitative financial impact information on climate-related risks and opportunities, but has not yet developed an analytical model that can quantify its impact on financial position, financial results and cash flows. The Group is progressively enhancing its skills, capabilities and systems to support more comprehensive climate financial analysis in the future. Based on the current availability of information and the results of the existing analysis, the Group has not yet identified climate-related factors that require significant adjustments to the financial statements for the next year.
16 Specifically, an entity shall disclose quantitative and qualitative information about:	
16(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	
16(b) the climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	
16(c) how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	
(i) its investment and disposal plans, including plans the entity is not contractually committed to;	
(ii) its planned sources of funding to implement its strategy; and	
16(d) how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	
Climate resilience	
22 An entity shall disclose information that enables users of general purpose financial reports to understand the resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities. The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances. In providing quantitative information, the entity may disclose a single amount or a range. Specifically, the entity shall disclose:	
22(a) the entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand:	Collaborating for a Low-Carbon Future – Tackling Climate Change – Strategy
(i) the implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis;	When the Group conducts climate scenario and resilience assessments, the principal uncertainties include the extent to which climate and environmental protection policies may tighten in the future, changes in energy prices and the energy mix, the frequency and severity of extreme weather events, trends in customer demand for low-carbon products, and the pace of development of relevant technologies. At present, the Group considers the above factors primarily on a qualitative basis and has not yet conducted a quantitative sensitivity analysis of these uncertainties.
(ii) the significant areas of uncertainty considered in the entity's assessment of its climate resilience;	

Disclosure Notes	Chapter/Notes
<p>(iii) the entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including:</p> <ol style="list-style-type: none"> (1) the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities; (2) the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and (3) the effect of the entity's current or planned investments in climate-related mitigation, adaptation or opportunities for climate resilience; and 	<p>The Group has allocated budget for energy conservation and emission reduction-related measures, and has assessed and enhanced its ability to address climate risks at a qualitative level. However, at this stage, a systematic assessment framework covering short-, medium- and long-term has not been established on the overall impact of financial resource affordability, asset reallocation and climate-related investments, and the relevant disclosures are still mainly qualitative.</p>
<p>22(b) how and when the climate-related scenario analysis was carried out, including:</p>	
<p>(i) information about the inputs the entity used, including:</p> <ol style="list-style-type: none"> (1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) the time horizons the entity used in the analysis; and (7) what scope of operations the entity used in the analysis; 	
<p>(ii) the key assumptions the entity made in the analysis, including assumptions about:</p> <ol style="list-style-type: none"> (1) climate-related policies in the jurisdictions in which the entity operates; (2) macroeconomic trends; (3) national- or regional-level variables; (4) energy usage and mix; and (5) developments in technology; and 	
<p>(iii) the reporting period in which the climate-related scenario analysis was carried out.</p>	

Disclosure Notes	Chapter/Notes
Risk management	
24 The objective of climate-related financial disclosures on risk management is to enable users of general purpose financial reports to understand an entity's processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process.	
25 To achieve this objective, an entity shall disclose information about:	Collaborating for a Low-Carbon Future – Tackling Climate Change – Risk Management
25(a) the processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about:	
(i) the inputs and parameters the entity uses;	
(ii) whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks;	
(iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks;	
(iv) whether and how the entity prioritises climate-related risks relative to other types of risk;	
(v) how the entity monitors climate-related risks; and	
(vi) whether and how the entity has changed the processes it uses compared with the previous reporting period;	
25(b) the processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and	Collaborating for a Low-Carbon Future – Tackling Climate Change – Risk Management
25(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Collaborating for a Low-Carbon Future – Tackling Climate Change – Risk Management
Metrics and targets	
27 The objective of climate-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to understand an entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.	
28 To achieve this objective, an entity shall disclose:	Collaborating for a Low-Carbon Future – Tackling Climate Change – Metrics and Targets
28(a) information relevant to the cross-industry metric categories (see paragraphs 29-31);	
28(b) industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry (see paragraph 32); and	
28(c) targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets (see paragraphs 33-37).	

Disclosure Notes	Chapter/Notes
Climate-related metrics	
29 An entity shall disclose information relevant to the cross-industry metric categories of:	
29(a) greenhouse gas emissions – the entity shall:	Collaborating for a Low-Carbon Future – Tackling Climate Change – Metrics and Targets Appendix – Performance Data Summary
(i) disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO ₂ equivalent, classified as: (1) Scope 1 greenhouse gas emissions; (2) Scope 2 greenhouse gas emissions; and (3) Scope 3 greenhouse gas emissions;	Scope 1 and Scope 2 emissions have been disclosed in this report. The Group will assess the disclosure arrangements for Scope 3 emissions, taking into account boundary determination, data availability and the maturity of the underlying accounting basis.
(iii) disclose the approach it uses to measure its greenhouse gas emissions including: (1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions; (2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	Collaborating for a Low-Carbon Future – Tackling Climate Change – Metrics and Targets
(iv) for Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)-(2), disaggregate emissions between: (1) the consolidated accounting group; and (2) other investees excluded from paragraph 29(a)(iv)(1);	The Group has not yet disaggregated the Scope 1 and 2 emissions of the consolidated accounting group and other investees.
(v) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions; and	Collaborating for a Low-Carbon Future – Tackling Climate Change – Metrics and Targets During the reporting period, no renewable energy certificates, green power contracts, or other contractual instruments were used to adjust Scope 2 emissions.
(vi) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), disclose: (1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and (2) additional information about the entity's financed emissions (which are part of Category 15 greenhouse gas emissions), if its activities include asset management, commercial banking or insurance;	Scope 1 and Scope 2 emissions have been disclosed in this report. The Group will assess the disclosure arrangements for Scope 3 emissions, taking into account boundary determination, data availability and the maturity of the underlying accounting basis.

Disclosure Notes	Chapter/Notes
29(b) climate-related transition risks – the amount and percentage of assets or business activities vulnerable to climate-related transition risks;	<p>Currently, due to internal resources and data systems, the Group is not yet able to quantify the amount and percentage of assets/business activities that are vulnerable to climate-related transition and physical risks or related to climate-related opportunities, as well as the amount of capital expenditure, financing or investment arising in response to climate-related risks and opportunities. The relevant content is only explained qualitatively at this stage.</p> <p>In addition, the Group has not formally adopted internal carbon pricing in its decision-making process, so there is no relevant data to disclose during the reporting period.</p>
29(c) climate-related physical risks – the amount and percentage of assets or business activities vulnerable to climate-related physical risks;	
29(d) climate-related opportunities – the amount and percentage of assets or business activities aligned with climate-related opportunities;	
29(e) capital deployment – the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	
29(f) internal carbon prices – the entity shall disclose: (i) an explanation of whether and how the entity is applying a carbon price in decision-making; and (ii) the price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions;	
29(g) remuneration – the entity shall disclose: (i) a description of whether and how climate-related considerations are factored into executive remuneration; and (ii) the percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations.	<p>The Group has not yet formally incorporated specific climate performance indicators into the senior management remuneration policy, and the Group will evaluate the feasibility of further incorporating climate-related performance into remuneration considerations and make quantitative disclosures when reviewing the performance indicators and remuneration policies in the future.</p>
Climate-related targets	
33 An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:	
33(a) the metric used to set the target;	<p>Collaborating for a Low-Carbon Future – Tackling Climate Change</p> <p>The Group has set a qualitative direction for the implementation of the national “dual carbon” goal, and continues to promote energy conservation and emission reduction measures and enhance climate risk management capabilities. Since the relevant data caliber, emission boundaries and accounting basis are still being gradually improved at this stage, the Group has not yet set specific quantitative targets.</p>
33(b) the objective of the target;	
33(c) the part of the entity to which the target applies;	
33(d) the period over which the target applies;	
33(e) the base period from which progress is measured;	
33(f) any milestones and interim targets;	
33(g) if the target is quantitative, whether it is an absolute target or an intensity target; and	
33(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	

Disclosure Notes	Chapter/Notes
34 An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	Collaborating for a Low-Carbon Future – Tackling Climate Change
34(a) whether the target and the methodology for setting the target has been validated by a third party;	The Group has set a qualitative direction for the implementation of the national “dual carbon” goal, and continues to promote energy conservation and emission reduction measures and enhance climate risk management capabilities. Since the relevant data caliber, emission boundaries and accounting basis are still being gradually improved at this stage, the Group has not yet set specific quantitative targets.
34(b) the entity’s processes for reviewing the target;	
34(c) the metrics used to monitor progress towards reaching the target; and	
34(d) any revisions to the target and an explanation for those revisions.	
35 An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity’s performance.	
36 For each greenhouse gas emissions target disclosed in accordance with paragraphs 33–35, an entity shall disclose:	
36(a) which greenhouse gases are covered by the target;	
36(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	
36(c) whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target;	
36(d) whether the target was derived using a sectoral decarbonisation approach;	
36(e) the entity’s planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use.	



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