



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

(Incorporated in the Cayman Islands with limited liability)
Stock Code : 00884



2025

Environmental, Social and Governance Report

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Opening Address



The year 2025 marks a significant milestone of CIFI's 25th anniversary. In the midst of significant shifts in the real estate industry and evolving market conditions, CIFI remains committed to a long-term development strategy, consistently enhancing its operational foundation and governance capabilities in the challenging environment. By adopting more stable and rational business practices, CIFI gains momentum throughout cycles and advances steadily.

CIFI's 25-year journey has been a constant process of learning and growth. Having experienced the profound challenges of industry cycles, we have gained a clearer understanding that true and lasting success for an enterprise can only be achieved by embracing responsibility, prioritizing quality, and maintaining strong governance. To achieve this goal, we continuously enhance our Environmental, Social, and Governance (ESG) management system, meeting the trust and expectations of all stakeholders through more standardized and transparent management practices.



Effective Governance Fortifies the Foundation for Development

Establish a strong operational framework through systematic governance and risk management capabilities.

In 2025, CIFI continued to strengthen its audit supervision and risk management system, identifying 112 issues through routine audits and supervision projects, with confirmed recoverable amounts totaling RMB38.02 million. Meanwhile, we continuously improved our risk warning mechanism, launching 21 risk warning items by the end of 2025 to achieve dynamic monitoring of key operational risks. Additionally, through systematic evaluation, we identified 26 material ESG issues, providing a critical basis for continuously enhancing sustainable development management.

Quality Control Ensures Product Commitment

Continuously improve project quality and delivery capabilities through refined engineering management and digital techniques.

CIFI always regards engineering quality and customer experience as the important foundation for its development. In 2025, the Group conducted unit-by-unit inspections across over 20 delivery projects, covering nearly ten thousand housing units. Over 140,000 issues were identified, with a resolution rate exceeding 95%. Meanwhile, we fully rolled out an image management system across 15 projects nationwide, enabling digital recording and traceability of key construction nodes throughout the entire construction process and further enhancing engineering management transparency.

Green Practices Foster Low-carbon Operations

Constantly advance low-carbon development through initiatives such as green buildings, green procurement, and green office.

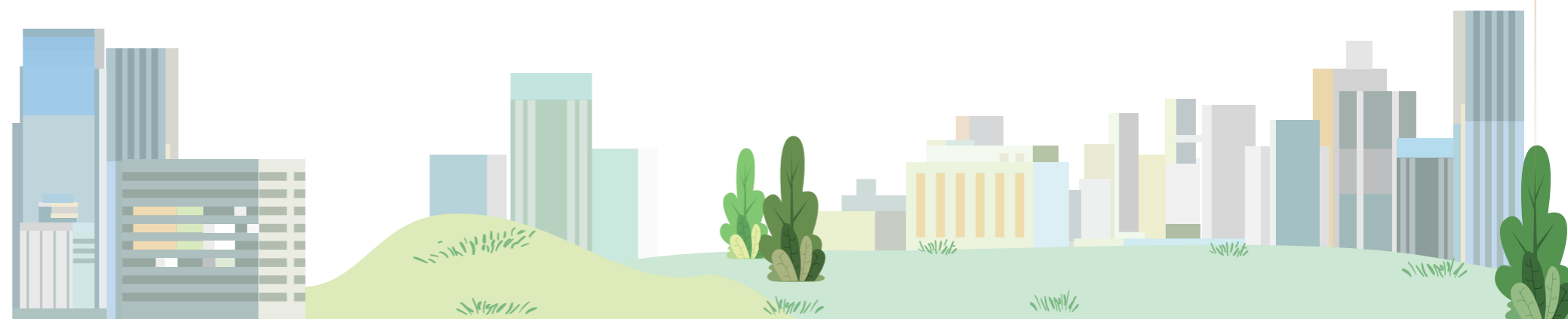
CIFI consistently integrates green concepts into project development and operational management. In 2025, 50.7% of delivered projects utilized renewable energy, and prefabricated buildings accounted for 86.1% of all projects under construction. Meanwhile, we continued improving our green procurement system by adding 6 new green procurement categories and clearly mandated that new projects comprehensively adopt Level 1 energy efficiency products as primary energy devices from 2025. At the operational level, through energy-saving renovations and management optimization, water consumption in office areas decreased by 4.8% compared to 2024, and administrative office energy consumption intensity decreased by more than 25%, continuously advancing corporate energy conservation and carbon reduction.

Openness and Collaboration Foster Development Synergy

Persistently build multi-stakeholders' trust of CIFI through responsible partnership and transparent communication.

CIFI continues to strengthen communication and collaboration with partners and the capital market. In 2025, we conducted performance evaluations for 923 suppliers and promoted all suppliers to sign the "Letter of Undertaking of Integrity". Meanwhile, a total of 181 investor communication activities were carried out throughout the year. In terms of social responsibility, 85 employee volunteers dedicated to volunteer services for 590 hours in total, continuously conveying corporate warmth to society.

With an unwavering mission, we journey together to conquer mountains and seas. At its 25th anniversary milestone, CIFI remains dedicated to maintaining stable operations and fostering responsible growth. We will continue strengthening our resilience in the face of industry changes and working closely with all stakeholders to collectively build a more sustainable future.



About This Report

About CIFI

Introduction

2025 Environmental, Social and Governance Report (the “Report”) presented by CIFI Holdings (Group) Co., Ltd. (the “Company”, together with its subsidiaries collectively referred to as the “Group”) is the ninth ESG report published by the Company since 2017. Adhering to the principles of materiality, quantifiability, consistency and balance, this Report provides detailed information on the Group’s key practices and performance indicators in environmental, social and governance (“ESG”) areas for the year ended 31 December 2025.

Scope of the Report

This Report primarily explores the ESG concepts, practices, and performance related to the Group’s real estate development projects, commercial operations, and administrative management activities for the period from 1 January 2025 to 31 December 2025 (the “Reporting Period”), with some content appropriately traced back to previous years.

Reference

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

Source of Data

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

Basis of Preparation

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

Reporting Commitments

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

Availability of the Report

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

Established in 2000 and headquartered in Shanghai, CIFI is principally engaged in property development, property investment and property management service businesses in the People’s Republic of China (the “PRC” or “China”).

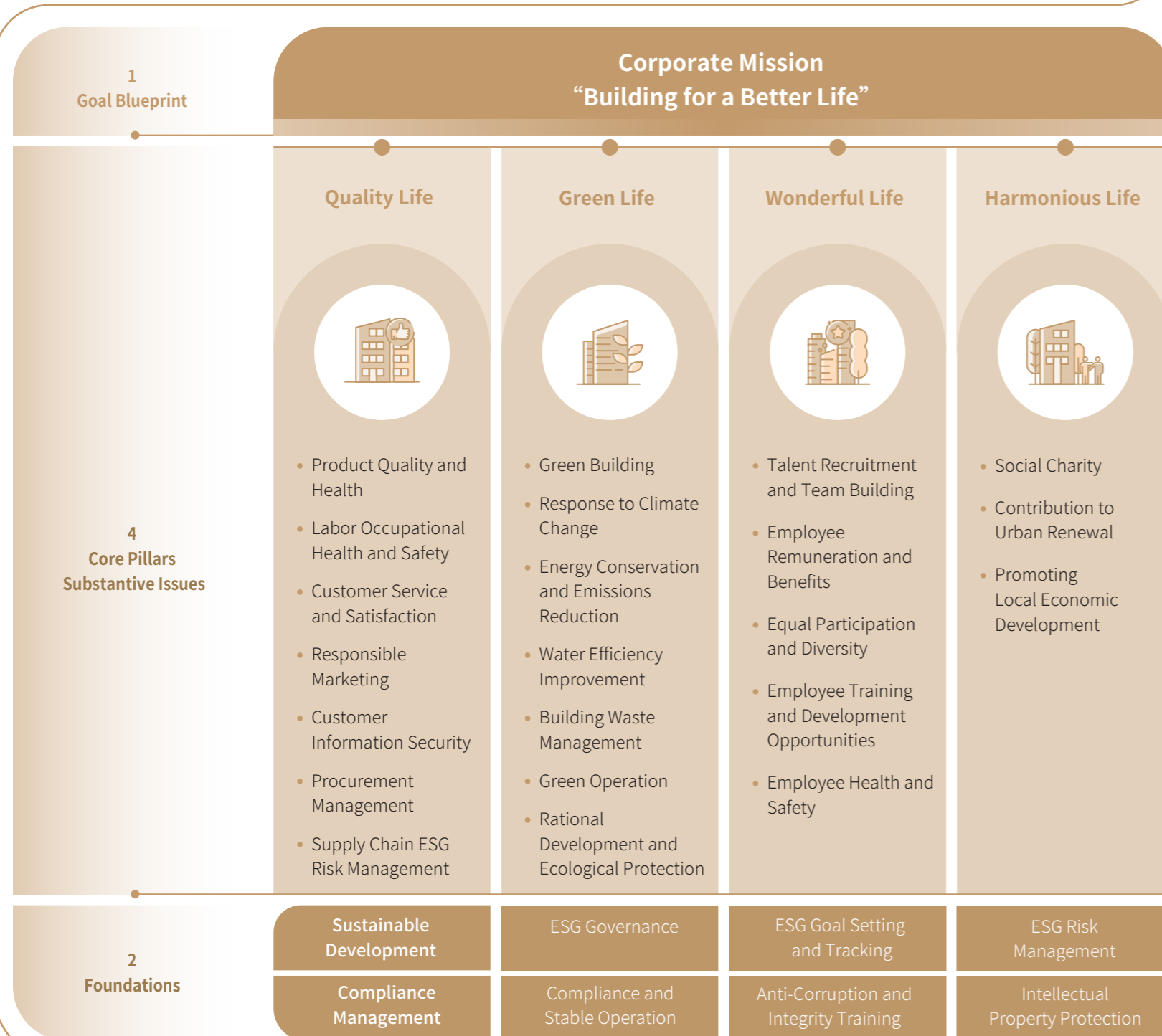
We principally focus on developing high-quality and end-user driven properties in mature segments in first- and second-tier cities as well as core cities in China. Our development projects cover various property types, including residential, offices and commercial complexes.

CIFI consistently places customers’ needs at the core of our development, regards employees as the solid foundation of the Company’s growth, and actively assumes broad responsibilities to society. We adhere to a “long-termism” development philosophy, and continue to deepen our practices and investments in areas including green and environmental protection, social welfare and corporate governance, striving to foster a harmonious and mutually beneficial community environment. Through concrete actions, we fulfil our commitment as an exemplary corporate citizen and lead the sustainable development of the industry.



Sustainability Strategy

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



Quality Life

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

Harmonious Life

We embrace the social responsibility of “Remembering Our Roots and Giving Back to Society” while practicing “Dedication and Devotion with Concrete Actions”. We dedicate ourselves to philanthropic endeavors in educational support, disaster relief, rural revitalization and environmental protection. Additionally, we leverage our strengths to participate in urban development and operations, facilitating urban regeneration and promoting community prosperity.

Green Life

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

Sustainable Development

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

Wonderful Life

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

Compliance Management

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

Feature Topic of the Year

Building a Robust Foundation — Creating an Intelligent Audit Neural Network

Excellent corporate governance and forward-looking risk management and control capabilities have become key pillars for corporate prudent operations and long-term value creation. We recognize that deeply integrating technological innovation into the audit supervision and risk management framework is not only a critical pathway to enhancing operational efficiency, but also an important embodiment of fulfilling our commitments to shareholders, customers and society. To this end, we have continued to promote the digital and intelligent transformation of our audit and risk control functions, and have established and further enhanced our intelligent audit system and neural network system.

Driven by technology and empowered by data, the system realizes full-process coverage of risk management, standardized operations and forward-looking early-warning mechanisms, and builds a dynamic risk control network covering the entire business value chain. This strengthens our risk management foundation and enhances governance efficiency, enabling the Company to pursue sustainable, high-quality growth in a complex and rapidly changing environment, and to demonstrate corporate governance characterized by responsibility, transparency and resilience through concrete actions.

Core Functions of the Platform

The intelligent audit and neural network system has achieved online and automated management across multiple modules, including audit, supervision and risk warning, and has established a comprehensive functional framework covering risk identification, process monitoring and post-event monitoring.

Smart Audit Management

The system supports online, full life-cycle management of audit projects, covering the entire process from audit project initiation, audit preparation, on-site audit, audit reporting, rectification and accountability, to audit filing and archiving. Through deep integration of data analytics technologies, the system has significantly enhanced the efficiency and quality of audit work. Its key technological applications are as follows:

- ① supporting the automatic acquisition of various operating and management data of audited entities, providing a real-time and comprehensive data foundation for audit analysis;
- ② enabling automated audit sampling through built-in sampling rules, enhancing the scientific rigour and standardization of sampling work;
- ③ enabling the automated execution of certain audit procedures through pre-set data analysis models; and
- ④ realising the digital accumulation and reuse of audit knowledge, such as standard risk lists.

Smart Supervision Management

The system has realised online, full life-cycle management of supervision operations, with processes covering lead management, supervision project initiation, supervision investigation, supervision reporting, supervision actions and filing. At the same time, key integrity risk management processes, such as gift registration and conflict of interest declarations, have been incorporated into the online platform for unified standardization and management, enhancing the systematic nature and transparency of supervision work.

Neural Network Risk Warning

The system has deployed more than 50 risk early-warning indicators, providing comprehensive coverage across core business lines, including procurement, marketing and construction. Through real-time monitoring and analysis of business data, the system is able to automatically identify anomalous data and potential risk patterns, thereby significantly bringing forward risk control checkpoints and shifting from passive response to proactive prevention.

Special Cost and Price Monitoring

Based on the established marketing and procurement price database and the control mechanism of four standardised cost lists, the system is able to capture relevant contract and tender award price data in real time. Through comparative analysis, it can monitor in real time abnormal procurement prices that deviate from the standards and trigger online alerts, effectively controlling the risks of cost overruns and non-compliance.

Case of External Deployment of System Capabilities



Case

Smart Audit System and Neural Network System Enabling a Dairy Enterprise to Establish an Enterprise-wide Risk Control Framework

During its collaboration with an external technology company, a well-known dairy group successfully deployed a comprehensive risk control framework, including 12 financial audit models, based on the core architecture of the group's intelligent audit system and neural network system.

The system achieved dynamic early warning and automated verification for key financial processes, including tax accounting, asset management, audit sampling, free-of-charge orders and abnormal inbound and outbound inventory movements, write-offs of bad debts, and deemed sales management. In addition, this enterprise further established a risk monitoring network covering the entire business value chain, including 8 warehousing and transportation logistics models, 8 raw milk sourcing management models, 12 procurement and tender management models, and 16 sales and accounts receivable management models, forming a "full-domain-full-cycle" digital risk control capability spanning from raw materials to sales and from finance to operations.

Results of Internal System Application

Regarding risk alert management and control, the Group adheres to the principle of "combining audit supervision with risk prevention". It has incorporated key risk indicators into both its smart audit and neural network systems, establishing a proactive risk control mechanism driven by cases and data. As of the end of 2025, we had cumulatively developed and launched 21 risk warning modules, covering multiple areas including finance, operations and construction. Leveraging the deployed risk alert indicators, the Group continues to conduct comprehensive and regular risk monitoring and analysis of key matters such as change orders, malicious claims and contract settlements. In response to identified anomalies, targeted measures such as stop-loss interventions and cost optimization have been implemented, resulting in the successful recovery of a number of losses and effectively safeguarding the Group's asset security and operational stability.

In terms of cost control, the Group leverages four cost-related neural network alert systems to dynamically monitor procurement prices for key cost items, including steel reinforcement materials and installation, concrete materials and placement, formwork, provisional costs and earthwork excavation and backfilling, providing strong support for refined cost management.

In addition, during the year, the Group fully rolled out an image management system across 15 projects nationwide, enabling online archiving and one-click retrieval of key images throughout the entire construction process. The system effectively prevents on-site management risks such as falsification of output value, corner-cutting and non-conforming materials, while also achieving full traceability of images for counterclaims, further strengthening risk prevention and control capabilities in the construction area and continuously enhancing the Company's neural network control framework towards greater visualisation, traceability and auditability.

Honors of the Year



Shanghai, Jiangsu, Zhejiang and Anhui Enterprise Confederation & Enterprise Directors Association

百强证书

旭辉集团股份有限公司

2025长三角服务业企业100强

(第66名)

上海市企业联合会 江苏省企业联合会 浙江省企业联合会 安徽省企业联合会

上海市企业家协会 江苏省企业家协会 浙江省企业家协会 安徽省企业家协会

2025年11月

百强证书

旭辉集团股份有限公司

2025长三角民营服务业企业100强

(第27名)

上海市企业联合会 江苏省企业联合会 浙江省企业联合会 安徽省企业联合会

上海市企业家协会 江苏省企业家协会 浙江省企业家协会 安徽省企业家协会

2025年11月

Ranked 66th in the 2025 Yangtze River Delta Top 100 Service Enterprises

Ranked 27th in the 2025 Yangtze River Delta Top 100 Private Service Enterprises

CRIC

2025年度中国房地产企业产品力TOP100

名次	房企简称
19	中国电建地产
20	旭辉集团
21	卓越集团

2025年度全国十大品质美宅产品系

企业名称	产品系
旭辉集团	铂萃系
绿城中国	春风系

2025中国房地产企业交付力TOP50

综合排名	企业名称
14	新希望地产
15	旭辉集团
16	滨江集团

Ranked 20th in CRIC 2025 Top 100 Real Estate Enterprise Ranking by Product Quality in China

Top Tower Series - 2025 National Top 10 Quality Residential Product Series

Ranked 15th in 2025 Top 50 China Real Estate Enterprises by Delivery Capability

Shanghai Enterprise Confederation, Shanghai Enterprise Directors Association and Shanghai Federation of Economic Organizations

2025上海服务业企业100强

排名	企业名称	地区
28	旭辉集团股份有限公司	青浦

2025上海民营服务业企业100强

排名	企业名称	地区
11	旭辉集团股份有限公司	青浦

2025上海民营企业100强

排名	企业名称	地区
19	旭辉集团股份有限公司	青浦

2025上海企业100强

排名	企业名称	地区
55	旭辉集团股份有限公司	青浦

Ranked 28th in the 2025 Shanghai Top 100 Service Enterprises

Ranked 11th in the 2025 Shanghai Top 100 Private Service Enterprises

Ranked 19th in the 2025 Shanghai Top 100 Private Enterprises

Ranked 55th in the 2025 Shanghai Top 100 Enterprises

National Business Daily

2025中国价值地产总评榜

年度交付力企业

旭辉集团

CHINA VALUABLE REAL ESTATE AWARDS

每日经济新闻 二〇二五年十月

Delivering Enterprise of the Year of 2025 China Value Real Estate Rankings

ZT Finance

第十届

智通财经上市公司评选

— CERTIFICATE OF HONOR —

最具价值地产及物业公司

旭辉控股集团

00884.HK

2025.12.03

DATE

智通财经

The Most Valuable Real Estate and Property Company at the 10th Listed Company Selection of ZT Finance

Management

Enhancing Responsibility Management

Board Statement

By strictly following the Environmental, Social and Governance Reporting Code issued by the HKEX while closely monitoring sustainability trends both domestically and internationally, with reference to the "IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information" and "IFRS S2 Climate-related Disclosures" published by the International Sustainability Standards Board (ISSB), the CIFI Group has enhanced the Board's crucial role in ESG governance, particularly in overseeing climate-related risks and opportunities.

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

CIFI fully recognizes the significant potential impact of ESG factors on the Group's long-term

development, so it regularly assesses ESG issues comprehensively by considering ESG risks, macro policy environment and stakeholders' engagement feedback. The Board reviews the analysis results for material issues and categorizes materiality management and improvement as an annual key sustainability task. Regarding the management of climate change risk, the Board actively participates in reviewing and determining relevant target setting while strictly following the ISSB's "IFRS S2 Climate-related Disclosures" and HKEX's "Guidance on Climate Disclosures" to enable disclosure of climate-related risks and response measures in a timely and transparent manner.

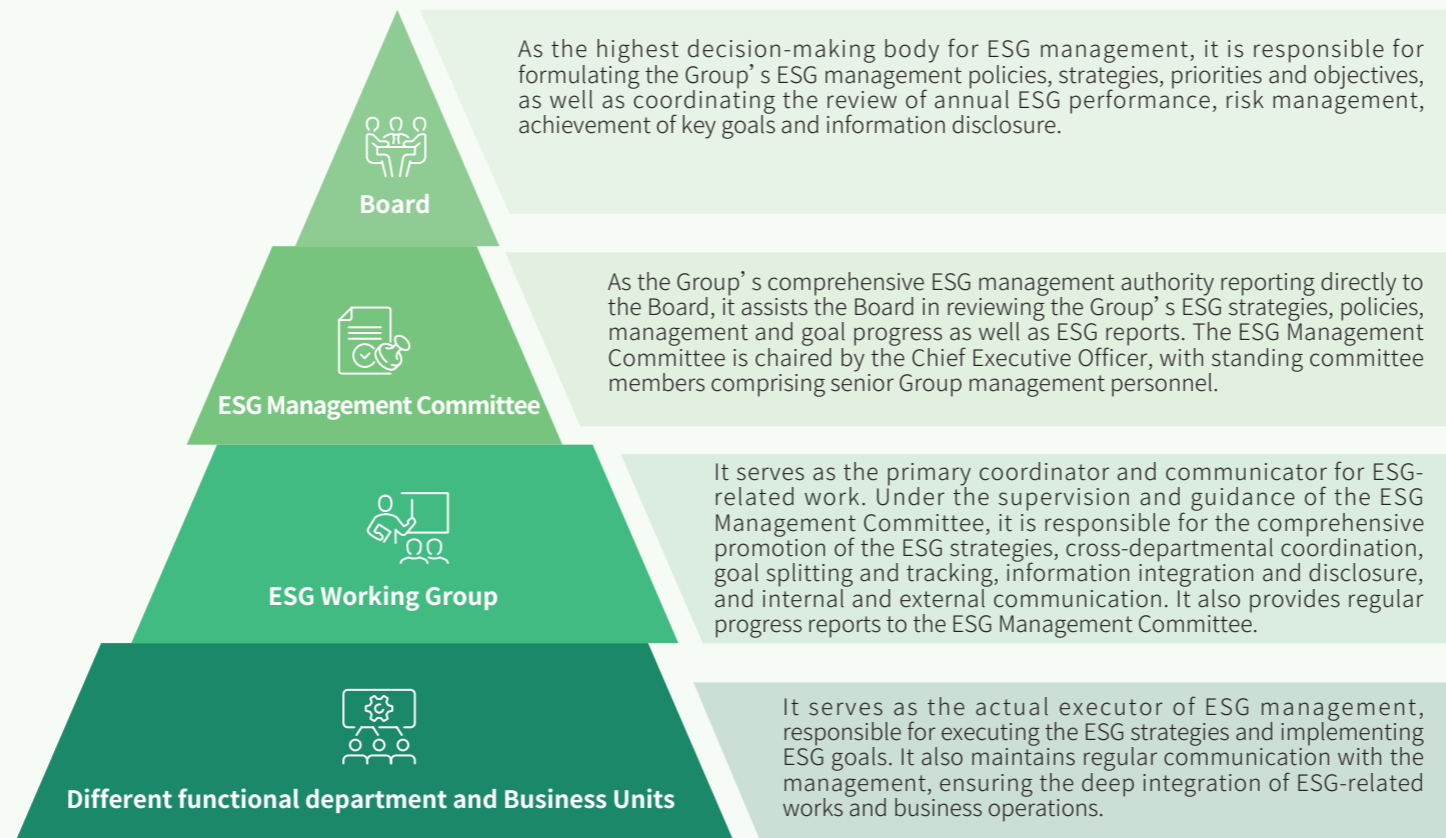
During the Reporting Period, CIFI has established environmental and social goals directly aligned with its business operations. The Board has reviewed these goals and will continue monitoring progress towards their achievement.

This Report has been reviewed and approved by the Board.



Governance Structure

The Group has deeply integrated ESG governance into its corporate governance framework. After years of practice and continuous optimization, we have established a four-tier cooperative working mechanism comprising the "Decision-Making Level, Supervision and Advisory Level, Coordination and Communication Level and Execution Level" to systematically promote the Group's overall ESG performance. At the same time, the Group has further clarified the management objectives and responsibilities of each level and refined the performance-based reward mechanism while enhancing ESG affairs and risk management processes. Leveraging the establishment of regular reporting, the Board and management can be fully informed about the management situation, goal-setting, plans and the effectiveness of the plans' implementation of ESG risks, thus ensuring systematic and standardized ESG practices.

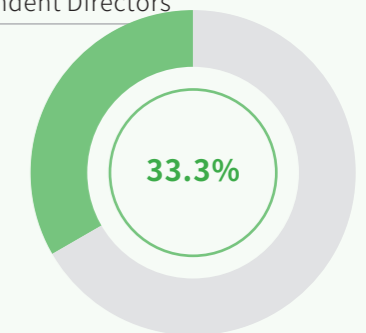


Sustainable Development Management Structure

As of 31 December 2025, the Board comprised nine directors. Five are executive directors, one is non-executive director and three are independent non-executive directors, including one female director.

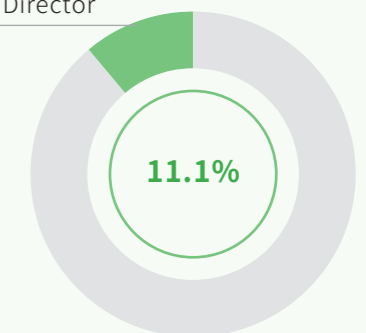
Ratio of Independent Directors

3/9



Ratio of Female Director

1/9



Stakeholder Communication

CIFI Group strives to build an open and transparent ESG communication ecosystem. We have maintained regular interaction with multiple stakeholders, including the government and regulators, investors and shareholders, customers, employees, suppliers and partners, industry associations and communities, among others. By establishing a systematic and regular communication mechanism, we are able to accurately capture the concerns and expectations of all parties. These valuable feedbacks serve as a crucial basis for optimization of ESG practices, ensuring that the Company fulfills its social responsibilities while pursuing commercial value, and enabling collaborative development and sustainable mutual benefits with stakeholders.

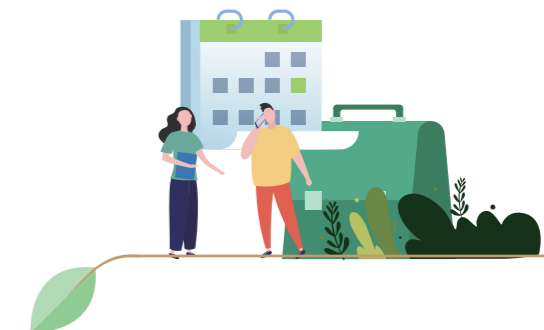


Stakeholder Category	Main Communication Channels	Response
Government and Regulators 	<ul style="list-style-type: none"> Strategic Cooperation Information Submission Work Reporting Statistic Reports 	<ul style="list-style-type: none"> Respond to national policies and fulfill the government's management requirements Reinforce corporate compliance management and operation Develop and continuously optimize corporate strategic positioning, industrial direction and operational practices
Investors and Shareholders 	<ul style="list-style-type: none"> Regular Report Publication General Meetings Corporate Communications Investor Interviews and Press Conferences 	<ul style="list-style-type: none"> Identify and assess risks, then formulate relevant measures to strengthen corporate governance and risk management Periodically disclose business updates, ESG information and performance Actively respond to ESG performance ratings
Customers 	<ul style="list-style-type: none"> "CEO Direct Line" Customer Satisfaction Surveys WeChat Official Account Customer Service Center Property Management Center Marketing and Sales Sites Customer Issue Reporting System Email SMS 	<ul style="list-style-type: none"> Uphold technological innovation, enhance product and service quality, and strengthen oversight Ensure project safety and quality to safeguard customer well-being Establish a comprehensive and effective customer service system Improve customer communication mechanisms and provide open complaint channels Enhance marketing and sales management and information security

Stakeholder Category	Main Communication Channels	Response
Employees 	<ul style="list-style-type: none"> Staff Training Staff Forum Chairman's Luncheon General Manager's Communication Meeting Morning Meetings Performance Review Meeting CEO Talk Column Regular ESG Progress Interviews CIFI Four Sessions CEO's Q&A Box 	<ul style="list-style-type: none"> Improve remuneration systems and welfare mechanisms Organize staff training and improve career promotion mechanisms Strengthen the safety management system to ensure employee health and safety Organize employee care activities, maintain open communication channels and conduct employee satisfaction surveys
Suppliers and Partners 	<ul style="list-style-type: none"> Supplier Evaluation Supplier Conference Email SMS 	<ul style="list-style-type: none"> Refine supplier management mechanisms to manage environmental and social risks, among others Advance the development of green supply chains Establish supplier communication platforms Implement transparent procurement practices to build a responsible supply chain
Industry Associations 	<ul style="list-style-type: none"> Industry Seminars and Exchanges 	<ul style="list-style-type: none"> Provide recommendations for industry standards while promoting sustainable development across the sector Promote fair competition within the industry
Communities 	<ul style="list-style-type: none"> Social Welfare Activities Urban Landscape Maintenance Rural Revitalization 	<ul style="list-style-type: none"> Provide local employment opportunities Support urban renewal with a focus on cultural preservation Funding education, emergency rescue and disaster relief, rural revitalization, and environmental protection

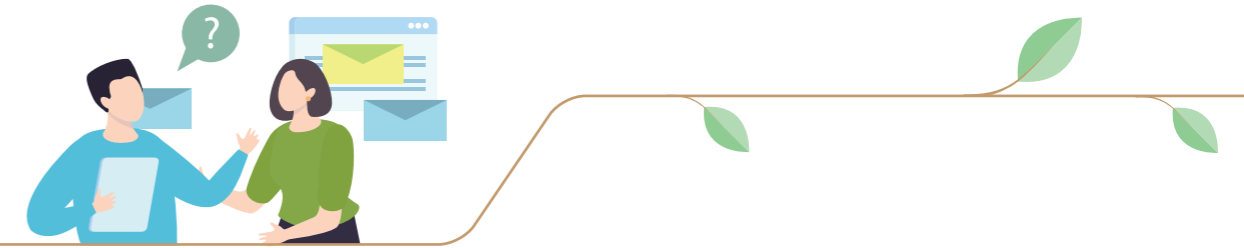
As of 31 December 2025, CIFI expanded its interaction mechanism with investors, hosting over 181 communication events in total. In particular, the "Go Into CIFI" corporate visits were continuously conducted across multiple major cities, which comprehensively showcased the Company's achievements in project quality, operational management and sustainable development practices. At the same time, CIFI actively engaged in investment strategy meetings organized by domestic and international brokers, maintaining frequent and in-depth communication with stock and bond investors to consolidate and strengthen their trust-based relationship.

In terms of industry engagement, CIFI actively fulfilled its corporate citizenship responsibilities by taking the initiative to participate in policy discussions and thematic forums organized by the government and industry associations. Throughout the year, the Company submitted a total of 15 in-depth reports that covered industry trends, corporate operating conditions, and policy optimization recommendations. Grounded in frontline practices, these reports accurately reflected common challenges encountered during policy implementation while also providing constructive corporate perspectives to restore market confidence, support the mitigation of sector-wide risks and establish new development models for the real estate sector, thereby tangibly advancing the industry toward stable and high-quality growth.



Materiality Management

In strict compliance with regulatory disclosure requirements and in response to stakeholder concerns, we have systematically identified 26 materiality issues through systematic assessments and stakeholder research. These issues were also identified by taking into account CIFI's business characteristics, operational priorities and long-term industry trends, and with reference to leading peer practices. Based on an in-depth assessment of the importance of these issues, this Report provides comprehensive disclosure and discussion on them to demonstrate CIFI's unwavering commitment to aligning with stakeholder expectations and advancing alongside industry progress toward sustainable development.



Materiality Analysis

In its ongoing efforts to address stakeholder expectations, CIFI continuously improves its ESG management system, adhering to a three-stage process: preliminary screening of issues, in-depth assessment, and issue confirmation and action implementation. Through this systematic framework, we consistently identify material issues and comprehensively advance related management initiatives. Each stage remains closely aligned with the Group's development strategy and stakeholder concerns, thereby laying a solid foundation for sustainable development and achieving collaborative value creation with stakeholders.

Step 1 Identify the issues

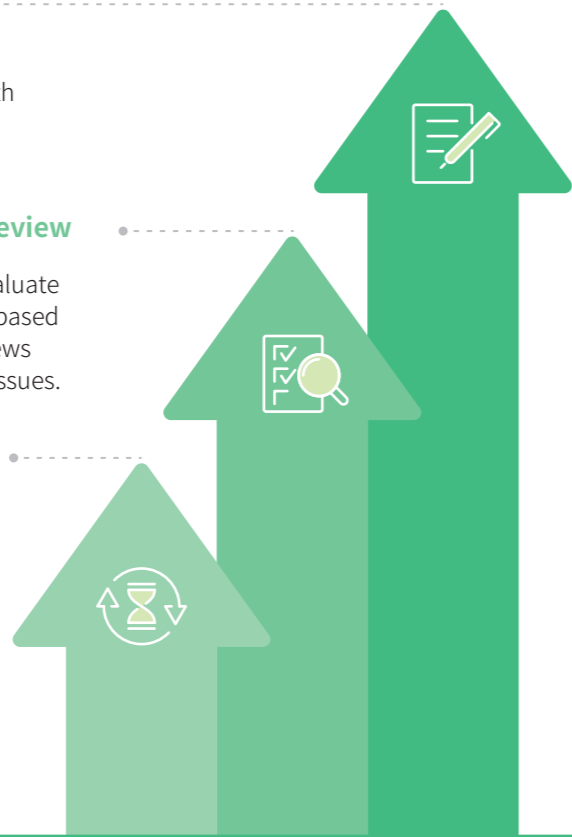
Referencing HKEX and international reporting standards, we conduct online surveys with both internal and external stakeholders to gather feedback on their sustainability concerns.

Step 2 Conduct analysis and internal review

Drawing from the questionnaire results, we evaluate each issue's materiality and sort out priorities based on stakeholder feedback. The Board then reviews and confirms the final ranking of the material issues.

Step 3 Implement the response plan

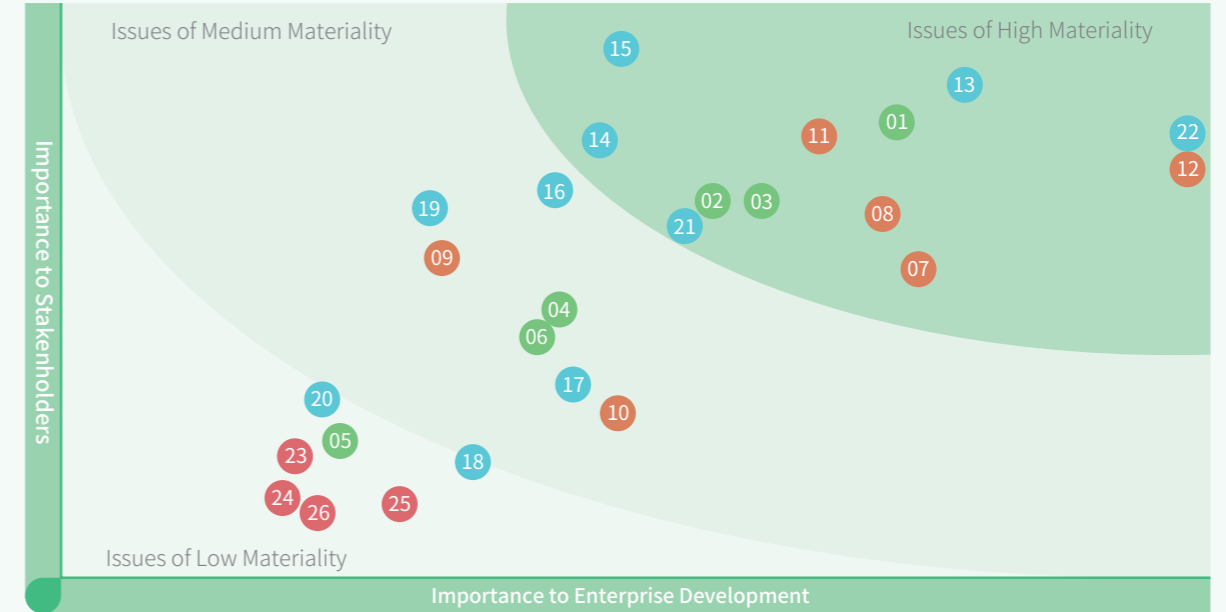
Based on the materiality rankings, we develop targeted work plans, implement management improvements for relevant issues and regularly assess our progress toward ESG goals.



Assessment Procedures for Material Issues

Materiality Matrix

CIFI Group has systematically advanced the assessment of ESG issues and developed a corresponding materiality matrix. This matrix covers issues across three materiality levels—high, medium and low—accurately reflecting their importance to the Group's strategic development process and their relevance for stakeholder concerns, which provides clear guidance for optimizing resource allocation and formulating management strategies.



2025 CIFI Materiality Matrix

● Environment ● Employment ● Operations ● Communities

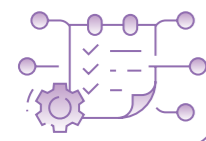
No.	Scope	Material Issues
01	Environment	Green and Healthy Building Design and Promotion
02	Environment	Energy Conservation and Emissions Reduction
03	Environment	Waste Management
04	Environment	Water Efficiency Improvement
05	Environment	Response to Climate Change
06	Environment	Rational Development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

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

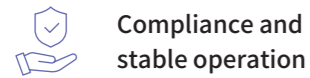
2025 CIFI Material Issue List

Management

Building a Solid Foundation for Development



CORE ISSUES



Compliance and stable operation



Green procurement



Supply chain environmental and social risk management



Intellectual property rights protection



Anti-corruption and integrity training

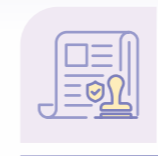


Stakeholder communication and cooperation

KEY PERFORMANCE IN 2025

“CIFI Military Regulations and Discipline Training” and test
No. of participants

2,383



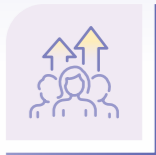
Coverage in integrity training

100%



No. of suppliers

1,020



Pass rate of test

100%



Successfully registered trademark under Class 35

“旭辉”



Percentage of suppliers signing the “Letter of Undertaking of Integrity”

100%



KEY ACTIONS IN 2025

- Focused on combating fraud and reinforced ex-ante inspection and supervision in key links.
- Upgraded the intelligent audit system and optimized the reporting and early warning functions.
- Continuously optimized the “three-lines-of-defense” system for risk management and deepened the collaborative prevention and control by various departments.
- Organized integrity training for all staff and promoted lean management of the Company.

IN RESPONSE TO SDGs



Business Ethics

CIFI Group has deeply integrated integrity governance into its corporate strategy, regarding it as an important engine for driving sustainable development. We strictly comply with local laws and regulations, continuously improve our governance structure and risk monitoring mechanisms, and adhere to the red line of business ethics. By advocating an integrity culture of "doing the right thing, upholding the long-termism and being honest and transparent" and relying on its internal regulations such as "343 Integrity Ecological Governance System" and "CIFI Six Military Regulations", the Group has built up an all-around integrity defense line, ensuring stable operations, creating long-term value for stakeholders, and propelling its establishment of an exemplary position in integrity governance within the industry.

Anti-Corruption Management

The Group regards anti-corruption and integrity building as the cornerstone of its sustainable development and is committed to building a compliance ecosystem that covers all employees and the value chain. In 2025, the Group consistently improved its relevant systems and enhanced implementation and supervision to ensure that integrity requirements are met throughout the entire business process. We have in place a comprehensive anti-corruption and integrity system covering all employees, all business units, and all suppliers, and rigorously implement a mechanism for regular review and updates (at least once every three years). We consistently adhere to internal management systems such as the "CIFI Group Manual of Business Conduct Code for Employees" and the "CIFI Group Administrative Measures of the 'Four Responsibilities' Integrity Ecological Governance", which clearly define the code of business conduct and integrity and self-discipline requirements for our employees. In 2025, the Group prioritized the revision of the "CIFI Group Management System for Accountability", enhancing control measures in key areas including apparent authority risks and archive management risks, aligned with the Group's strategic direction, incentive mechanisms, and risk profile.

As the vice-chair organization of the Anti-Fraud Alliance under the Guangdong Enterprise Institute for Internal Controls, CIFI actively fulfills its industry responsibilities and deeply engages in industry standard development and experience sharing. In 2025, we participated in the "Integrity and Innovation Forum for Outstanding Enterprises" held by the Anti-Fraud Alliance in Shanghai, where we systematically shared our thoughts and practices on audit and supervision functions under the new circumstances. We also participated in the compilation of professional documents such as the Alliance's "Anti-Fraud Management Evaluation Standards - Group Standard" and "The Cultivation of an Outstanding Anti-Fraud Specialist". In this way, we transformed our practical experience into common industry wealth and continuously enhanced our benchmark influence in the fields of audit supervision and integrity building.



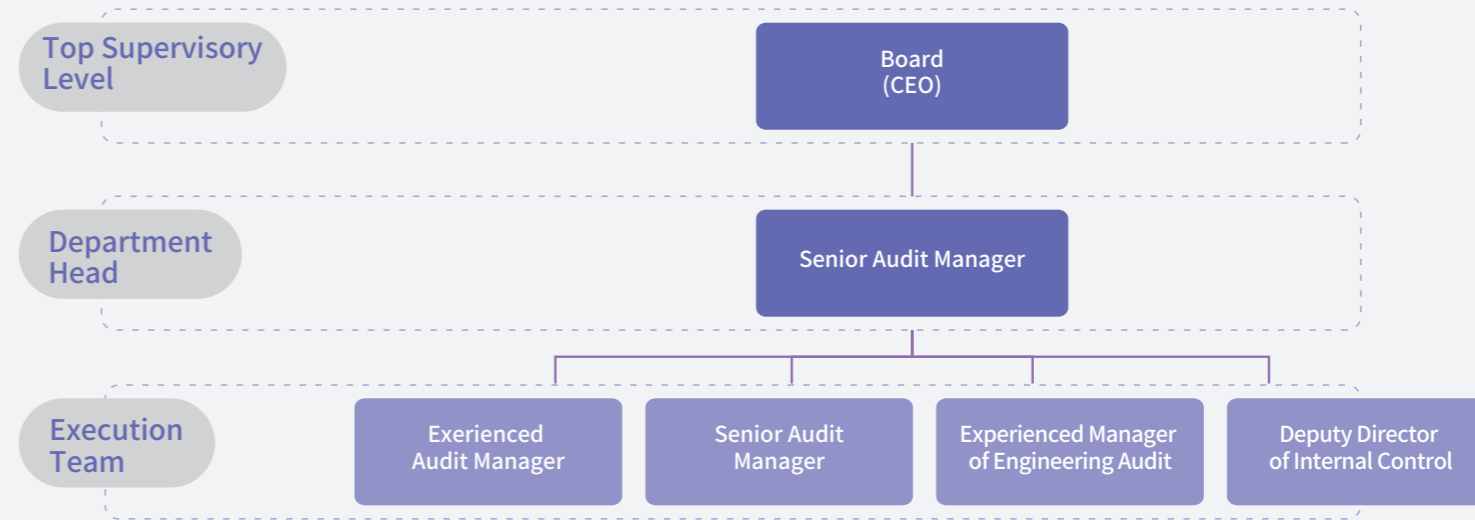
Vice President Unit of the Anti-Fraud Alliance

The Group maintains a "zero-tolerance" attitude towards corruption, is determined to safeguard a clean business environment, and resolutely handles corruption-related violations in accordance with laws and regulations. In 2025, a former employee in the Jiangsu region was criminally prosecuted for accepting bribes as a non-state functionary and misappropriation of funds.



Internal Audit System

CIFI has established an independent and complete internal audit system. The Group's Audit and Supervision Department, as the core execution body, directly and regularly reports the audit and supervision situation to the Board to ensure top-level decision-making and oversight, prompt information flow, and swift problem resolution. As a department directly under the Board, the Audit and Supervision Department is headed by the Chief Executive Officer. Any fraud or corruption case found during the audit will be directly transferred to the judicial authority for handling. This ensures that the Audit and Supervision Department is fully independent and autonomous in performing its duties, and that it can carry out its work objectively and impartially without undue interference from other departments or personnel.



CIFI adopts an audit model of "rotating spot checks + full coverage", basically achieving full coverage of the annual operating areas. In 2025, the Audit and Supervision Department completed 7 routine audit projects and 11 supervision projects covering multiple regions, including Hefei, Northeast China, Changsha, and Jiangsu. It held 14 personnel accountable for fraud and identified 112 issues of various kinds, with confirmed recoverable amounts totaling RMB38.02 million. In response to the identified problems, the Group has established a systematic rectification mechanism and drove the completion of fifty corrective actions. The rectification measures include propelling functional AI management and control, enhancing on-site monitoring by utilizing 360-degree panoramic cameras and drone technology, intensifying ex ante intervention to arrange high-frequency spot inspections of key construction nodes, and effecting special rectification in respect of file management in conjunction with cost, procurement, marketing, and legal affairs and other functional departments, so as to effectively improve the level of risk prevention and control.

Case

Case of Marketing Fraud in a Project

In 2025, the Audit and Supervision Department received an anonymous report alleging that the two sales persons of a project privately collected cash from customers and committed illegal operation of units. Preliminary investigation revealed that these sales persons sought personal benefits during the home-buying process by leveraging information asymmetry regarding marketing incentives and misleading customers and illegally demanding fees.

Case clues have been entered into the "anonymous reporting" module of the intelligent auditing system, triggering a risk alert within the marketing department. In the subsequent investigation, we cross-validated marketing data (such as unit release records and discount approval records) through the system to help identify abnormal operation nodes, promote the closed-loop completion of investigation and handling, and ensure controllable risks and proper handling.

Whistleblowing Mechanism

The Group has systematically built a diversified whistleblowing channel system covering all employees and external partners in strict accordance with internal systems, including the "Supervision and Whistleblowing Guidance Notes". Based on a transparent and open institutional framework, all stakeholders, including employees, customers, and suppliers, may confidentially or anonymously report any violations or misconduct within the Group directly to the Company's Audit Committee or a special committee composed of independent non-executive directors through letters, hotlines, emails, and the official website.

To ensure the credibility and effectiveness of the whistleblowing mechanism, the Group strictly adheres to the "CIFI Group Management Policy of Supervision", which explicitly prohibits the disclosure of whistleblowers' reports or their personal sensitive information, including names, addresses and phone numbers. The Group also places the personal and professional safety of whistleblowers at the core of the entire investigation process. The Group has made a public commitment to the public and all stakeholders that it will ensure fair treatment of whistleblowers and resolutely prevent any form of retaliation. The Group adheres to a zero-tolerance policy for unfair dismissal, occupational harassment, and improper disciplinary actions, and any such incidents, once verified, will be subject to rigorous disciplinary and legal measures. Through these strict measures, the Group effectively protects the legitimate rights and interests of whistleblowers and upholds the bottom line of justice.

Whistleblowing channels



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



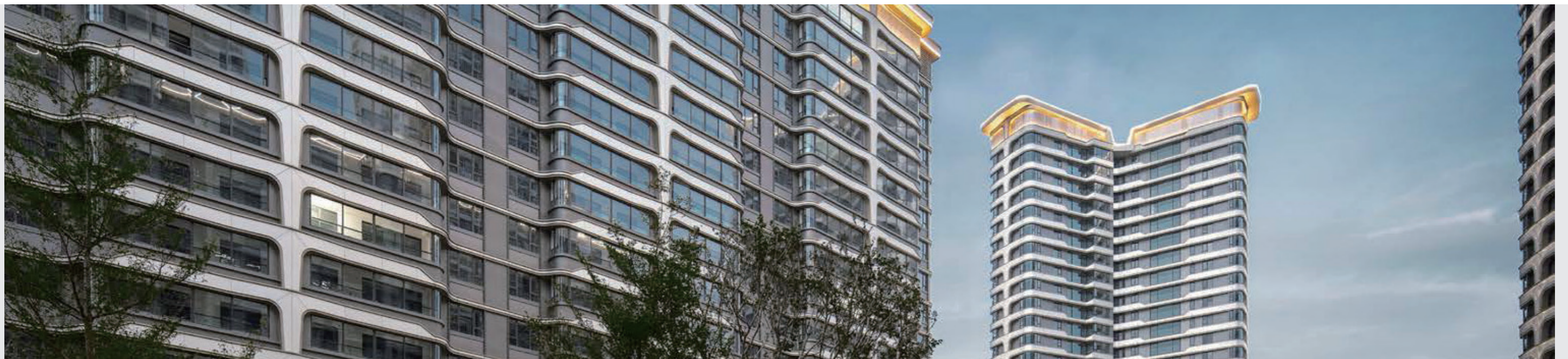
Mail	Building 39 Henderson CIFI Centre, Lane 1088, Shenhong Road, Minhang District, Shanghai, the PRC Zip code: 201106 Attn: Chairman of the Board/Chairman of the Supervisory Committee
Whistleblowing Email	jubao@cifi.com.cn
SMS	(86) 18516702393
Tel	(86) 8009880268
Board Chairman Email	ldsz@cifi.com.cn
Online	CIFI official website and WeChat Official Account "Incorruptible CIFI"

Business Ethics Training

CIFI regards business ethics and integrity education as the first line of defense against fraud and is committed to consolidating the ideological foundation of all employees and partners through systematic and normalized training and promotion.

The Group has in place a comprehensive training system covering onboarding orientation, routine training, integrity commitments and supplier integrity management. Through regular dissemination and case studies, the Group combines both online and offline training channels to ensure broad coverage and efficient delivery of training materials, continuously strengthens the compliance awareness and ethical standards of employees and suppliers, and creates a clean and upright business environment. In 2025, we organized a Group-wide "CIFI Military Regulations and Discipline Training" and examination, covering the popularization of CIFI's integrity culture and training on CIFI's "Six Military Regulations". The Group ensured that integrity training was provided to all employees (including part-time employees) and suppliers, with each person receiving an average of 30 minutes of training. The training reached 2,383 participants, with a 100% examination pass rate.

To prevent and control corruption risks related to suppliers and personnel at key posts, the Group has established a source control mechanism. All suppliers are required to sign a "Letter of Undertaking of Integrity" before cooperation, which clearly defines the integrity standards they must abide by during the cooperation process in contractual form. At the same time, marketing personnel are required to sign the "Sales Personnel's Letter of Undertaking of Responsibilities" during onboarding. Through this document, they pledge to reject kickbacks, prevent corruption and misappropriation of funds in marketing and procurement. These proactive measures strengthen the integrity defense line at the initial stage of cooperation and duty performance and systematically prevent potential risks.



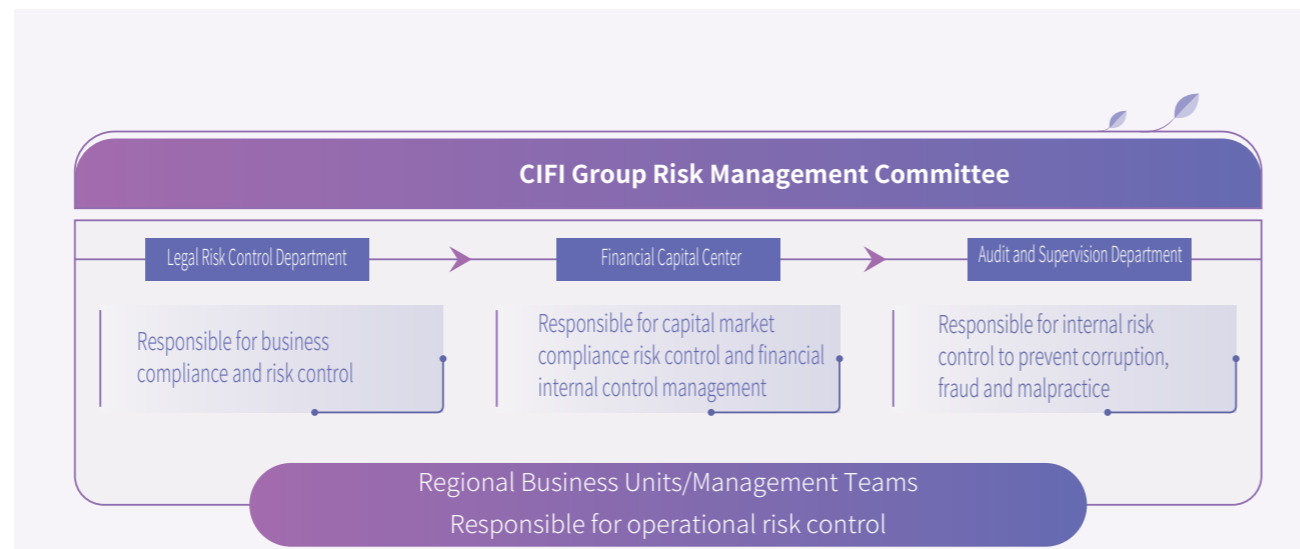
Risk Control

CIFI regards risk management as the core engine driving its high-quality development and is committed to building a forward-looking risk governance ecosystem. Within the legal framework of the “Company Law of the PRC”, CIFI has established a dynamic, self-updating risk compliance and internal control mechanism. By adopting systems such as the “CIFI Group Management System of Audit” as a standardized operating manual, this mechanism enhances cross-departmental collaboration of the audit department, achieving full-cycle, comprehensive control over operational risks, and ultimately transforms risk management into a core competitive advantage for the Company's sustainable development.

Risk Management System

CIFI Group regards risk management as the cornerstone of its sustainable development. It has built a comprehensive risk management system with the core objectives of “delivery assurance, asset assurance, credit assurance, operation assurance, and employee assurance”. In 2025, the Group continuously improved its risk control mechanism by implementing the principle of “one policy for one real estate project”, streamlining its organization, and enhancing capabilities in line with the “2070/3500” Strategy. The management completed an annual review of the internal control system covering key areas such as business processes, information systems, financial controls, compliance management, and human resources, confirming that the design and implementation of the relevant internal controls were effective and that all historical deficiencies had been rectified.

The Group has established a Risk Management Committee as the highest decision-making body for risk governance, which is responsible for the top-level design and strategic planning of the Group's comprehensive risk management framework. The committee is committed to clarifying the boundaries of risk management responsibilities at all levels and for all departments, and to ensuring that risk management responsibilities are effectively implemented from top to bottom through a strict supervision and assessment mechanism.



CIFI Group's Risk Management Structure

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

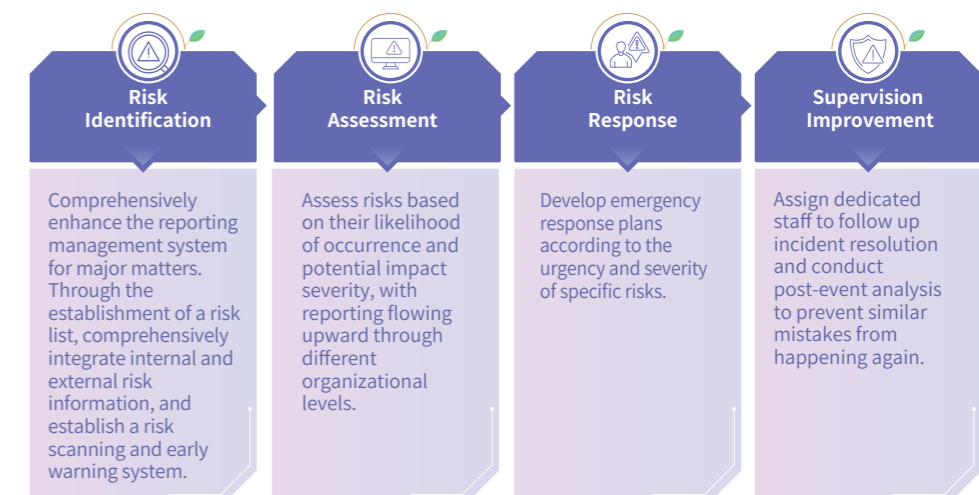


Three Lines of Defense for Risk Management

Risk Control Process

Adhering steadily to a systematic approach to risk management, CIFI Group has built a comprehensive management system covering risk identification, assessment, response, and improvement. We regularly conduct headquarters-level discussions on major litigation risks and operate a standardized mechanism for early warning of regional contract execution anomalies, ensuring routine and forward-looking risk management. At the same time, the Group continuously and dynamically optimizes its risk response strategies in light of changes in the internal and external environment to improve the accuracy of its management.

In 2025, the Group continued to advance its risk information reporting and handling mechanism. All business departments strictly implemented the critical information reporting system, and clarified their reporting standards and response plans for potential risks. We have in place a complete reporting pathway for major risks and a sound accountability system. Through internal self-inspections, on-site audits and big data analysis, we can proactively identify potential risks. At the same time, we have enlisted external independent institutions to conduct third-party audits, ensuring swift supervision and correction of any issues whenever they are detected and thus forming closed-loop management.



Risk Management Process

Digital Applications

The Group has deeply integrated digital transformation into its risk management system and significantly improved the accuracy and efficiency of its risk control by building an intelligent system platform. Relevant departments have utilized the system to standardize the authorization process and possess capabilities for automatic risk monitoring, real-time incident tracking, and in-depth data analysis, ensuring dynamic identification and closed-loop management of risks at every stage, and comprehensively strengthening the Group's overall risk resistance capabilities.

In 2025, the Group built a digital risk prevention and control system covering eight core business areas and implemented process-based and standardized risk management through technology empowerment. In the field of engineering management, the smart construction site system enables transparent supervision of construction progress and accurate verification of output value through 360-degree full-process imaging and AI analysis technology. The AI-based monitoring systems deployed in the marketing risk control field can identify illegal promises and sensitive information in sales communications in real time, reducing legal compliance risks. The cost control system prevents wrong payments and information leakage by optimizing payment processes and supplier data governance. The litigation management system enables digital management of the entire enforcement process, improving asset disposal efficiency. The financial and tax system improves the efficiency of input tax deduction and avoids tax risks by leveraging the automated verification and anti-duplication mechanisms. The fund transfer audit system supports intelligent reconciliation of large-scale payment and collection data and detection of anomalies. The daily fund report optimization system automates the submission and review process, covering the compilation of daily reports for 1,139 legal entities. The electronic signature system for job duties clearly defines the boundaries of rights and responsibilities using blockchain-based evidence storage technology. This system not only enables process-oriented and standardized risk control, but also provides solid technical support for the Group to maintain stable and sustainable operations in a complex market environment.

Risk Management Training

To consolidate its risk management achievements, the Group has implemented a comprehensive plan to promote and implement relevant systems and enhance capabilities. In 2025, more than 185 employees received training on the risk management system, with a focus on practical aspects such as interpretation of the Company Law, customer risk response, proper use of company seals, and prevention of delivery delays. Through continuous key topic presentations, application training and assessments, we have enhanced the risk awareness of all employees, ensuring that they can effectively identify, correctly judge, and properly handle various risk scenarios, thus building a solid "first line of defense" for risk prevention and control.

Major Risk Prevention and Control Measures

In response to the complex and volatile internal and external operating environment in 2026, the Group, based on its comprehensive risk identification and strategic guidance, systematically planned and deployed eight special control measures covering key areas:

Risk Category	Prevention Measures
Project delivery risks	Establish a tiered and categorized control mechanism, and coordinate fund allocation and construction-for-settlement arrangements in respect of overdue projects and key cities, to ensure annual delivery targets are met.
Engineering quality and safety risks	Deepen the 360-degree cloud inspection system, implement the Construction Standard 2.0 and the three-tiered safety responsibility framework, and strengthen project managers' capabilities and close the loop on delivery quality.
Cost control risks	Promote cost review, optimize scanning tools, and strictly control payment and settlement processes to achieve dynamic, refined cost management, cost reduction, and efficiency improvement.
Project revitalization risks	Reshape the supply chain and refine contract separations to promote direct material supply and delegation to frontline, and thereby improve the net assets and operating efficiency of existing projects.
Major litigation risks	Establish a mechanism for clearing outstanding debts and counterclaims, implement a tiered tracking system for bankruptcy risks, and strictly control the spread of contingent liabilities related to projects.
Capital market compliance risks	Strictly follow information disclosure and corporate governance requirements, and improve the bond restructuring and allocation mechanism and the partners' risk warning system.
Employee engagement risks	Optimize incentive systems and career development paths for employees, strengthen the mechanism for communication with them and their recognition of corporate culture, and safeguard their rights and organizational vitality.
Internal fraud risks	Place focus on group fraud and management personnel fraud, improve integrity commitment and the digital warning mechanism ensuring that corruption is neither dared, enabled, nor desired.

Major Risk Prevention and Control Measures in 2026

Intellectual Property Protection

CIFI Group regards intellectual property management as a key driver of the Company's development. Strictly complying with the "Company Law of the PRC", the "Trademark Law of the RPC", and the "Patent Law of the RPC", along with other relevant laws and regulations, we have established a systematic intellectual property management framework by formulating and implementing internal policies such as the "Administrative Measures of Trademark", the "Administrative Measures of VI" and the "Notice on Strengthening the Management of Intellectual Property Rights in External Advertising". We implement unified and standardized management of all types of intellectual property to ensure strict avoidance of infringement upon others' trademarks, patents, copyrights or other intellectual property rights during operations. At the same time, the Group actively fulfills its intellectual property protection responsibilities by defending its rights through measures such as formal warning letters and litigation. As of 31 December 2025, the Group had submitted 1 trademark opposition, resolved 4 infringement disputes and after seven years of unremitting efforts, obtained the registered trademark of "旭辉" in Class 35, a core commer category, effectively safeguarding its legitimate rights and interests as well as market order.



Responsible Supply Chain

CIFI Group is committed to building a responsible supply chain by establishing systematic supplier management systems and standardized processes to ensure standardization and transparency throughout cooperation. We strive to develop long-term and mutually trusting strategic partnerships with our suppliers, jointly promoting value co-creation and supply chain resilience across the industry.

Supplier Sustainability Management

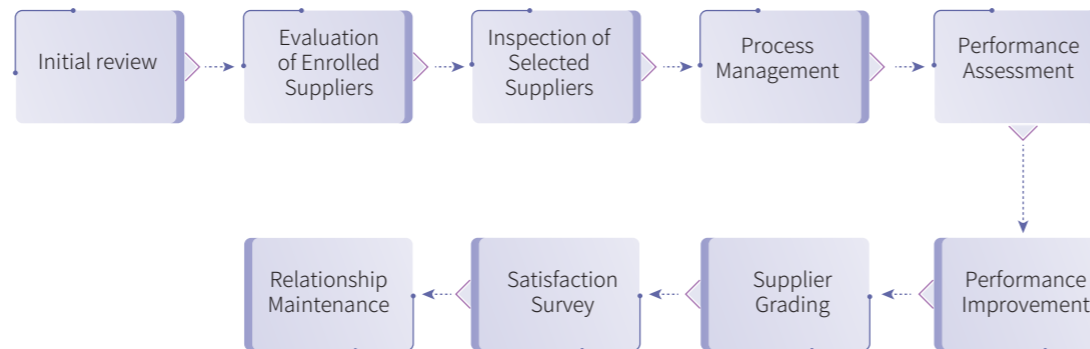
The Group integrates supply chain sustainability into its management strategy. Through a systematic supplier assessment mechanism, we comprehensively evaluate suppliers' performance across environmental management and labor practices, thereby continuously optimizing our supply chain, advancing green procurement, and helping to build a more resilient and responsible supply chain ecosystem.

To systematically promote supply chain sustainable development, based on its operational realities, CIFI Group has developed and implemented a series of systems such as the "Engineering Procurement Management Measures", the "Engineering Supplier Management Measures", the "Guidelines for Procurement Management of Cooperative Projects", the "Strategic Procurement Management Measures" and the "CIFI Group Supplier Conduct Code", thereby standardizing the entire supply chain management process.

During the bidding process, the Group adopts standard contract templates and includes the "Letter of Undertaking of Integrity" and the "Supplier Conduct Code" as universal fixed attachments, ensuring uniform and unmodifiable terms. This approach aims to require all suppliers to adhere to the same benchmark standards, maintaining overall consistency in the Group's supply chain policies. Meanwhile, through the clarity and immutability of these terms, the Group enhances the transparency of the bidding process, fosters a fair competitive environment, and reduces operational risks arising from term variations or misunderstandings, thereby ensuring the smooth implementation of project collaborations.

While continuously improving its supplier management system, CIFI Group has strengthened standardized management and assessment mechanisms at the regional level, achieving closed-loop and full-cycle management that covers supplier onboarding, evaluation, and exit. To enhance supply chain synergy and delivery stability, the Group implements proactive risk control by integrating data support from third-

party professional platforms during the access stage. By systematically obtaining and analyzing supplier risk information, we effectively identify potential cooperation risks and provide an objective basis for supplier selection decisions, thereby systematically enhancing the robustness and controllability of the supply chain.



Supplier Management Process

In its supplier evaluation system, CIFI Group incorporates key ESG factors including environmental management, occupational health and safety, labor and human rights, business ethics and anti-corruption as important criteria for supplier admission and performance assessment. We prioritize suppliers with excellent ESG performance for inclusion in our cooperative resource database, while excluding those with negative ESG-related records. During the contract performance phase, we regularly assess contract performance quality to continuously monitor supplier service levels, promptly identify and help address potential issues, and ensure that suppliers strictly deliver according to agreed terms. During the Reporting Period, the Group assessed 923 suppliers' performance, identifying 2 medium risks and 15 low risks. Each region used the assessment results to prepare systematic performance analysis reports. For underperforming suppliers, we actively engaged in communication and feedback and continuously tracked the effectiveness of their improvement measures to ensure that overall supplier service levels meet the Company's management requirements and cooperation standards.

CIFI Group firmly upholds the green procurement principle of "purchase only green supplies", fully integrating environmental and safety requirements into its supply chain management and continuously advancing the transformation of its procurement system towards greater sustainability and environmental responsibility. Since joining the Green Supply Chain Action for China's Real Estate Industry (the "Green Chain Action") in 2016, the Group has consistently refined its green procurement policies, compiled and dynamically updated the "Green Product Procurement Catalog", and prioritized the inclusion of enterprises and materials that meet national green certification standards. During the Reporting Period, the Group further expanded the coverage of its green procurement program by adding six new product categories, continuously increasing the proportion of green procurement.

At the same time, CIFI actively integrates into industry collaboration networks, stays abreast of industry standards, and enhances procurement professionalism and transparency through expert participation and rule alignment. This drives upstream and downstream partners to jointly improve environmental performance and fosters the development of a responsible and sustainable supply chain ecosystem. In 2025, the Group continued to demonstrate progress in its green transformation, with 28 cooperative suppliers successfully selected as green-listed companies, all achieving full environmental compliance.

In 2025, all 119 of the Group's strategic suppliers obtained ISO 14001 Environmental Management Systems and ISO 9001 Quality Management Systems certifications.

Case Participated in Industry Joint Procurement and Deepened the Collaboration of the Green Chain Action

In May 2025, as one of the organizers, CIFI Group hosted the 15th CURA Joint Purchasing tender planning meeting in Zhengzhou, Henan Province, driving the green transformation of the supply chain through the joint procurement mechanism. During the event, CIFI deepened its collaboration with the "Green Chain Action" by participating in training on the review rules for white lists and green lists for new green procurement categories, jointly upholding the principle of "purchase only green supplies" with industry partners. Leveraging the expert panel mechanism to enhance procurement professionalism, CIFI's head of procurement was appointed as a member of the 15th Batch Expert Group, which reflects the Group's professional capabilities and industry influence in the field of green procurement and lays the foundation for expanding the scale of green procurement and promoting low-carbon development across the industry chain.



Case Strengthening Green Supply Chain Management Capabilities through Industry Collaborative Training

As a core member of CURA Joint Purchasing, CIFI Group actively participated in the 15th batch online training session on green procurement categories, jointly organized by CURA Joint Purchasing and the Green Chain Action. Through systematic learning of the white list and green list assessment rules, environmental compliance requirements and relevant category standards, we further strengthened our professional capabilities in green supply chain management. The training session, which combined policy interpretation, standard analysis and case practice, provided systematic guidance on green procurement specifications. This helped enhance both the supply and demand sides' understanding and implementation of standards. While jointly driving the deeper development of green procurement in the industry, the initiative also demonstrated CIFI's commitment to continuously advancing the standardization and scaling of green procurement through industry collaboration.



Developing Supply Chain Integrity

CIFI Group regards business integrity as a fundamental requirement of its operations, continuously fostering an atmosphere of integrity during collaborations and strictly preventing various violation risks in the procurement process through systematic management measures. We require all suppliers to sign a “Letter of Undertaking of Integrity”, committing in writing to abide by business ethics norms and establish sound internal integrity prevention and control mechanisms. For suppliers who, upon verification, are found to have engaged in fraudulent activities such as commercial bribery, bid rigging, or collusion, they will immediately be blacklisted and barred from participating in any group project bidding for two years. After the suspension period, suppliers seeking re-admission to the qualified supplier list must undergo a special assessment and obtain approval from the headquarters. As of 31 December 2025, all 1,020 suppliers cooperating with the Group had signed the “Letter of Undertaking of Integrity”, achieving full coverage of our integrity management requirements.



To systematically prevent fraud risks, the Group continuously advances anti-corruption and business ethics training and awareness initiatives that cover integrity commitment requirements and supplier integrity management standards. We ensure full coverage and effective communication of such training by combining online and offline channels. All suppliers have participated in the relevant integrity training, with an average of 0.5 training hours per person. These efforts have effectively enhanced the compliance awareness and risk prevention capabilities of both parties.

As of 31 December 2025

1,020

suppliers in total



100%

have signed the “Letter of Undertaking of Integrity”



Supplier Communication and Engagement

CIFI Group has established a systematic supplier management mechanism featuring a tiered communication system, by which the Group regularly organizes supplier conferences, symposiums and evaluation activities to foster efficient interaction and mutual trust. A dedicated delivery task group has been set up to systematically review matters pending coordination in supplier cooperation on a weekly basis, with the Procurement Department continuously tracking progress in resolving issues. This ensures timely transmission of information, smooth collaboration and effective implementation and closure of various matters.

Case

Organizing In-depth Specialized Project Exchange to Quickly Reach Collaboration Consensus

To expedite the execution of critical tasks for the project of Kunming Sylvan Whisper, the Group’s procurement head traveled to Kunming for in-depth, face-to-face discussions with the project’s general contractor, as well as the teams responsible for interior finishing and landscaping, one by one. Through effective on-site communication, both parties quickly reached a consensus on several key topics, strengthening mutual trust and collaboration. This laid a solid foundation for the smooth progress of the project and long-term, mutually beneficial cooperation.



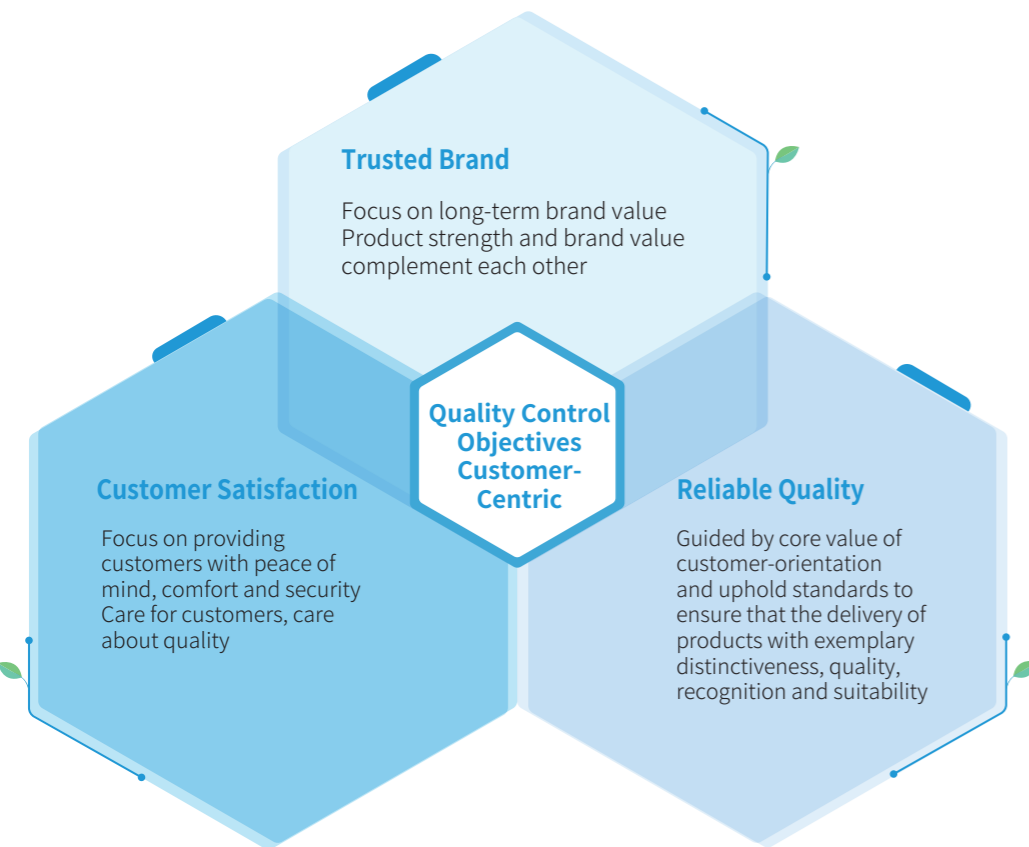
Practice

Improving Quality with Concrete Steps



Building Excellence in Quality

CIFI Group remains steadfastly customer-centric and committed to quality assurance. By establishing a refined construction management and control system that covers the entire project lifecycle, we continuously reinforce the exceptional quality of our products. In all business activities, we focus on meeting customers' actual needs, striving to deliver safe, comfortable, and reliable product and service experiences, thereby laying a foundation for the healthy, sustainable and long-term development of our brands.



Construction Quality Management and Control System

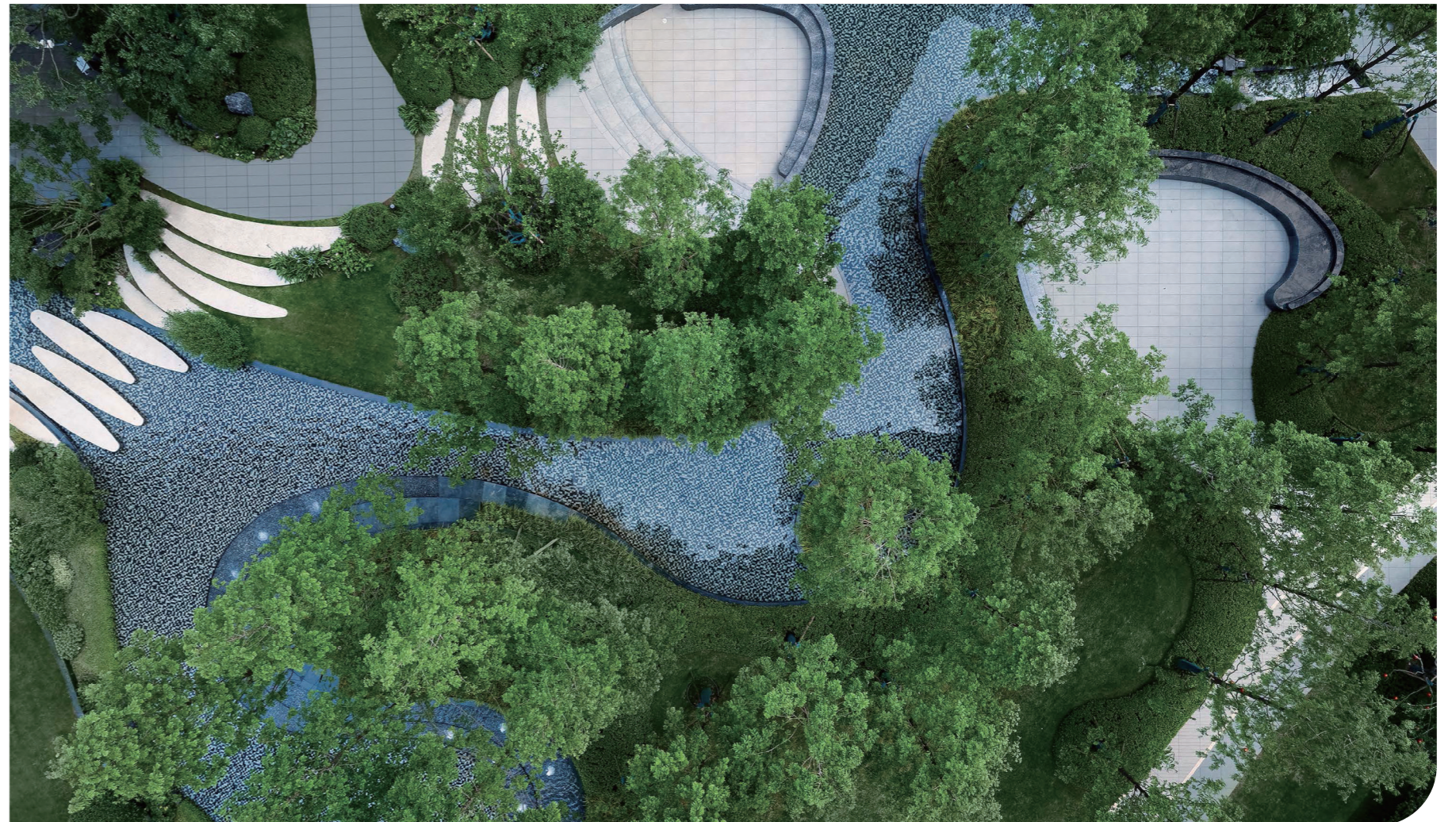
CIFI Group prioritizes construction quality management by establishing a high-standard full-lifecycle project management and control system, and systematically elevates quality standards across all links—from material selection and process optimization to final inspection, ensuring compliance with stringent quality requirements in every stage. Consequently, we are able to consistently deliver safe, reliable, and premium-quality products with exceptional user experience, fulfilling our steadfast commitment to the market and our clients.

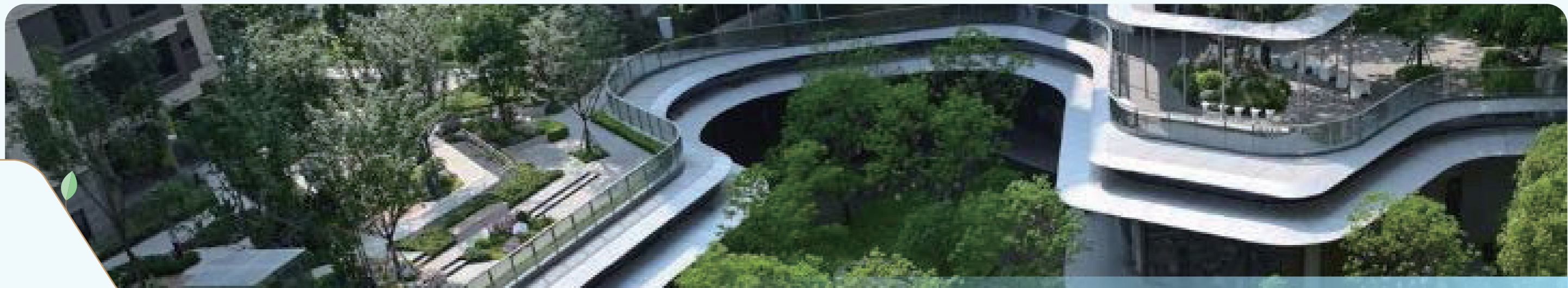
Enhancing Management Systems

We have established a systematic construction management framework that spans the whole project lifecycle including design, construction, quality inspection and after-sales service. Based on standardized guidance documents covering six key areas, namely quality control, technical specifications, material management, decoration standards, building maintenance, and construction inspections, we ensure our products are strictly regulated and controlled across all links from initial planning to ongoing maintenance, providing a solid governance framework for achieving high-quality product delivery and long-term safety and reliability.

In September 2025, CIFI Group officially launched the “CIFI Group Digital Construction Site Management Policy” to enhance comprehensive information-based control capabilities throughout the entire lifecycle of ongoing projects. The system covers all links including project planning, bidding, construction, delivery, operations and maintenance, driving the digital transformation of management outcomes and operational practices while providing systematic support for critical areas such as schedule optimization, work interface delineation, quality and safety, and material management, output value accounting, change orders, and counterclaims. By implementing hidden works inspection throughout the construction process and ensuring traceable records of management measures, while leveraging an online work order system for timely oversight of on-site safety and quality issues, the system effectively mitigates information gaps caused by extended timelines or personnel changes, further comprehensively enhancing project management efficiency and collaboration.

Based on an in-depth analysis of current construction management practices and a systematic review of issues identified during annual inspections, we have continuously revised and optimized the “Operational Guidelines for Specialized Inspection and Evaluation of Group Basements”, the “Operational Guidelines for Group Project Delivery Inspection” and the “Management Measures for Inspection and Evaluation, Rewards and Penalties of Group Projects”, further strengthening the full-cycle construction quality management mechanism centered on process inspections, delivery assessments, and performance evaluations, enabling multidimensional quantitative assessments of suppliers across construction quality, schedule control, and safety management. Based on inspection results from the Group Construction Operation Department, the Group Procurement Management Department concurrently integrates relevant assessment conclusions into the supplier performance evaluation system, effectively promoting closed-loop coordination between these two departments.





Standardized Engineering Management Systems

	Technical Management	Engineering Technology Management Measures Guidelines on Project Engineering Planning and Management Guidelines on the Sequence Construction Method Standards for Construction of Seepage and Crack Prevention Nodes Engineering Prohibited Practices Engineering Micro-Innovation Manual Visible Building Management Manual Operational Guidelines of CIFI Construction 2.0 System Manual of CIFI Construction 2.0 System
	Material Management	Management Measures for Engineering Materials
	Information Management	Management Measures for Engineering Information CIFI Group Digital Construction Site Management Policy
	Decoration Management	Management Measures for Whole-house Decoration Standard of Nodal Practice for Whole-house Decoration
	Quality Management	Engineering Quality Management Measures Guidelines on Sample-led Practices Operational Guidelines on Measurement of Construction Quality Operational Guidelines for Engineering Quality at Hold Point Guidelines on Leakage Prevention Management Guidelines for Functional Testing of Projects

	Delivery and Repair Management	Management Practices for Engineering Delivery and Maintenance Standards for Bottom Line Delivery Practices Operational Guidelines for Household Inspection of Projects Operational Guidelines for Property Acceptance Inspection of Projects Guidelines for Third-Party Maintenance Management of Projects Room Repair Management Standards and Cost Reservation Standards Operational Guidelines for Project Maintenance and Management
	Safety Management	Management Measures for Safety and Civilization Operational Guidelines for Disposal of Routine Events in Projects Operational Guidelines for Normalized Management of Project Response to Epidemics CIFI Group Working Guidelines for Safety Management Committee
	Evaluation Management	Operational Guidelines for Comprehensive Inspection and Evaluation of Group Projects Operational Guidelines for Group Project Delivery Inspection Management Measures for Inspection and Evaluation, Rewards and Penalties of Group Projects Operational Guidelines for Specialized Inspection and Evaluation of Group Basements Operational Guidelines for Inspection of Major Quality Risks in Construction Projects Operational Guidelines for Safety Inspection of Large-sized Machinery in Group Projects under Construction
	Progress Management	Management Measures for Construction Progress Guidelines on Risk Management and Control of Works Progress
	Sustainability Management	Management Measures for Engineering Sustainability

Full-lifecycle Quality Management and Control

CIFI Group has established a comprehensive quality management system that spans the entire process from engineering material quality and construction process control to delivery assessment. Through regular quality audits and dynamic evaluations, we implement systematic oversight of suppliers and contractors. By incorporating third-party participation in critical inspection stages, we effectively ensure standardized operations and reliable outcomes across all links, continuously elevating overall project quality and enhancing the enterprise's market competitiveness.

Strict Control of Procurement Quality

Within our supplier management system, we prioritize partnerships with suppliers equipped with robust environmental management, quality control, and safety certifications. We have established routine on-site supervision and performance evaluation mechanisms to systematically track the actual performance of suppliers and contractors. In 2025, the Company conducted multiple rounds of supplier inspections across project progress, contract execution, site management, key operational matters, and daily operations, identifying 2 medium-risk issues and 15 low-risk issues. Relevant inspection results were promptly communicated to the corresponding regional business units to drive the implementation of improvement measures, with the aim of continuously strengthening compliance and quality control in procurement, providing an effective safeguard for smooth project advancement and final quality delivery.

To ensure raw material quality consistently meets project construction standards, CIFI Group integrates quality management requirements throughout the entire procurement and supply chain. Through on-site inspections, we rigorously verify critical materials such as reinforcing bars and ready-mix concrete by cross-checking inspection reports, verifying brand information, and measuring specifications to strengthen incoming material quality control. For critical materials provided by tier-one suppliers, the Group commissions qualified third-party testing agencies to conduct professional inspections, and enhances quality oversight by increasing testing frequency and expanding testing scope, ensuring material performance stability and compliance.

CIFI explicitly stipulates in procurement contracts the quality and safety management responsibilities of tier-one suppliers toward tier-two suppliers and raw material producers, advancing the step-by-step implementation of relevant standards. It also incorporates compliance with these standards into the performance evaluation system, and continuously strengthens quality control across the entire supply chain. By the end of 2025, the Group Procurement Department spearheaded on-site sampling and re-inspection of cables for 9 projects, all of which passing the re-inspection.

Meanwhile, the "Engineering Procurement Management Measures" explicitly stipulate that projects reaching a specific amount threshold shall be subject to centralized procurement and unified management by Group headquarters, in order to systematically enhance the standardization of procurement processes and quality control capabilities.

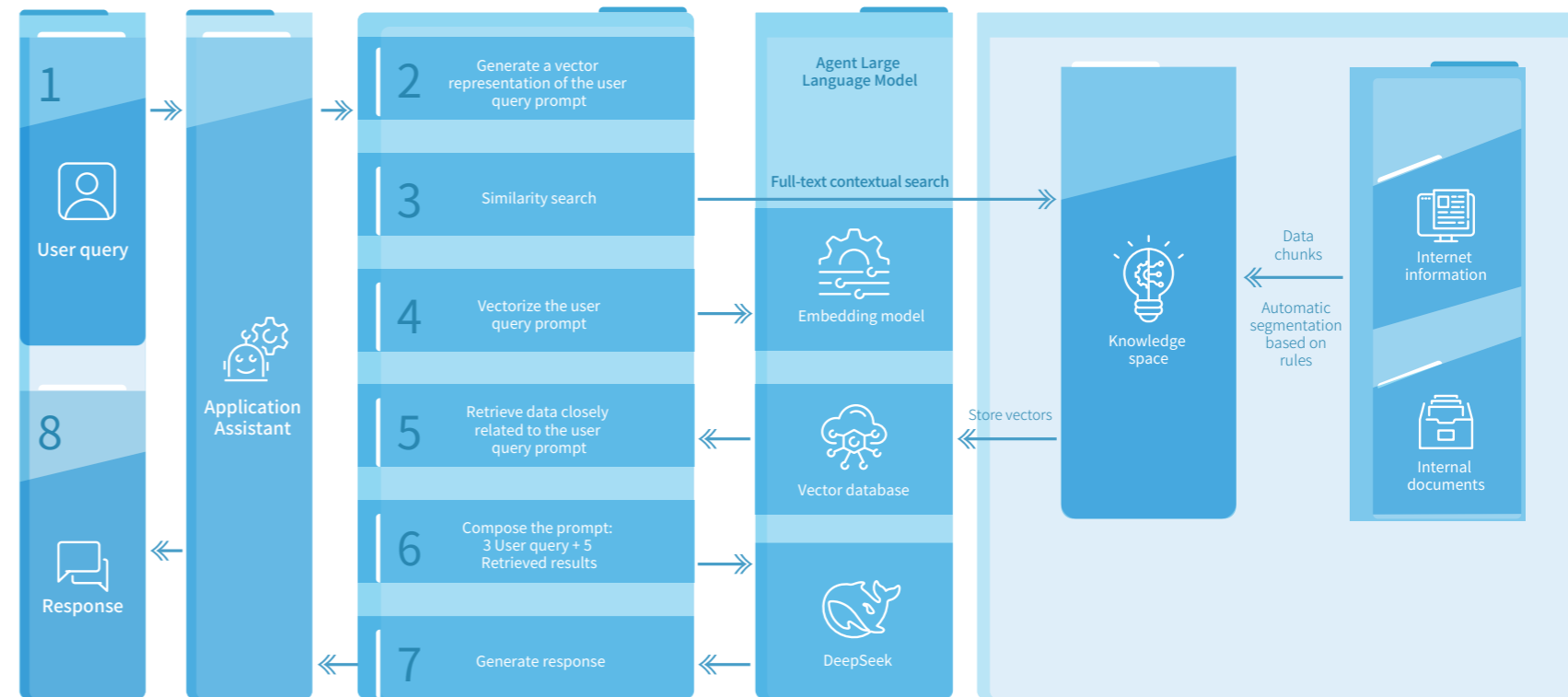
Strict Process and Delivery Management

CIFI Group has established a systematic project quality supervision mechanism, conducting no fewer than two comprehensive quality inspections annually on ongoing projects, and carrying out third-party professional assessments and regional-level internal self-inspections for all projects to be delivered. We implement dedicated closed-loop rectification for issues identified during inspections and quality risks detected in the two pre-delivery rounds, ensuring the rectification effectiveness is verified and validated during subsequent inspection activities to guarantee the effectiveness and continuity of the quality management process.

In 2025, CIFI Group continuously advanced digital construction site development by integrating technologies such as drones, panoramic cameras, and large-scale intelligent models into construction quality management, and established a comprehensive inspection system covering both elevated work surfaces and indoor spaces. We conduct regular external site inspections through drones, with image data integrated in real time into BIM models to visualize construction progress, quality, and safety status. Panoramic cameras combined with AI-powered recognition automatically analyze indoor functional spaces, achieving 80% accuracy in identification and significantly improving issue detection efficiency.

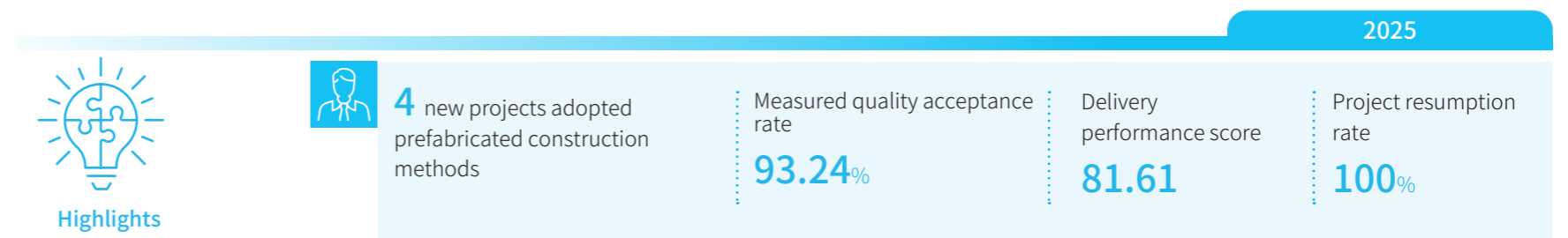
Concurrently, the Group has established standardized work order processes to track materials throughout the whole lifecycle from delivery and issuance to final application, carried out inspection management around process templates, and rigorously aligned with design drawings, specifications, and contractual requirements, ensuring end-to-end quality control from pile foundation construction to finished interior delivery, with all inspection records fully traceable.

Through routine safety inspections, specialized reviews and process monitoring for hazardous sub-projects, CIFI continuously enhances the precision and intelligence of on-site management, effectively reducing human error while consistently improving project quality and operational efficiency.



AI Inspection Flowchart for Construction Quality

We have established an annual construction quality inspection mechanism to conduct comprehensive quality checks throughout the construction process for all residential projects under development, covering civil engineering, interior finishing, and basement construction. In 2025, the Company completed assessments for 56 projects across a total of 69 contract sections, achieving coverage of 100% projects under construction. All quality issues identified during inspections were comprehensively rectified, with follow-up verification conducted to ensure a closed-loop management process. Building upon the above, the Group has engaged independent third-party inspection agencies to conduct process inspections and delivery quality assessments for specific projects, enabling timely identification of potential risks, with corresponding incentive and constraint measures implemented based on inspection outcomes. Concurrently, we have established an intelligent quality control system and implemented digital collaborative management across the entire construction process and for all participants and all project elements through the Banyou System, significantly enhancing engineering management efficiency and overall control capabilities.



Product Quality Assurance System

CIFI Group upholds its commitment to “Ensuring Delivery While Upholding Quality” as a guarantee for product quality, striving to enhance construction quality while meeting all project deadlines. We strictly follow the international quality standard ISO 9001, and establish and continuously improve an internal product quality control mechanism centered on the “FABRIC Craftmanship” system, which covers comprehensive quality control throughout the entire process—from design and construction to delivery, ensuring compliance with stringent safety and reliability requirements in every stage.

To advance standardized project implementation and quality consistency, CIFI has formulated and implemented a series of standardized documents, including the “Design Guidelines for Landscape Railing Standardization” and the “Manual of Standards for Residential Project General Specifications and Construction Nodes”, gradually strengthening the foundation for refined project management. Building upon the above, the Group has successfully obtained ISO 9001 Quality Management Systems certification, signifying that the standardization and effective operation of the quality management system meet international standards, laying a solid foundation for the continuous enhancement of overall product quality.

“FABRIC Craftmanship” System

In 2025, CIFI Group continuously refined and advanced the implementation and iterative application of its “FABRIC Craftmanship” system across all projects. Through systematic engineering management, rigorous quality control, and the integration of green and healthy living concepts, it ensures its products meet high standards in construction quality, spatial design, and environmental sustainability, delivering safer, more comfortable, and durable residential products to customers while creating long-term, stable value for society.

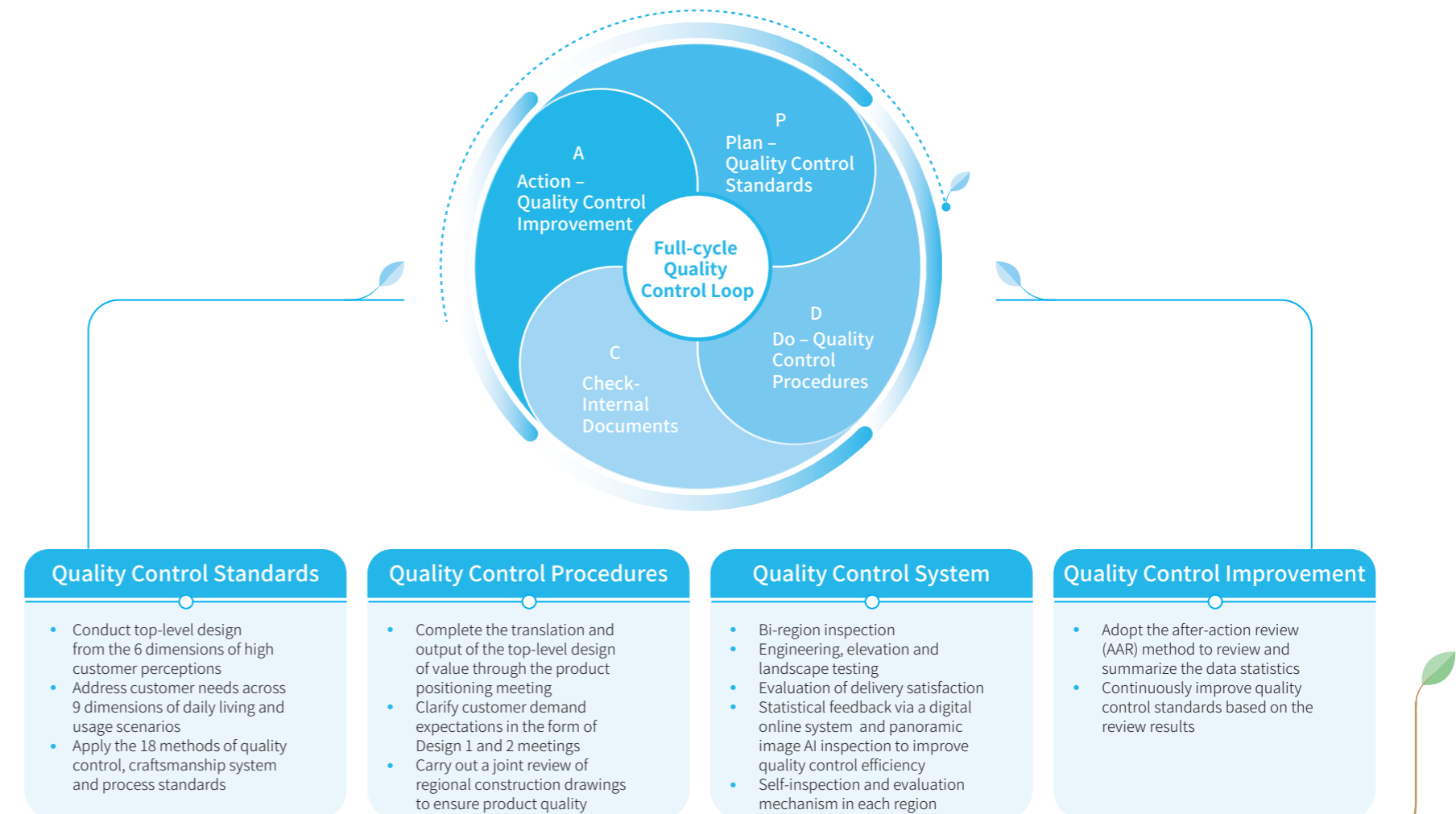
“FABRIC Craftmanship” System

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

CIFI Product Quality Control System

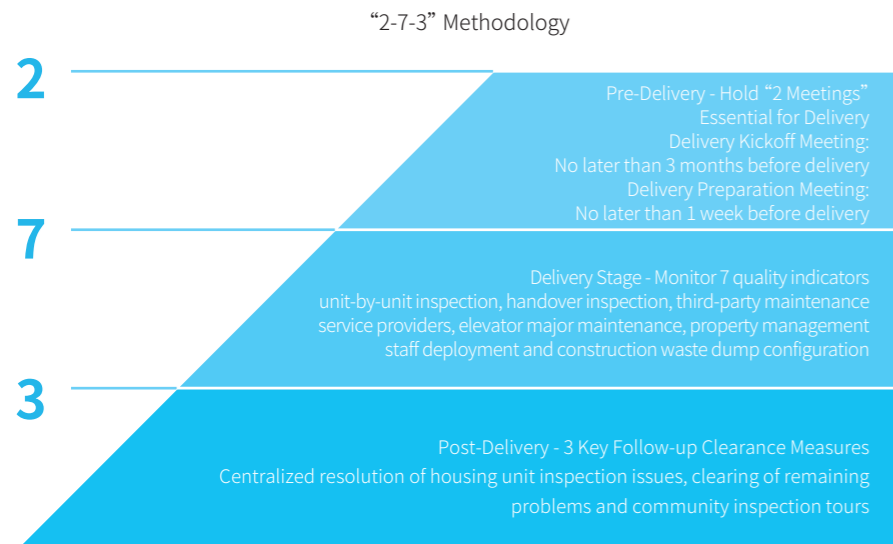
CIFI Group has established a comprehensive quality control system covering core elements such as “quality control standards, processes, systems and improvements”. By relying on stringent quality standards and refined management procedures, the Group continuously enhances its overall quality control capabilities, ensuring the precise implementation and ongoing refinement of product quality, and delivering reliable, high-quality products with exceptional customer experience.

While maintaining the stability of the existing quality control system, the Group prioritizes systematic risk prevention and control as a key focus for annual enhancement, continuously strengthening the full-lifecycle quality management. For existing projects, we concentrate on issue rectification and risk mitigation. By introducing sample standards for critical processes and compliance inspection mechanisms, we enhance the accuracy of sample standards and consistency in regional implementation, ensuring effective execution of quality standards. For newly initiated and small-scale asset management projects, we reinforce foundational elements such as three-tier progress control, safety standardization, work handover procedures and setting-out management, and standardize frontline operational workflows, minimizing execution deviations at the source. Through categorized, phased and refined control measures, the Group continuously elevates the standardization and reliability of project implementation, solidifying the foundation for quality delivery.



Ensuring Quality Delivery Throughout the Entire Life Cycle

CIFI Group systematically manages quality and service performance throughout the entire product delivery lifecycle. Leveraging the “2-7-3” methodology, we focus on critical links including baseline quality control for delivery, service process optimization, and post-delivery issue rectification and follow-up. In 2025, we further shifted our management focus toward key initiatives including delivery kickoff meetings, close-out of unit inspection items and spare parts management, resolution of housing unit inspection issues, and clearing of remaining problems, continuously enhancing delivery process management and systematically supporting the high-quality completion of delivery targets across all projects.



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

Prior to the official project delivery, CIFI systematically organizes “Delivery Kickoff Meetings” and “Delivery Preparation Meetings” to meticulously review all tasks during the delivery phase, effectively managing construction quality and mitigating potential customer experience risks. The project general manager chairs these meetings, comprehensively reviews progress, resources, delivery planning, delivery proposals, key challenges and potential customer issues, and implements the “Ten-Step Risk Prevention and Control Method” to set specific control indicators, in order to proactively pre-identify and mitigate construction quality risks affecting functionality and customer-related risks. Building on this foundation, we regularly convene delivery progress briefings for key projects to coordinate resources across stakeholders and resolve critical delivery bottlenecks, and finally determine actionable delivery strategies and implementation plans.

Delivery Stage: Strictly controlling baseline metrics to ensure customer experience

“7” Baseline Metrics for Customer Experience



During the project delivery phase, CIFI focuses on key metrics that are critical to customer experience, systematically advances the closure of individual unit inspections, efficient clearance of property handover inspections, the timely availability of maintenance spare parts and proper selection of third-party maintenance contractors, and conducts special oversight on elevator maintenance execution and property staffing to ensure all facilities and service teams meet delivery standards. Furthermore, we place special emphasis on environmental management including construction waste removal, in order to provide residents with a clean and safe community environment. All quality metrics are subject to verification through third-party engineering inspections prior to delivery, ensuring project delivery through multi-dimensional quality control.

Unit-by-Unit Property Inspection

CIFI Group has developed and implemented the “Operational Guidelines for Household Inspection of Projects”, which systematically standardizes the criteria and procedures for pre-delivery unit inspections. The Group has engaged property management companies to conduct comprehensive inspections and closed-loop rectification management of properties from the customer’s perspective, based on national standards and the Group’s specifications, ensuring that quality defects and sensitive issues are proactively identified and resolved, further reducing defect rates during delivery and enhancing customer satisfaction. The guidelines clearly define and refine the inspection scope, encompassing 9 categories, 32 major items and 130 inspection points for roughcast properties, and 8 categories, 46 major items and 200 inspection points for decorated properties, which demonstrates standardized and refined management of unit-by-unit inspections. In 2025, the Group organized property management companies and third-party institutions to conduct unit-by-unit inspections across over 20 delivery projects, covering nearly 10 thousand housing units. Over 140,000 issues were identified, with a resolution rate exceeding 95%, effectively safeguarding project delivery quality.

Stringent Construction Waste Management

CIFI Group strictly implements the “Design and Construction Standards for Waste Disposal in New Projects”, enforcing systematic control over construction waste before and after project delivery. We weekly track site selection confirmation and facility construction progress for construction waste pits within the current month’s delivery batches. Through on-site inspections, we verify the layout compliance and management status of these waste pits to ensure effective implementation of relevant standards in practical operations.

Post-Delivery: Addressing remaining issues to ensure customers’ living satisfaction

Following project delivery, CIFI continuously monitors the closed-loop resolution of inspection issues, ensuring at least 95% of identified concerns are addressed within two months post-delivery, tailored to each project’s specific circumstances, and formulates a systematic special rectification plan for any outstanding delivery issues, with weekly rolling follow-ups to ensure effective handling of all issues. Simultaneously, we continuously enhance the customer living experience through a routine community inspection mechanism. Before the expiration of the two-year decoration warranty period and five-year waterproof warranty period, we organize property maintenance companies or third-party entities to conduct post-warranty inspections, comprehensively identifying on-site quality issues. We appropriately utilize the warranty deposits held by responsible parties to fund rectifications, which has been a critical step in clearing outstanding issues and improving customer satisfaction. In 2025, the two-month rolling resolution rate for finished property inspection issues reached 95%, while the one-month rolling resolution rate for roughcast property inspection issues reached 95%.

Case Promoting the Long-term Improvement of Quality and Win the Trust of Customers with Continuous Renewal

Adhering to the principles of “Quality is the Lifeline” and “Delivery Marks the Beginning of Service”, the South China Region established a quality improvement team led by the operation department, in collaboration with design, property management, marketing, and other departments, in respect of quality maintenance and service improvement for delivered communities. The team conducted systematic inspections and in-depth rectifications for six key delivered projects across four cities, addressing 539 quality pain points in, among others, public area greening, aging facilities, and construction leftovers. A long-term management mechanism of “Same Standards for Delivered and Display Areas” was also implemented. Meanwhile, this region regularly implemented quality initiatives such as “Community Clean-Up,” “Service Renewal,” and “Homecoming Route Optimization” to consistently improve the living experience for homeowners. These measures not only greatly enhanced the community environment but also garnered customer praise for their reliable quality delivery, establishing a foundation of trust for the sustainable market development in this region.



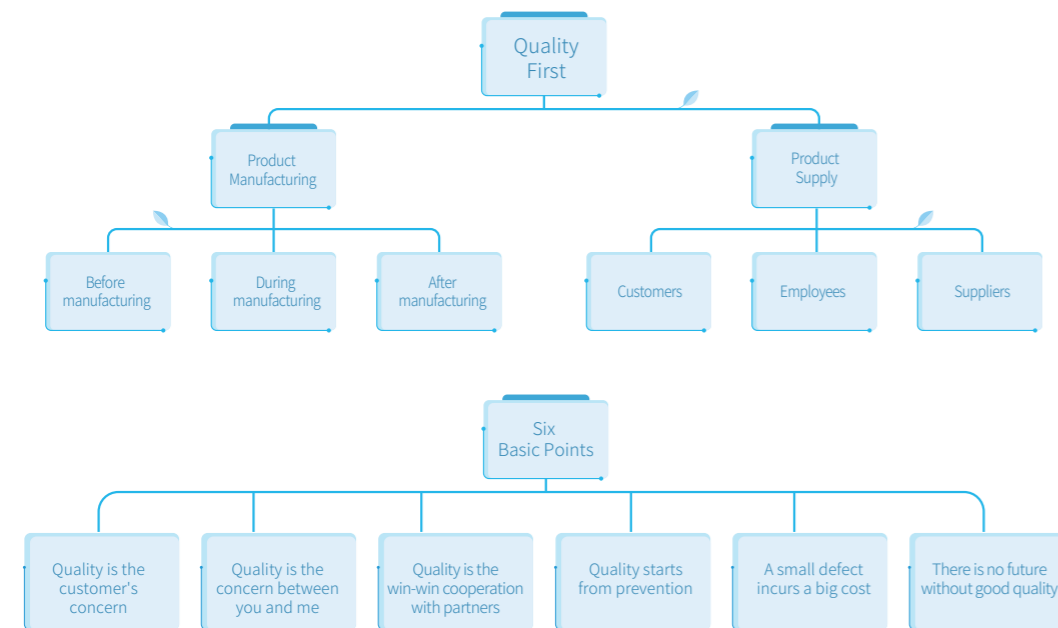
Case Pre-Monsoon Maintenance to Prevent Problems and Ensure Quality

Phase I and Phase II of the Suzhou Wumen Lane (苏州吴门里) have been delivered for nearly two years. To address common issues such as leakage and humidity during the rainy season in the Jiangnan region, the project maintenance team took proactive steps by partnering with the warranty unit to initiate specialized maintenance and renewal services ahead of the rainy season. The services included inspecting and reinforcing the seals on doors and windows, along with systematic maintenance of cabinets and interior doors. In the second quarter, 625 owners were served, achieving a maintenance coverage rate of 36%. This initiative effectively prevented seasonal quality issues and enhanced owners’ sense of security through proactive and meticulous service.



Quality Management Training

CIFI Group consistently prioritizes product quality and safety in its development. Through continuous employee awareness enhancement training and cultural development initiatives, the Group systematically cultivates an organisational environment oriented towards quality and safety. Centered on the six core principles of quality and safety, the Group clearly defines the core values and fundamental philosophy of CIFI's quality and safety culture. While strictly fulfilling its responsibility for product quality, the Group is also committed to providing customers with a reliable experience and safeguarding their lives and safety.



CIFI's Quality and Safety Culture



CIFI regards quality and safety as the core components of its project management. Through a regular training mechanism targeting all employees, contractors and supervisors, the Group systematically enhances quality management awareness and practical skills of all parties involved in the construction process. We organised the "CIFI Engineers' Day" annually and carry out thematic initiatives such as the "Month of Engineering Safety" and the "Month of Engineering Quality" in June and September respectively, continuously reinforcing quality awareness among all staff. On this basis, we steadily advance targeted initiatives, including the "Thunderbolt Action" (focused on leakage prevention) and the "Zero Defect Action" (addressing common quality issues). These initiatives embed quality control requirements into specific construction techniques and processes, thereby establishing a quality culture system that runs through every stage of daily operations and providing assurance for the continuous enhancement of overall project quality.



CIFI Product Quality and Safety Training

CIFI continues to strengthen its quality management capabilities by enhancing the professional standards and problem-solving abilities of frontline teams through systematic training and practical implementation. Leveraging the continuous improvement practices of its quality management teams, several of the Group's technical achievements have been awarded First-Class Achievement Certificates by the Quality Association of Guizhou Province, demonstrating the effective application of quality management methodologies and the enhancement of grassroots governance capabilities. The Group will continue to focus on improving engineering quality, deepen standardized management and experience consolidation, and promote the sustained implementation of quality management capabilities at the project level, thereby continuously enhancing the stability and reliability of project delivery.



Certificate of Merit for Quality Management Achievements (Guizhou)

2025 Quality and Safety Training



Employee Training Coverage Rate
100%
Average Training Hours per Person
50hours



Contractor Training Coverage Rate
99.21%
Average Training Hours per Person
69.33hours



Supervisor Training Coverage Rate
100%
Average Training Hours per Person
98hours



Workplace Safety Management

CIFI Group fully complies with the “Work Safety Law of the PRC” and other applicable regulatory requirements, and continuously enhances its occupational health and safety management system systematically. Safety principles are embedded throughout the Group’s operations. Through regular safety production training and ongoing enhancements to on-site protective measures, the Group effectively safeguards employees’ occupational health and operational safety.

Safety Management System




CIFI Group places the health and safety of its employees and partners at the forefront of its management priorities. The Group has formulated internal policies applicable to the entire Group (including contract staff) as well as to contractors, including the “Management Measures for Safety and Civilization” and the “Operation Guidelines for Standardized Management of Safety and Civilization”, thereby systematically establishing a safety management framework that covers all employees and business partners. These policies clearly define the supervisory responsibilities of real estate developers, on-site construction safety requirements for contractors, and routine inspection standards for supervisors. Health and safety clauses are comprehensively incorporated into contractor agreements, along with corresponding performance evaluation and reward-and-penalty mechanisms, to standardize safety and civilized management across the entire operational process. We adopt consistent standards in measuring and disclosing the safety performance of both contractors and employees, providing equal health and safety protection for all personnel and effectively preventing safety incidents.

CIFI Group has established a systematic production safety management framework and set up a Quality and Safety Committee directly led by the Group’s Chief Executive Officer to coordinate and advance quality and safety governance across the Group. In accordance with the “CIFI Group Working Guidelines for Safety Management Committee”, the Group has refined its organizational structure and established a three-tier safety control system covering regional, city (district) and project levels, enabling graded accountability and full-process supervision of engineering safety management.

Safety Management Committees at all levels are composed of business leaders and core personnel. Through routine project inspections, safety training and emergency drills, they continuously enhance on-site risk prevention and emergency response capabilities. The Group conducts systematic annual reviews of its health and safety systems and, through regular inspections and risk assessments, promptly identifies and rectifies potential hazards to promote continuous improvement in safety management.

In 2025, the Group introduced a third-party inspection mechanism to conduct periodic reviews of the operation of project-level Safety Committees. These reviews focused on evaluating the implementation of routine inspections, safety training and the execution of safety accountability systems, thereby further strengthening the standardization and effectiveness of grassroots safety management.

Safety Management Committee - Three-Tier Management Structure

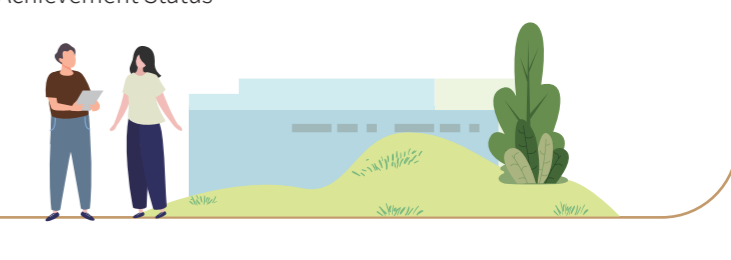
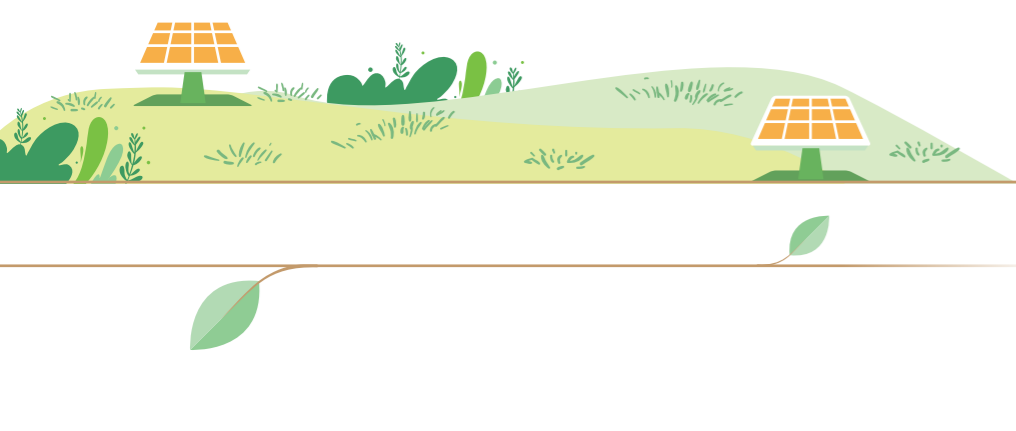
Structure	Roles and Responsibilities
 <p>Regional Safety Management Committee</p>	<ul style="list-style-type: none"> Set annual safety management goals for this region. Guide the region’s workplace safety management and take responsibility for workplace safety in this region. Enhance organizational structure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

Safety Risk Management and Control

CIFI Group has established a systematic safety and civilized management framework covering the entire project lifecycle, setting clear construction safety and civilization objectives for the Group itself as well as all suppliers and contractors. By continuously enhancing on-site safety protection measures and implementing routine safety supervision and inspections, the Group steadily strengthens its ability to identify and manage various safety risks. In 2025, the Group recorded 3 work-related injuries, zero work-related fatalities and a total of 56 lost workdays due to work-related injuries.

Targets	2025	2024	2023
Occurrence rate of severe injuries and above	0	0	0
General annual injury frequency rate	0.2%	0.2%	0%
Number of minor injuries	1	3	0
Occurrence of major incidents such as fires, traffic accidents, explosions and equipment malfunctions	0	0	0
Hazardous material loss, damage or contamination incidents	0	0	0

Targets for Safe and Civilized Construction and Achievement Status



Safety Risk Management Measures

CIFI Group has established a safety management system covering the entire operational lifecycle. The Group conducts regular safety management risk assessments and site safety supervision and inspections across all projects under construction. It has also implemented a full-cycle safety risk control mechanism covering safety risk assessment, site safety supervision, safety accountability, problem rectification and incident handling.

Safety Management Risk Assessment

The Group systematically carries out safety risk identification, screening and evaluation. Major safety risks arising from various project operations are identified, analyzed and comprehensively assessed, with dynamic tracking mechanisms in place. By proactively identifying potential hazards and formulating targeted control plans, including specialized management measures, we effectively safeguard the safe execution of production and construction activities.

Site Safety Supervision and Inspection

The Group adheres to a two-tier coordinated management model involving both headquarters and frontline project teams. In strict compliance with national and local safety regulations, we organize and conduct multi-dimensional supervision activities, including routine site patrols, specialized inspections, and pre-holiday and holiday inspections. At the same time, third-party professional institutions are engaged to carry out comprehensive safety inspections. Supported by incentive and accountability mechanisms such as monthly rankings, we continuously enhance the effectiveness of hazard identification and remediation. The Group actively leverages technological solutions to strengthen risk prevention and control. For example, HD cameras are installed in key areas such as tower cranes and basement zones to enable 24-hour surveillance; facial recognition and intelligent early-warning systems are deployed at construction site entrances to accurately monitor the number and status of on-site personnel. All data is uploaded in real time to the cloud platform via the Banyou System, enabling dynamic monitoring of project safety conditions and timely handling of potential risks.

Safety Management Accountability

In accordance with the "Management Measures for Inspection and Evaluation, Rewards and Penalties of Projects" and other relevant policies, the Group clearly defines the safety responsibilities of personnel at all levels. Based on this framework, health and safety assessment results from comprehensive engineering inspections are directly linked to the performance evaluations of employees and management personnel, forming the basis for corresponding rewards or disciplinary actions.

Problem Rectification and Incident Handling

The Group strictly implements its internal emergency response plans and procedures. In the event of an accident, immediate actions are taken to rescue injured persons, eliminate on-site hazards and preserve the accident scene. A dedicated investigation team is then formed to analyze root causes, determine responsibilities and propose disciplinary actions and corrective measures, with the aim of fundamentally preventing similar incidents from recurring.

Safety Accident Accountability

The Group has established a clear safety accountability linkage mechanism and continuously refines its internal incentive and accountability rules. Employee and management performance evaluations are directly linked to health and safety assessment results from comprehensive engineering inspections. In the event of a safety accident on a project, tiered accountability measures will be imposed on the project engineering manager, project general manager and regional general manager. The project general manager and regional general manager will receive formal warnings, and corresponding deductions will be made from the annual bonus pool of the relevant region. Conversely, projects that demonstrate outstanding site safety performance and receive municipal-level or higher recognition will be granted special incentive bonuses. In addition, the semi-annual and annual performance assessments of the Group's senior management are closely linked to the effectiveness of site safety management across business units.

Furthermore, the Group has established, at all levels of its engineering management structure, the core safety objective of eliminating fatal accidents caused by negligence. Should a safety liability accident occur, the Group will, in accordance with its responsibility identification and accountability system, determine and impose corresponding management or direct liability on the relevant managers or directly responsible personnel, thereby ensuring that safety management responsibilities are effectively assigned to specific positions and individuals.



Highlights



100% of projects under construction utilize digital management platforms for safety and civilization management



0 major safety accidents



Since 2019, **106** Visible Buildings have been completed and delivered.

2025

Safety Awareness Training

To systematically enhance safety awareness among project staff, construction teams, and supervisors, CIFI Group has established a multi-level, comprehensive safety promotion and supervision mechanism to ensure that safety management responsibilities are implemented across all levels.

- Group Level:** Every six months, the Group organizes workplace safety meetings for all engineering staff. These meetings combine the sharing of best practices with the reporting of typical safety issues, reinforcing overall safety awareness and facilitating experience exchange among staff.
- Regional Level:** Each region conducts centralized monthly safety training and implements weekly routine safety inspections and education for relevant positions, continuously strengthening frontline personnel's risk prevention capabilities. The Group also provides specialized safety operation skill training and assessment for workers in special trades, strictly enforcing the "three-level safety education" system to ensure that all construction personnel are qualified before starting work.
- Project Level:** Project teams, together with supervisors, conduct weekly comprehensive joint safety inspections across all construction units, and key management personnel in construction units take monthly safety knowledge tests to reinforce management accountability. For major or high-risk operations, targeted safety briefings and education are provided before work begins to strengthen operational risk control.

The Group implements a unified system to evaluate and disclose health and safety performance for both contractors and internal employees. In 2025, we conducted safety-themed training for all staff. Training coverage for internal employees reached 100%, with an average of 50 hours per person; contractor training coverage was 99.21%, with an average of 69.33 hours per person; and supervisor personnel achieved 100% coverage, with an average of 98 hours per person.



Safety Training



Case

Systematically Carrying out Centralized Training to Standardize On-site operation and Control Processes

To systematically enhance project quality and safety awareness, the Group held specialized training sessions during semi-annual and year-end meetings. During the 12 monthly safety-themed activities throughout the year, the Group also organized construction units to have in-depth learning on the Group's safety requirements, key aspects of managing large mechanical equipment, and seasonal risk control measures. Through ongoing publicity and evaluation, the team has consolidated their safety awareness, conducted on-site operations in a more standardized manner, and improved management processes. This has led to the development of a normalized and systematic work safety training mechanism, strongly guaranteeing the smooth progression of projects.



Quality Service Experience

CIFI Group remains firmly customer-centric, protecting customer interests through honest operations and transparent communication. We strive to deliver high-quality service throughout the entire customer lifecycle, living by our principle of “Quality First with Top Service” to enhance customer experience and satisfaction through refined service management and continuous improvement.

Protecting Customer Rights and Benefits

CIFI Group prioritizes protecting customers’ information, privacy security and other rights. Through responsible market communication practices, we provide safe and reliable products and services while building long-term relationships with our customers based on mutual trust and respect.

Responsible Marketing

Strictly complying with laws and regulations such as the “Urban Real Estate Administration Law of the PRC” and the “Measures for the Administration of Commercial Housing Sales”, we have established responsible marketing systems such as the “Sales Personnel’ s Letter of Undertaking of Responsibilities”, the “Marketing Personnel’ s Letter of Undertaking of Responsibilities”, the “Seven Major Disciplines on Marketing, Bidding and Procurement Expenses” and the “Client Management System for Sales Personnel”. Through these measures, we systematically regulate marketing conduct and business operations, prevent any exaggerated or misleading information in our marketing campaigns, and adhere to the principles of honesty and transparency in communication, putting responsible marketing practices into action.



Information Disclosure

In accordance with the “Operational Guidelines on Transparent Disclosure in Sales Offices”, we display project licenses, standard sales contracts and pricing information at all project sales offices. We also disclose any uncertainties regarding the planning of surrounding facilities and highlight differences between unit types, while clearly publishing our delivery standards. Furthermore, we clearly display customer service and complaint channels at our sales sites and in delivery notices to safeguard customers’ rights to information and appeals, helping them make informed and rational purchasing decisions.



Compliant Marketing

We continuously enhance our external communication standards, requiring the legal department to rigorously review all Group content before publication to ensure promotional materials are compliant, fully disclosed and clearly presented. Building on our existing framework, we have further focused on online marketing scenarios and introduced relevant marketing policies such as the “Prohibited Words for Real Estate Livestreaming”, in accordance with advertising laws and platform regulations, to establish clear standards for online promotional conduct.



Marketing Training

To continuously enhance the professionalism, compliance standards and sense of responsible marketing among its workforce, the Group has implemented regular and systematic professional training for all sales personnel. Focusing on advertising law interpretation and platform-prohibited words, we conduct specialized training sessions to enhance the comprehensive business capabilities of the sales team.



Marketing Audit

In 2025, the first-tier cities fully implemented the upgraded dual-dimensional inspection mechanism, focusing on key business aspects such as sales strategies and reception service, systematically covering reception routes, node organization, property packaging, customer maintenance, offline displays, and online marketing. All major projects under sales were subject to “monthly self-inspections”, quarterly and semi-annual positive/negative review and efficiency improvement verification, with relevant results incorporated into performance evaluations for regional and platform managers and employees. During the reporting period, process sampling inspections were conducted for a total of 15 projects, all achieving perfect scores.



Case

Organizing Specialized Marketing Training to Respond to Market Changes and Challenges

To address profound changes in the market environment and industry challenges, CIFI has continuously strengthened the professional capabilities and transformation momentum of its marketing team through systematic training. Centered on the practical needs of asset management projects, we organized specialized boot camps focusing on strategic empowerment and practical drills. At the same time, to advance the transformation toward online marketing, we conducted targeted training sessions covering role positioning and operational practices for new livestream hosts. These initiatives effectively enhanced the team’s marketing capabilities in complex projects and improved digital marketing competence, building key talent reserves and organizational capabilities for business expansion.



Marketing Training

Information Security and Privacy Protection

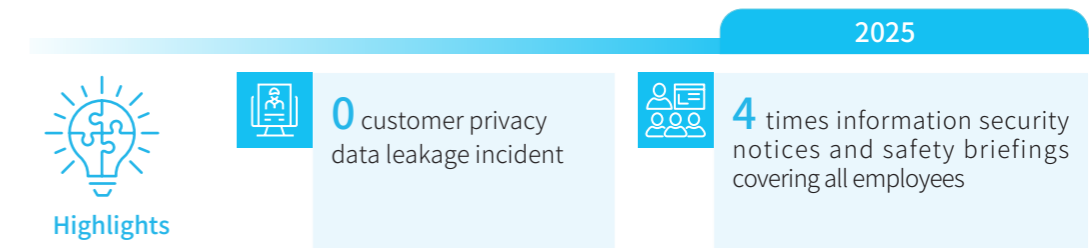
Strictly adhering to the “Cybersecurity Law of the PRC” and other relevant laws and regulations, CIFI Group has formulated and implemented the “CIFI Group Information Security Technical Standards and Working Guidelines” to standardize the handling of customer data. These guidelines establish protocols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

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

Technical Safeguards	Physical Safeguards	Personnel Safeguards
We deploy a multi-layered technical protection system, including professional security protection software, real-time detection and blocking of malicious IP addresses within office networks, strict internal network access controls and email security gateway management. We strictly restrict the use of third-party software, implement keyword filtering and email attachment monitoring mechanisms, apply Steganographic Watermarking technology and compliance management of screenshot and screen capture operations to systematically prevent information leakage risks.	We have established a routine inspection mechanism covering daily, weekly and monthly security reviews. Daily safety inspections are carried out, weekly meetings are organized to communicate progress, and monthly security situation reports are compiled to conduct dynamic security monitoring of the Group’s information system assets. We also conduct regular security audits, using professional tools to systematically identify potential vulnerabilities, trojans and other risks on PC and server endpoints. Comprehensive quarterly inspections are organized to update virus databases and deploy system patches in a timely manner, while special meetings are held to analyze quarterly security findings and formulate improvement plans. Each quarter, we issue notices requiring all staff, both at headquarters and in regional offices, to change their passwords, reinforcing fundamental security measures.	We strictly implement a graded access control system and restrict customer data access to authorized personnel only. Employees handling sensitive information must sign both the “Confidentiality Agreement” and the “Undertaking of Intellectual Property Rights for Work Products”. We maintain a zero-tolerance policy for information leaks and will take serious disciplinary action against any violations.

In 2025, we continued to optimize our information security and privacy protection system. By strictly enforcing the principle of least privilege in personnel access management, we conducted comprehensive reviews and promptly revoked system access rights related to job changes or employee departures. At the system access control level, for core business applications, we implement our “Four Controls” measures covering personnel, permissions, data flow and operations. For non-core systems, we adopt the management policy of “Request Permissions and Monitor Operations”. For testing systems, we further enforce specific requirements including denying access to unauthorized personnel, retaining operation logs and implementing keyword detection controls. Meanwhile, the Company conducted a comprehensive review to restrict unnecessary public domain access and relied on multiple technical measures such as behavior management and vulnerability scanning to perform cross-monitoring of internal servers, ensuring that security risks can be promptly identified, vulnerabilities quickly repaired and potential hazards swiftly addressed.

During the Reporting Period, the Group organized specialized training covering phishing attack prevention, virus protection, personal information protection, AI usage security and daily cybersecurity practices. Targeted sessions were provided for key business teams at headquarters and the Digital Technology Department. At the same time, we conducted a series of specialized training sessions at both headquarters and regional offices, focusing on preventing social engineering phishing emails, Silver Fox viruses, cryptocurrency mining trojans and domain hijacking. Through a combination of simulated attack-and-defense drills and security awareness briefings, we continuously enhanced employees’ risk identification and response capabilities.



Focusing on Customer Satisfaction

CIFI Group consistently regards customer feedback as a vital basis for service optimization and has established a systematic mechanism for collecting and handling customer opinions to ensure that all types of customer requests receive timely and effective responses and resolutions. Based on reasonable suggestions raised by customers, we continuously refine our service processes and details, striving to earn long-term customer satisfaction and trust through tangible and sustained service improvements.

Refining Customer Feedback Mechanism

CIFI Group has established diversified customer communication and feedback channels, including its WeChat Official Account “CEO Direct Line”, 400 service hotline and dedicated complaint email. Through the “Joyful Heart Assistant” system, all customer feedback is processed via work order allocation and responsibility assignment, and the designated responsible personnel are required to respond to customer requests within 30 minutes and follow up throughout the entire handling process until the complaint is formally closed.

In 2025, we received 12,657 customer service and quality complaints with a 100% response rate within 24 hours and a 90% closure rate. Of these, the “CEO Direct Line” received 3,065 customer feedback cases, achieving a 100% processing rate and a 93% closure rate. Overall customer satisfaction with complaint handling reached 58%.

CIFI Group has continuously implemented “Voice of Customers” initiatives across various regions, establishing a normalized mechanism for collecting and improving customer feedback. Focusing on product quality and service experience, we systematically collect customer opinions, address dissatisfaction points and high-frequency common issues through targeted rectification measures, and select typical service cases for internal sharing to strengthen customer-oriented awareness among all staff.



On this basis, each region compiles and publishes the “Customer-Oriented Case Studies” monthly, summarizing improvement experiences and best practices to promote continuous internal optimization of product and service details and further enhance customer satisfaction.



Case Achieving Perfect Delivery Closed-loop with High Quality and Efficiency

The filing for completion of Chengdu Jiangyushan Phase II Project (成都江与山) was completed two months ahead of schedule. The team leveraged this time window to initiated a special quality improvement campaign, and the resolution rate for pre-delivery unit-by-unit inspection reached 95%. Through refined planning of pre-delivery work, the resolution rate for property inspection issues during the site opening phase reached 90%, and the rate of response to owners' inquiries reached 100%. The project ultimately achieved a 95% attendance rate for centralized delivery and a 90% overall delivery rate, earning customer satisfaction and government recognition while successfully concluding the project.



Case Turning Crisis into Opportunity and Winning the Recognition of Multiple Parties with Solid Efforts

Confronted with the dilemma of the Xuzhou Jiangshanyu Project (徐州江山御项目) including the unit responsible for heating abruptly ceasing heating services, no dedicated maintenance funds and no tripartite cooperation., the customer relationship and housing maintenance team of the East China Region took decisive action to address the issue. Demonstrating initiative, they mobilized manpower and equipment, successfully completing the takeover and pressure testing of heating systems for over 700 households within just 7 days. In the process, they also identified and repaired more than 100 potential leakage hazards. This independent maintenance effort not only ensured the owners' winter heating needs but also earned recognition from both owners and relevant authorities through solid actions, achieving a service breakthrough under challenging conditions.



Improving Customer Satisfaction

CIFI Group consistently places customer experience at the core of its service optimization efforts. Through systematically conducting customer satisfaction surveys, we continuously refine our service system and comprehensively enhance customer experience and perception. In 2025, we advanced service initiatives across multiple dimensions to deliver high-quality services to our customers.



The "CIFI Club House" Platform

Our integrated online and offline customer service platform systematically collects customer complaints and evaluation feedback, covering complaint filing and repair services, virtual property tours and satisfaction surveys. These functions serve as the basis for driving product improvements and service optimization, thereby continuously enhancing overall quality and customer satisfaction.

During the Reporting Period, CIFI evaluated customer satisfaction combining both its in-house survey system and third-party research firms. The surveys were conducted via telephone interviews and online questionnaires, evaluating aspects including sales services, property management, daily operations, responsiveness and shopping mall amenities, among others. In 2025, we focused on delivery quality and customer service to maintain our reputation among customers. We achieved an overall customer satisfaction rate of 67.4%, representing 1 percentage point increase compared to 2024.



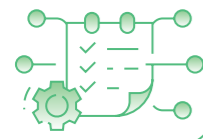
Case "Baby, Run with Passion" Community Children's Health Public Welfare Campaign

In 2025, CIFI simultaneously launched the "Baby, Run with Passion" community children's health public welfare campaign nationwide, covering 371 community projects and attracting more than 6,705 young homeowners to actively participate. The initiative enriched children's cultural and sports activities within communities, promoted interaction among families and neighbors, and demonstrated CIFI's continued efforts to deepen customer services, foster friendly community environments and enhance residents' sense of belonging and satisfaction.



Practice

Leading the Low-Carbon Future



CORE ISSUES

Response to climate change

Product safety and quality

Green and healthy building design and promotion

Rational development and ecological protection

Water efficiency improvement

Industry collaboration and development

Energy conservation and emissions reduction

Waste management

KEY PERFORMANCE IN 2025

Percentage of delivered projects using renewable energy reached

50.7%



Percentage of prefabricated buildings in projects under construction

86.1%



Water consumption in office areas decreased by approximately

4.8%



Administrative office energy consumption intensity decreased by more than

25%



KEY ACTIONS IN 2025

- Implemented the “Green Product Procurement Catalog” and added 6 new green procurement categories.
- Clearly mandated that new projects comprehensively adopt Grade 1 energy efficiency products as primary energy devices from 2025.
- Energy-saving and consumption-reduction measures comprehensively covered projects in areas such as Xindu, Feixi, Nanchang, Baoshan and Jiaying.
- Continued to advance the “Green Office, Carbon for a Better Future” initiative, launching four themed campaigns on “Energy Conservation and Environmental Protection”, “Circular Utilization”, “Low-carbon Mobility”, and “Resource Co-creation”.

IN RESPONSE TO SDGs



Response to Climate Change

In line with the climate-related disclosure standards in International Financial Reporting Standards (IFRS S2) and HKEX' s climate-related information disclosure requirements, CIFI Group continuously identifies physical risks and transition risks brought by climate change and systematically assesses their potential impacts on the Group' s operation, project development and value chain. On the basis of maintaining the stability of its original governance structure, the Group has further improved its risk identification, assessment and response mechanisms, continuously enhanced its management capabilities to respond to climate change, and strived to minimize the impact of climate-related risks on the Group' s finance and operations.

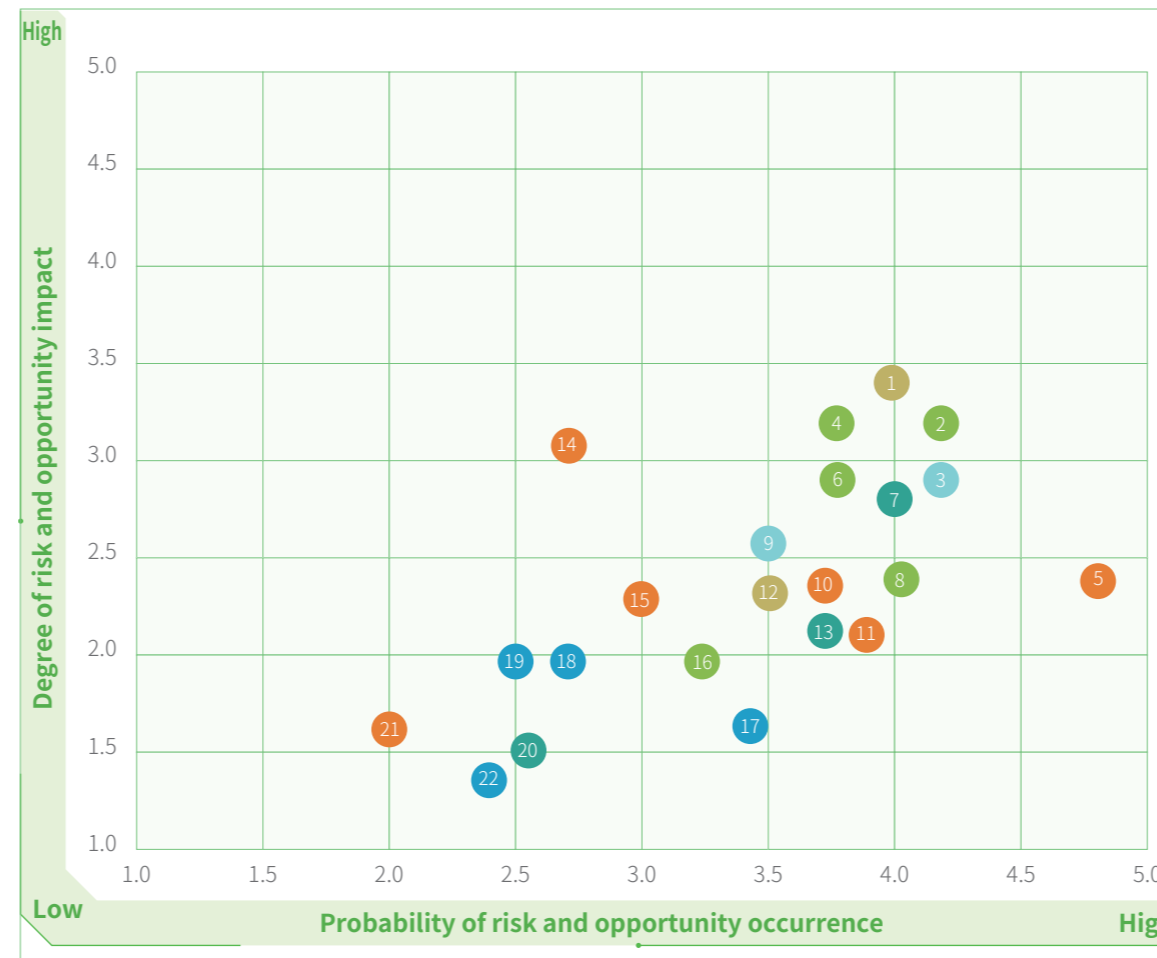
Governance

CIFI Group has established a climate governance structure with clearly defined responsibilities, with the Risk Management Committee serving as the highest authority overseeing risk management and coordinating the management of major risks, including climate change. Under the guidance of the Committee, the management coordinates various functional departments and regional companies to implement the identification, response and improvement actions in terms of climate-related risks, ensuring the continuous attention and effective implementation of climate issues in the Company' s decision-making, operation and management, and project operation.

Strategy

CIFI is committed to systematically identifying the impact of climate change on the Company' s operations and project development and continuously enhancing business resilience. The Group, in line with IFRS S2 and HKEX' s climate-related information disclosure requirements, identifies and evaluates climate-related risks and opportunities from the perspective of its business type and operations, while taking into account national policies, industry trends and stakeholder concerns.

By sorting out policy consultation, market changes and technology development trends, the Group has identified 10 physical risks and 12 transition risks highly related to CIFI' s business, and relevant functional departments and regional companies jointly participated in the evaluation process, scoring various risks from two dimensions: "probability of occurrence of events" and "degree of impact on the Group' s business", resulting in a climate risk matrix.






Climate Risk and Opportunity Matrix

Market Risk	Changes in customer preferences	1
Policy & Legal Risk	Green building goals and standards	2
Technology Risk	Green building technology	3
Policy & Legal Risk	Energy structure and usage	4
Acute Risk	Typhoon	5
Policy & Legal Risk	Carbon pricing	6
Other Stakeholder Impact	Supply chain (upstream and downstream)	7
Policy & Legal Risk	Waste management standards	8
Technology Risk	Energy technology	9
Acute Risk	Extreme precipitation	10
Acute Risk	Extremely hot weather	11
Market Risk	Raw material costs and supply	12
Other Stakeholder Impact	Investors	13
Acute Risk	Flood	14
Acute Risk	Extremely cold weather	15
Policy & Legal Risk	Environmental disclosure	16
Chronic Risk	Rising temperatures	17
Chronic Risk	Water stress and supply instability	18
Chronic Risk	Sea level rise	19
Other Stakeholder Impact	Local communities	20
Acute Risk	Drought	21
Chronic Risk	Land desertification	22

Risk Assessment Ranking

Based on this, CIFI analyzed the potential impact of different types of climate risks on the Group’s business according to the characteristics of the real estate industry, starting from key aspects such as project site selection, design, construction, operation and customer service, and formulated targeted response strategies.

Types of risks/opportunities		Description of impact	Response strategies
 Physical risks	Acute risks Typhoon, flood, extreme precipitation, extremely hot weather, extremely cold weather, drought	Extreme weather may directly affect the construction progress of projects and increase the cost of repair and reinforcement; For projects in coastal, riverine and low-lying areas, floods and typhoons may pose higher risks of property damage; High temperature and severe cold weather may also affect construction efficiency and personnel health and safety, which in turn affects project delivery and operation stability.	<ul style="list-style-type: none"> During construction planning, force majeure factors such as strong typhoon and extremely cold weather are included, and the response mechanism is established. Each project establishes emergency response teams, equips with emergency material reserves, and improves emergency response procedures. In view of extreme weather such as high temperature and typhoon, we will implement staggered working hours, distribute heatstroke prevention and cold prevention materials, carry out flood control drills and material inspections to ensure the safety of construction workers. We will strengthen anti-disaster ability during the project design stage, such as strengthening typhoon-resistant design for coastal projects, improving drainage standards in low-lying areas, and raising the elevation of the first floor of riverside projects to reduce flooding risk. We will continue to improve the design guidelines for MEP anti-freezing and thermal insulation to enhance the adaptability of buildings to extremely low temperature weather.
	Chronic risks Rising temperatures, water stress and supply instability, sea level rise, land desertification	Long-term temperature rise will increase the energy demand during the building operation phase and drive up operating costs; Water stress and supply instability may affect project construction and post-construction property operation; Projects in coastal areas face potential safety hazards brought by sea level rise; Ecological degradation may also affect the site selection conditions of projects and the surrounding environmental value.	<ul style="list-style-type: none"> Optimize building layout and height control by integrating regional climate change trends in the planning and design phases. Reduce buildings’ reliance on high-energy equipment through passive design, energy-saving envelope structures and energy modeling. Introduce water-saving equipment and rainwater recovery system to improve water resource utilization efficiency. Strengthen flood control, moisture control and infrastructure safety design for coastal projects.
 Transition risks	Policy & legal risks Green building goals and standards, energy structure and usage, carbon pricing, waste management standards, environmental disclosure	The tightening of relevant policies may increase the cost of project development and operation, and put forward higher requirements on material selection, design standards and construction methods; Projects that do not meet the policy requirements will face compliance risks and reputational implications.	<ul style="list-style-type: none"> Continuously track the policy trends related to “carbon emissions peak” and “carbon neutrality” and carry out assessment and response preparations in advance. Incorporate sustainable ideas into structural design, adopt green materials and low-carbon structural forms according to the “Design Guidelines for the FABRIC Craftsmanship System”. Conduct project design and construction in accordance with green building and energy efficiency standards to ensure compliant operation.
	Market risks Changes in customer preferences, raw material costs and supply	If we fail to respond to market changes in a timely manner, the attractiveness and market competitiveness of our products may decrease, affecting our sales performance and brand image; Extreme weather and emission reduction policies may disrupt the production and transportation of building materials, push up material prices, extend supply cycles, increase project costs and affect construction timelines.	<ul style="list-style-type: none"> Through customer research and analysis of consumption trends, benchmark the WELL certification system in the “Design Guidelines for HUMAN Intelligent Healthy Life 3.0” to strengthen low-carbon and healthy design. Promote the “FABRIC” craftsmanship system and create green and innovative building products based on aesthetics, safety and economy. Establish long-term and stable cooperative relationships with core suppliers through centralized procurement and strategic cooperation to enhance the resilience of the supply chain.
	Technology risk Green building technology, energy technology	Rapid technological obsolescence may bring uncertainty of investment recovery, and if the technology is not selected properly, it may affect the efficiency and economy of project operation.	<ul style="list-style-type: none"> Promote the application of renewable energy and strictly implement design guidelines for solar water heating system. Explore ultra-low energy consumption technology system and optimize energy structure according to local conditions. Introduce intelligent energy efficiency management system to realize refined energy management in the building operation stage.
 Opportunities	Opportunities for green building development	Growing demand for green buildings will help to enhance product premium capability and brand value and improve market competitiveness.	<ul style="list-style-type: none"> Promote prefabricated buildings in new projects to improve construction efficiency and quality. Promote the design of ultra-low energy buildings to reduce energy consumption and carbon emissions. Explore new low-carbon technologies and materials to build green building demonstration projects.

Description of Climate Risk and Opportunity Impacts and Response Strategies

Risk Management

CIFI Group incorporates climate change-related risks into the Group’s overall risk management framework for overall management and integrates climate factors into the Company’s risk management and control system in a forward-looking manner through system construction, process embedding and responsibility implementation. Under the unified leadership of the Risk Management Committee, the Group continuously tracks and dynamically manages climate-related risks in combination with the annual risk management work arrangements and implements corresponding control measures in key aspects such as project development, construction organization, design standards and operational management. Through the deep integration of climate risk management with the Company’s operation and management, CIFI has continuously improved its ability to cope with climate uncertainties and ensured the steady operation and long-term sustainable development of its business.

Indicators and Objectives

CIFI Group continues to carry out its greenhouse gas emissions inventory, gradually improves its climate-related indicator database system and formulates medium and long-term carbon reduction action plans on this basis. The Group will regularly review our carbon reduction results, promote the implementation of energy conservation and carbon reduction measures in all business units, and continuously optimize the level of building energy management. CIFI strives to reach “carbon emissions peak” by 2030 and achieve “carbon neutrality” by 2060. Looking ahead, the Group will further incorporate green energy and recyclable building materials, pioneer new low-carbon technologies and promote the practice of energy conservation and emission reduction in the whole life cycle of buildings, contributing to the nation’s “dual carbon” goals and sustainable development across society.



Practicing Green Construction

CIFI Group has strictly complied with laws and regulations such as the “Land Administration Law of the PRC” and the “Regulations on Nature Reserves of the PRC” and deeply incorporated environmentally friendly technologies into building design and the entire development process, actively advancing innovative technological research and development and its practical applications in green healthy buildings, construction industrialization, sponge cities, the fourth-generation residential housing, energy conservation and carbon reduction and smart management and control systems. Leveraging our strong R&D and technical breakthrough capabilities, we uphold green building innovation concepts and are committed to working with all parties to promote the transformation of the construction industry towards a green and sustainable direction.

Green and Healthy Building Design

CIFI Group continues to deeply integrate sustainability principles into our architectural and structural design and strictly uphold commitments outlined in the “CIFI Group Design Guidelines for the FABRIC Craftsmanship System”, including the procurement of environmentally friendly materials and application of low-carbon energy-efficient structures, systematically promoting the achievement of our “carbon emissions peak” and “carbon neutrality” goals. In terms of R&D and innovation in green building technologies, we actively promote the application of prefabricated construction, low-carbon structures and other technologies, rigorously follow document requirements such as the “CIFI Group Design Guidelines for HUMAN Intelligent Healthy Life 3.0”, and build comprehensive green management system throughout a building’s lifecycle from design to construction to continuously lead the high-quality development of green buildings.

Comfortable Living

CIFI Group has always regarded social responsibility as the core pillar of corporate development and is committed to building an inclusive and friendly barrier-free environment to effectively protect the equal rights and interests of people with disabilities. We strictly follow the national standard the “Code for Accessibility Design”, systematically incorporate the concept of barrier-free in the project design, and provide facilities such as barrier-free elevators, barrier-free stairs and barrier-free toilets to ensure the smooth passage of wheelchairs and other auxiliary equipment. By eliminating the entrance height difference and optimizing the spatial layout, it not only meets the diversified needs of different groups of people, but also implements humanistic care and social responsibility for people with disabilities with sound facilities and functions and reasonable circulation design.



In 2025, CIFI actively adopted green energy technologies in its construction projects.

No. of delivered projects utilizing renewable energy

37

Proportion

50.7%

The Fourth-Generation Residential Housing

CIFI Group regards the concept of green health as an important driving force for product design and for reshaping the living experience of harmonious coexistence between man and nature through forward-looking design innovation. In order to systematically promote this strategy, we released the “Standardization Manual of the Fourth-Generation Residential Housing Terrace”, established a standardized design paradigm from spatial planning to material selection, aiming at deeply integrating ecological concepts into the architectural fabric, creating a vital architectural form through design languages such as vertical greening and sky courtyard, and providing urban residents with an ideal residence with health, comfort and ecological value.

Sponge City

CIFI Group has deeply integrated the concept of sponge city construction into the whole process of urban development, strictly followed the “CIFI Group Design Guidelines for Sponge City”, and created sponge city projects with industry demonstration effect. In 2025, the Group systematically applied sponge construction technology in the construction of key projects in Southeast China and effectively improved the rainwater management capability and ecological resilience of urban areas through facilities such as rainwater infiltration, retention and purification.

Case Kunming CIFI Sylvan Whisper (昆明旭辉铂森林语): the design model of the fourth-generation residential housing

Kunming CIFI Sylvan Whisper built by CIFI is the first fourth-generation residential housing project in Beishi District of Kunming City, and is a representative practice of the Group’s “good house” concept in the field of eco-friendly living environments. Through the stepped three-dimensional greening design, the project has built a double-layer ecosystem of “ground ecology + elevated green corridor”, and the vertical greening coverage is 2.5 times that of traditional houses, effectively improving the ecological environment quality of the community.

In terms of product design, the project strengthens the integration of space utilization efficiency with life scenes, equips large-scale terraces for units of 107 m² and above, and creates a sky garden space integrating leisure, socialization and gardening; At the same time, combined with the image of mountains and rivers in Yunnan, a multi-level three-dimensional garden landscape is created, and fully-canopied trees are introduced to create a healthy living environment with evergreen plants for all season.

Through systematic green and healthy design, the project has upgraded from residential function supply to lifestyle creation, gained market recognition, and set a demonstration sample for regional high-quality residential development.

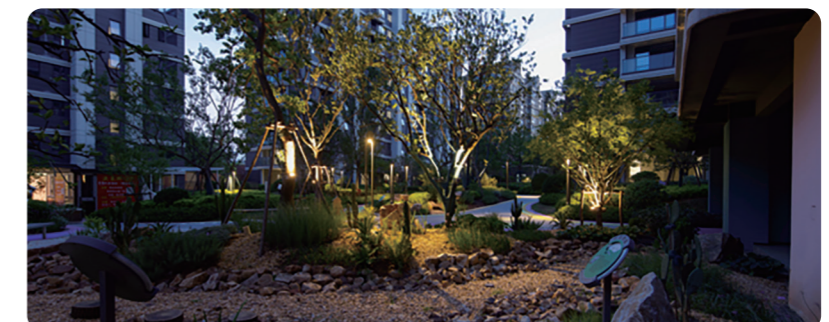


Case

Zhejiang Yiwu Yiting Guoyue Mansion (浙江义乌义亭国悦府): precisely implementing sponge city technology and building resilient ecological communities

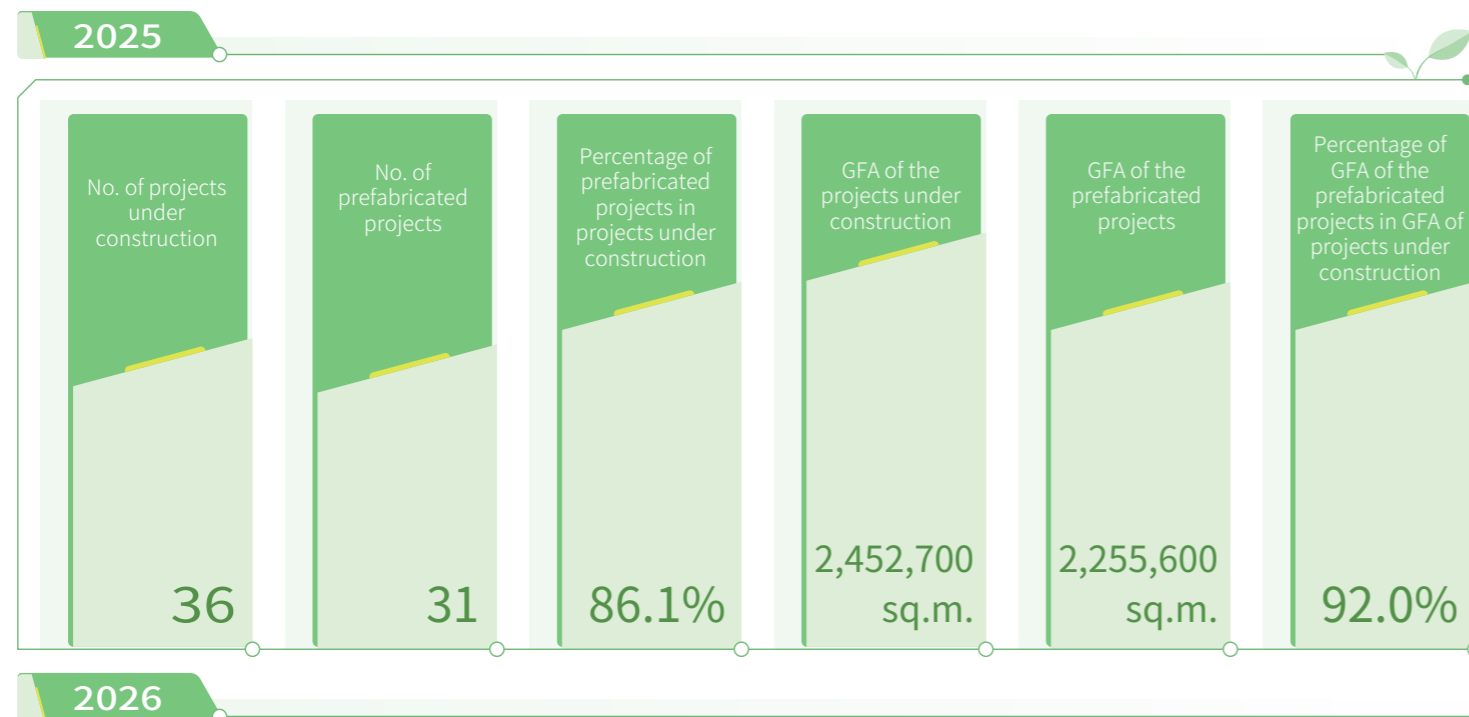
CIFI actively implements the concept of sponge city in project development and incorporates rainwater management and ecological construction into the whole process of planning and design. Yiwu Yiting Guoyue Mansion, developed and constructed by the Group, strictly benchmarks the requirements of the local sponge city special planning, and takes the annual total runoff control rate of 75%, the comprehensive SS removal rate of 64.9% and the comprehensive rainfall runoff coefficient of 0.50 as the core management and control indicators, and systematically lays out low-impact development (LID) facilities.

The project has built various rainwater management facilities such as ceramsite aquifers, concave green spaces and rainwater storage tanks, achieving storage capacities of 225m³, 60m³ and 352m³ respectively, effectively improving the level of rainwater storage, infiltration and purification. Through the coordinated operation of facilities, the overall rainflood control capability fully meets the requirements of sponge city construction, significantly enhances the community waterlogging prevention resilience and ecological environmental quality, and provides a sample demonstration for building a green resilient community.



Prefabricated Construction

In 2025, CIFI Group continued to deepen its layout in the field of prefabricated construction and built an industrialized construction system with leading technology. We actively promoted the implementation of advanced prefabricated systems such as SPCS/EVE and prefabricated basements to improve construction efficiency and project quality. At the same time, CIFI took the initiative to build an industry exchange platform, carried out in-depth technical cooperation with upstream and downstream partners along the industrial chain, jointly addressed common industry problems, and jointly promoted the development of prefabricated construction toward higher quality and greater sustainability.



2026

We are committed to 100% compliance with prefabricated construction requirements in land transfer conditions for new projects under construction.

Green and Healthy Building Certification

CIFI Group consistently maintains green buildings as one of its core development strategies and integrates sustainable concepts into the entire lifecycle of buildings. We continuously increase the proportion of projects that meet green building certification standards, actively promote urban low-carbon development and ecological civilization construction, and fulfill corporate social responsibilities with practical action, which demonstrates our industry leadership.

In 2025, we maintained our green building targets adopted in 2024:

All residential products must meet at least One-Star Green Building design standards, with "SMILE Series" product line projects 100% meeting One-Star or Two-Star green building standards and "TOP Series" projects 100% meeting Two-Star or Three-Star green building standards.

All newly-acquired commercial projects must 100% meet Two-Star Green Building design standards, with high-end projects striving to achieve Three-Star certification in both green building and healthy building standards. Projects are encouraged to meet LEED, WELL, BREEAM and other certification requirements, with certification applications to be submitted based on project circumstances.

Green Procurement

Upholding the principle of "green-first procurement", the Group deeply incorporates environmental protection requirements into its supplier management mechanism while conducting fair, just and transparent procurement. We actively work with multiple partners to continuously promote the CURA Green Real Estate Joint Procurement (the "CURA Joint Procurement") to prioritize the selection of environmentally friendly products in key areas such as raw material procurement to minimize negative environmental impacts and jointly promote the green transformation and sustainable development of the industrial chain.

Since joining the green supply chain initiative for China's real estate industry in 2016, the Group has proposed specific requirements for suppliers and their products across four aspects, including resources, energy, environment and quality standards, through methods such as supplier whitelisting and joint procurement, to systematically incorporate the sustainability concept into the entire process of procurement. In 2025, as an active participant in the China Urban Realty Association Green Supply Chain Action, the Group co-hosted the bidding planning meeting and online training session for the 15th CURA Joint Purchasing. In collaboration with the "Green Chain Action", we invited industry experts to conduct specialized training on the review rules for the White List and Green List for product categories such as pipe fittings, entrance doors, fresh air systems, solar water heaters, and water purification equipment. Through policy interpretation, standard breakdown, and case-based practical exercises, we systematically enhanced the environmental awareness and implementation capabilities of all parties in the supply chain, promoting the implementation and optimization of green procurement rules.

Additionally, to promote sustainable development among upstream and downstream enterprises, we have continued to enhance the “Green Product Procurement Catalog” by adding 6 new green procurement categories in 2025 according to the requirements of CURA Joint Procurement, including fresh air system, water purification equipment, insulating glass unit (IGU), entrance door, solar water heating system, and pipes and fittings.

Green Product Procurement Catalog

No.	Name of the green product
1	Aluminum alloy
2	Coating
3	Insulation materials
4	Rock wool
5	Air source heat pump
6	Ready-mixed mortar
7	Modified asphalt waterproofing membrane
8	Insulating glass unit (IGU)
9	LED
10	Polymer waterproof membrane
11	Polyamide profile
12	Fresh air system
13	Ceramics
14	Gypsum board
15	Pipes and fittings
16	Solar water heating system
17	Water purification equipment
18	Entrance door
19	Water-saving toilet
20	Level 1 energy efficiency gas water heater

Green Construction

CIFI Group has developed and implemented a systematic internal framework, including the “Green Building Operation Form”, the “Administrative Measures for Green Construction”, the “Management Measures for Safety and Civilization”, and the “Operation Guidelines for Standardized Management of Safety and Civilization”. These documents define specific environmental protection standards and operational procedures during the construction process, ensuring that all construction activities are conducted within controllable parameters and minimizing disturbance and impact on the surrounding ecological environment.

During our project development process, we have systematically established a comprehensive environmental management system covering energy consumption, economical and intensive land use, resource utilization, comprehensive dust control, waste management, wastewater management, and air emission management. We consistently consider environmental protection and the needs of surrounding communities. Through scientific planning and refined management, the Group minimizes the negative impact of construction activities on the ecological environment and is committed to creating a clean, tidy, comfortable, and safe construction environment for employees, communities, and stakeholders.

CIFI Green Construction Lists

Green construction fields	Green construction practices
Energy consumption	Adopting a series of energy-saving and environmentally friendly equipment, such as low-power lighting systems, flow-restricting flushing devices, and shaft elevators.
Economical and intensive land use	Reducing land occupation outside the red line through refined construction management while simultaneously strengthening on-site greening construction, and deeply integrating ecological protection with efficient land utilization.
Resource utilization	Promoting recyclable building materials such as aluminum formwork and composite formwork to gradually replace traditional wooden formwork. Implementing direct paving techniques on structural surfaces to effectively reduce the usage of plastering mortar and avoid redundant decorative layer construction.
Comprehensive dust control	Adhering to the "Six 100%" requirements, including site perimeter barriers, material pile coverage, wet construction methods for earthwork excavation, ground hardening, vehicle washing at entry/exit points and enclosed transport of demolition and construction debris. In terms of material coverage, among others, we actively implement the "Underground Engineering Canopy System" to replace traditional manual soil covering, thereby significantly reducing dust pollution. <ul style="list-style-type: none"> We use commercial concrete, pre-mixed mortar and other materials to reduce the amount of on-site mixing operations. For eligible projects, we encourage implementing the "Three Priorities" approach—starting with underground garages, municipal infrastructure and landscaping—in their interspersed operations. This method effectively reduces the impact of dust on the surrounding environment by minimizing soil exposure time.
Waste management	Strictly following the “Operation Guidelines for Standardized Management of Safety and Civilization”, we use designated areas for centralized waste storage, which is then uniformly collected and processed by the general contractor.
Wastewater management	We install drainage ditches, water collection pits, mud tanks and sedimentation tanks, while establishing a regular cleaning system to remove sediment from the sedimentation tanks to prevent overflow of rainwater and sewage. Meanwhile, we employ a rainwater recycling system to use the treated rainwater and wastewater for construction site road cleaning and landscape maintenance.
Air emissions management	We strictly control air-polluting activities such as welding and cutting. At project sites, we prohibit burning construction waste and using open flames for heating, among others. We prohibit the use of vehicles and equipment that do not meet emission standards and prioritize electric vehicles for on-site transport. We also use municipal power supply rather than generators whenever possible.



Case Taiyuan CIFI Jiangshan Yunyue (太原旭辉江山云悦): protecting century-old trees and practicing green construction excellence

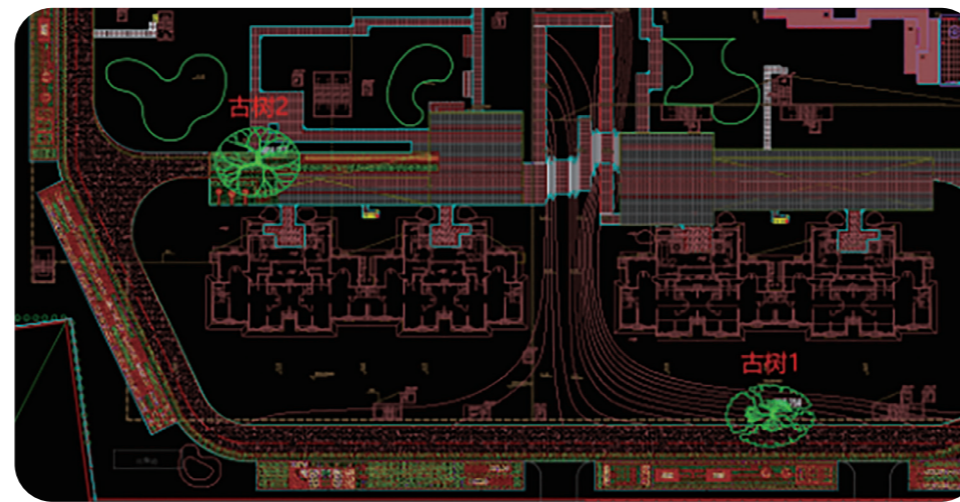
During the project development process, CIFI Group strictly adhered to green construction principles, placing ecological protection in a position of paramount importance. The ancient tree protection practices at the urban village renovation project in Shele Village, Sanji Area, Jiancaoping District, Taiyuan (CIFI Jiangshan Yunyue Residential Community), serve as an exemplary case of the Group's commitment to biodiversity conservation.



Ancient Soapberry Tree

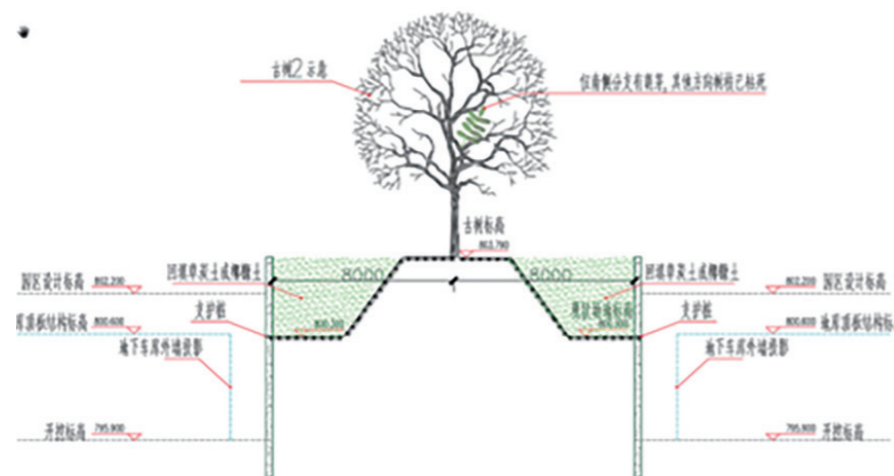


Ancient Elm Tree

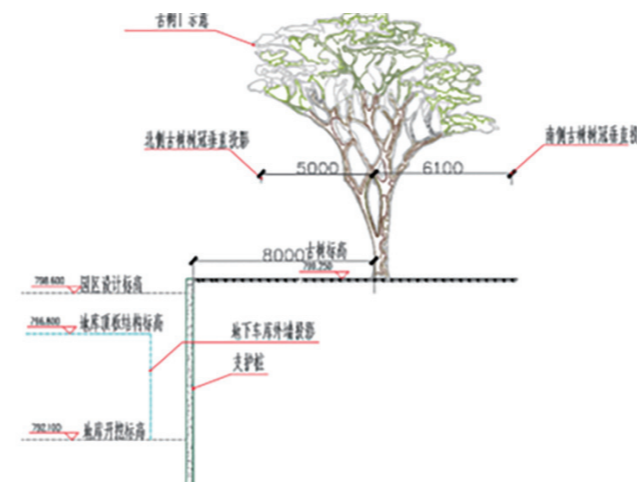


Distribution Map of Ancient Trees

This project involves the protection of two ancient trees of significant historical and ecological value: one is a class II protected ancient soapberry tree, aged 400 years; the other is a class III protected ancient elm tree, aged 100 years. To ensure that these "living cultural relics" are properly safeguarded during construction, the Group formulated a systematic protection plan. For the ancient soapberry tree, a strict no-excavation zone was established within an 8-meter radius around the trunk, with special focus on protecting the surviving sprouting branches on its southern side. For the elm tree, piling protection was implemented outside the vertical projection edge of its crown to prevent soil collapse, ensuring that the area within 5 meters of the projection remained free from construction damage.



Soapberry Tree Protection Plan



Elm Tree Protection Plan

Regarding maintenance and protection, the project team implemented the following key measures:



Soil Restoration and Improvement: For soil excavated during construction, backfilling and restoration were carried out using topsoil or coconut coir to the original elevation, optimizing the growth environment for the ancient trees' root systems.



Physical Protection Facilities: Dedicated fencing was installed to prevent human damage, with specifications designed to ensure pedestrians cannot access the tree trunks.



Integrated Pest Management: Adhering to the principle of "prevention first, integrated control", the project promoted the use of low-toxicity, non-polluting biological pesticides. Regular inspections and timely control measures were implemented, focusing on protecting natural enemies to reduce environmental pollution.



Scientific Water Management: A watering schedule was established, including irrigating with freezing-proof water before freezing in autumn and pre-spring thaw water in March to April, ensuring each watering reached a depth of over 60 centimeters.

To ensure the long-term effectiveness of protection measures, the Group established a long-term management mechanism. The project designated specific personnel responsible for the protection of ancient trees, implementing a custodial responsibility system. Detailed records of the ancient tree species, age, diameter at breast height, and other information were created, uniformly numbered and archived. Regular monitoring reports were submitted to the Taiyuan Gardens Bureau, achieving dynamic management of ancient tree protection. Through these initiatives, CIFI not only created a healthy and safe living environment for the ancient trees but also deepened its commitment to promoting harmonious coexistence between urban development and ecology.

Optimizing Low-Carbon Operation

The Group deeply integrates the concept of green development into its corporate strategy and continuously explores low-carbon operation models for commercial and residential projects. By implementing energy-saving and consumption-reduction projects, executing meticulous water resource management, deepening green leasing practices, and conducting green office advocacy, we are committed to building a comprehensive sustainable operation system and working hand-in-hand with partners to jointly promote the construction of a green society.

Energy Conservation and Consumption Reduction

CIFI Group rigorously implements internal regulations, including the “Management System for Energy Saving and Consumption Reduction”. Leveraging the independently developed smart energy management platform “CIFI Cloud”, it conducts digital monitoring and refined control over building energy consumption, achieving real-time collection, analysis, and optimized dispatch of energy data. This continuously improves the overall energy efficiency of buildings and promotes low-carbon green operations for its projects.

Regarding source-level energy conservation control, since 2025, the Group has clearly mandated that new projects comprehensively adopt Level 1 energy efficiency products when procuring major energy-consuming equipment such as air conditioners and water heaters. By uniformly raising equipment admission standards, the Group strengthens energy utilization efficiency from the procurement stage.

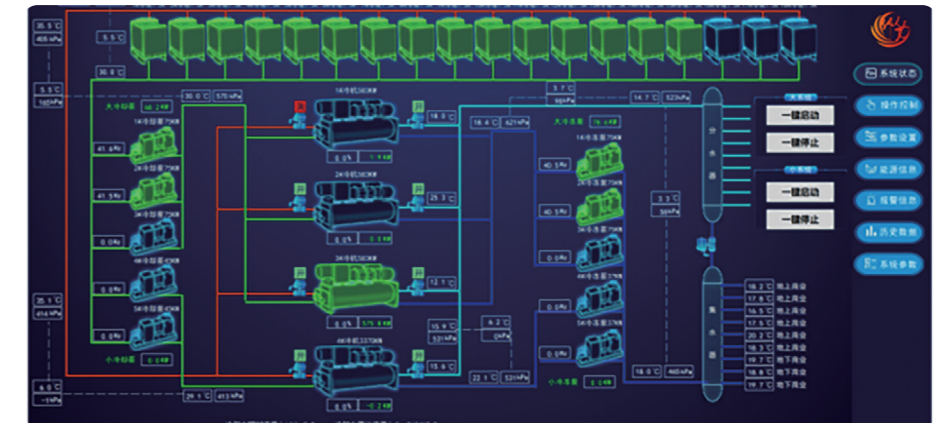
Simultaneously, the Group advances energy-saving requirements to the design and selection phase, continuously improving relevant technical specifications and management guidelines. In hot water system configurations, in accordance with the “Air Source Heat Pump Water Heater Technical Standards” and relevant national specifications, priority is given to high-efficiency air source equipment. Clear requirements are established for energy efficiency levels, durability, and intelligent control capabilities to ensure stable and efficient system operation. In air conditioning system design, the Group has developed and implemented the “CIFI Fluorine System Air Conditioning Design Guideline V1.0”, which standardizes equipment energy efficiency levels, system selection, load ratio control, and zoning cooling load indicators, promoting more precise and compliant energy allocation.

In 2025, the Group’s energy-saving and consumption-reduction measures comprehensively covered projects in areas such as Xindu, Feixi, Nanchang, Baoshan and Jiaxing. The focus was on implementing technological upgrades and intelligent renovations for energy consumption systems, including air conditioners, water heaters, photovoltaics and lighting.

Case Nanchang CIFI Cmall (南昌旭辉Cmall): smart transformation of air conditioning system achieves comprehensive energy saving of 20.63%

We implemented a smart energy-saving transformation of the air conditioning system at Nanchang CIFI Cmall, systematically enhancing the operational energy efficiency of commercial projects through a combination of equipment upgrades and digital management. The project optimized and transformed key equipment such as cooling towers, water pumps, and fans through variable frequency control and optimization modifications. It installed pressure-stabilizing and water-equalizing devices to achieve automatic balance of cooling water flow and coordinated equipment operation. Additionally, intelligent control strategy boxes were introduced to enable dynamic load adjustment and centralized equipment room control through real-time collection and analysis of temperature, pressure, and other data. Simultaneously, the project established a smart energy management platform for real-time monitoring and refined analysis of energy consumption data, supporting parameter optimization and continuous iteration of operational strategies, thereby further enhancing system operational efficiency and management standards.

Through the coordinated implementation of equipment upgrades and digital control measures, the overall operational efficiency of the project continues to improve. During the cooling season from July to September 2025, the project accumulated electricity savings of 261,100 kWh, achieving a comprehensive energy saving rate of 20.63%. This effectively reduced operational energy consumption and costs, while forming practical experience in energy-saving transformation of commercial buildings that can be replicated and promoted.

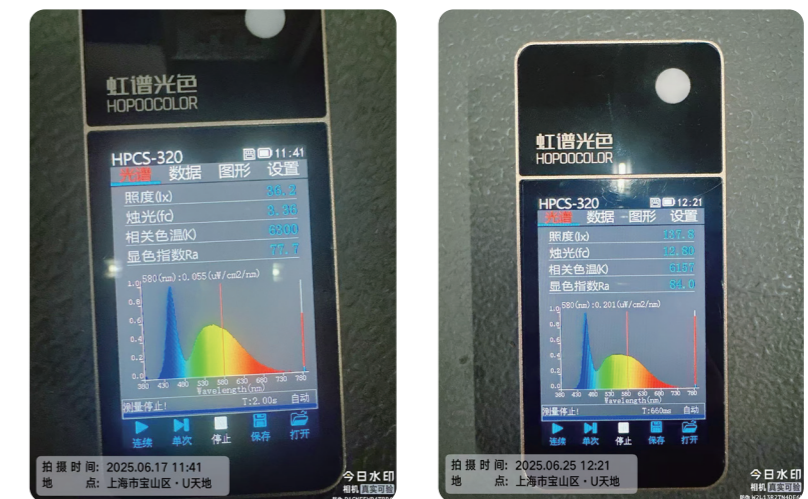


Nanchang CIFI Cmall Project Smart Energy-Saving System Platform

Case Baoshan CIFI U Block (宝山旭辉U天地): smart lighting system upgrade achieves 3x luminous efficacy improvement and precise on-demand energy savings

We implemented a smart lighting system upgrade at the Baoshan CIFI U Block project, achieving efficient and intelligent lighting operations by replacing light sources with high-luminous-efficacy LEDs and introducing IoT-enabled sensing control technology. The luminous efficacy of lighting fixtures in the mall area increased from approximately 50 lm/W to 160 lm/W, effectively reducing energy consumption while maintaining the original structural framework. The parking garage adopted an on-demand dimming mode, balancing energy efficiency with safety illumination requirements, raising the average illuminance from 36.2 LX to 137.8 LX.

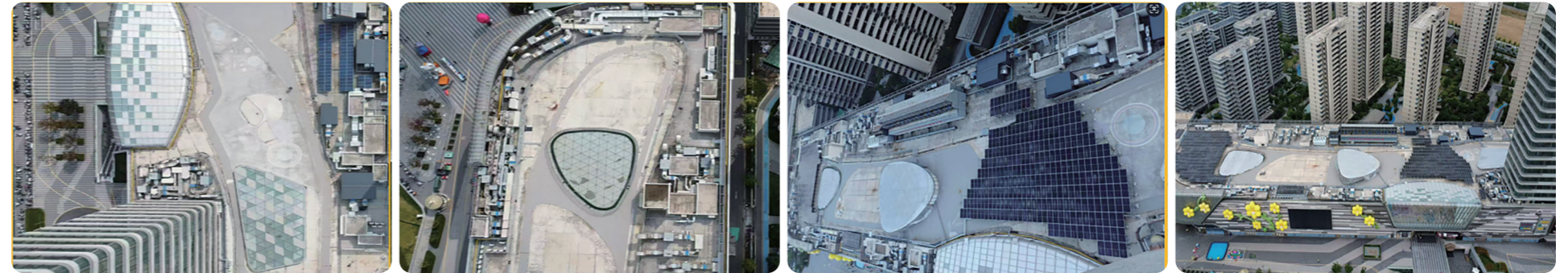
Through the combination of equipment energy efficiency enhancement and refined control measures, the project improved lighting quality while reducing energy consumption, providing a replicable energy-saving practice for the green operation of commercial spaces.



Illuminance Comparison Before and After Smart Lighting System Transformation

Case Feixi CIFI Cmall (肥西旭辉Cmall): rooftop photovoltaic power station connected to grid, with an annual power generation of 328,000 kWh

We constructed a distributed photovoltaic power station on the non-equipment area of the rooftop at the Feixi CIFI Cmall project, utilizing approximately 2,500 square meters of roof space to install 0.46 MW of capacity. The system was connected to the grid for power generation in May 2025, achieving an annual output of 328,000 kWh. This effectively reduces property electricity costs and carbon emissions, promoting the large-scale application of renewable energy during project operation phases.

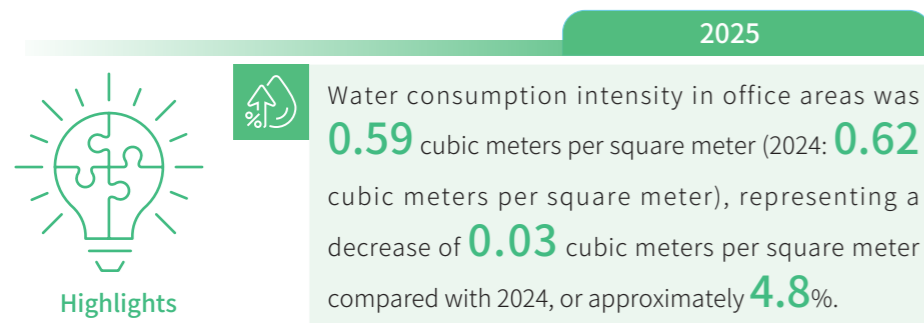


Comparison Before and After Photovoltaic Installation

Water Management

The Group attaches great importance to water resource management and strictly follows relevant internal policies to systematically implement water-saving measures. Employees and tenants are encouraged to participate actively in these initiatives in order to enhance water-use efficiency.

Across the entire lifecycle of project investment, design, development and operation, we thoroughly assess water usage risks and strive to minimize resource wastage and wastewater generation. To strengthen water conservation awareness, reminder signage is displayed at water-use points such as pantries and restrooms in office and operational areas. Regular inspections are also conducted to detect potential leakage in concealed pipelines to prevent water loss from leaks and seepage. In addition, we continue to implement water-saving upgrades, including installing sensor-activated faucets, adjusting the cleaning frequency of drinking water dispensers, reducing the frequency of landscape water replacement, lowering faucet flow rates, and using rainwater for irrigation to reduce water consumption for landscaping. Through both technical enhancements and management measures, we aim to achieve efficient utilization of water resources.

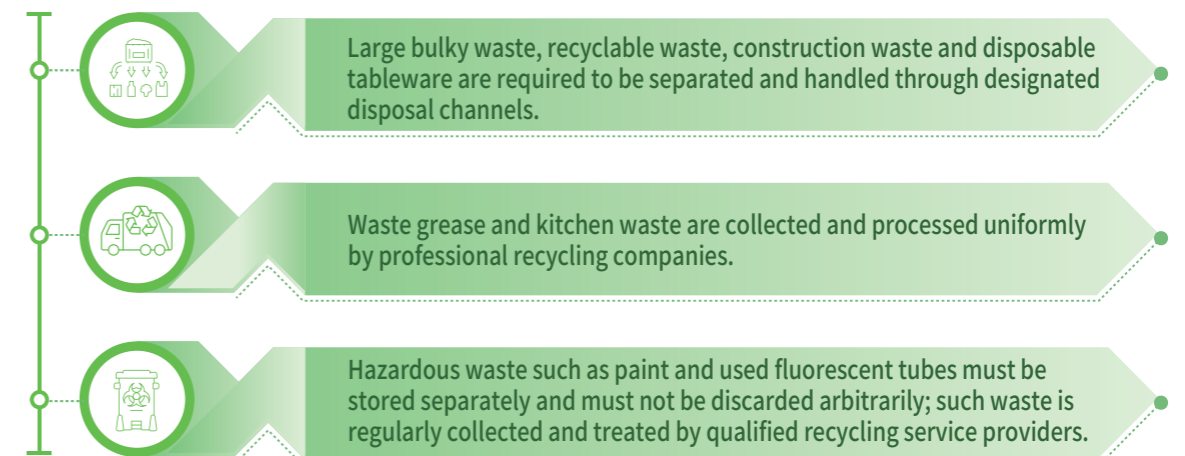


Green Leasing

CIFI Group integrates green principles throughout the entire lifecycle of its leasing business. By establishing systematic management standards and design guidelines, the Group actively collaborates with tenants to promote sustainable operations. In accordance with internal policies such as the “Renovation Manual Guidelines” and “Limits of Harmful Substances in Wallpapers for Interior Decoration Materials”, the Group sets out clear environmental requirements for tenants’ renovation works and daily operations. For instance, lighting design is required to limit the use of inefficient equipment such as spotlights and high-heat metal halide lamps, while the use of energy-efficient lighting fixtures is encouraged to reduce energy consumption at the source.

In terms of renovation material management, the Group strengthens environmental considerations through dedicated design guidelines. For projects already in operation, the “Guidelines for Decoration Design of Operating Project Tenants (Multiple Business - Booths)” under the Group’s TDM renovation design framework encourage tenants to adopt environmentally friendly, biodegradable, or reusable materials, such as recycled wood, recycled metals or aluminium. For projects under preparation for opening, such as the recently compiled “Tenant Design Guidelines for Jiuxiang C-PARK”, the materials and colour design sections strongly advocate the use of renewable or sustainably sourced materials, encouraging tenants to incorporate green concepts from the renovation stage.

Meanwhile, the Group stipulates power standards for electrical materials in leasing contracts and sets compliance requirements for exhaust emissions, oily wastewater discharge and waste disposal during operations to ensure that tenants’ activities comply with national and regional environmental regulations. For waste management, the Group strictly implements waste classification requirements in accordance with local regulations, requiring tenants to separate domestic waste and food waste, which are then collected by designated recycling agencies for professional treatment and resource recovery.

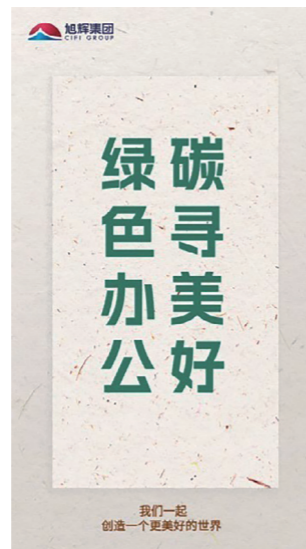


Through diversified awareness initiatives and routine monitoring, we continue to deepen the implementation of green leasing practices. Leveraging formats such as daily morning briefings, thematic training sessions, seminars, knowledge competitions and discussion forums, we systematically strengthen tenants' awareness of energy conservation and environmental protection. In 2025, the Group organized a total of 108 dedicated training sessions on energy saving, electricity conservation and water efficiency, covering core operational personnel of tenants. At the same time, a monthly tracking mechanism has been established to dynamically monitor tenants' water and electricity consumption as well as cooking fume emissions, with a total of 163 communications conducted throughout the year. Special inspections on water and electricity usage were carried out quarterly, amounting to 324 inspections during the year, while 163 inspections of kitchen exhaust ducts were also conducted.

Green Office

CIFI Group regards sustainable operations as a key objective of corporate development and recognizes that strong environmental awareness and responsible practices form the foundation for the Company's long-term growth. For this purpose, since 2023, we have organized an annual themed cultural campaign titled "Green Office, Carbon for a Better Future", systematically promoting sustainability through a series of communication and engagement activities. Through continuous cultural advocacy and practical initiatives, the concept of sustainable development has been deeply embedded into every aspect of the Group's operations.

In 2025, CIFI Group continued to advance the "Green Office, Carbon for a Better Future" initiative, launching four themed campaigns on "Energy Conservation and Environmental Protection", "Circular Utilization", "Low-carbon Mobility", and "Resource Co-creation". These initiatives formed a coordinated framework led by the Group's headquarters, with regional companies expanding and promoting the programs in ways that reflect their respective characteristics.



Through coordinated efforts between the headquarters and regional offices, CIFI Group continues to advance green office management by integrating energy-saving and consumption-reduction requirements into daily operations. At the headquarters level, a regular energy conservation mechanism has been established, including the implementation of a "one-hour lights-off at noon" initiative and scheduled energy consumption inspections to reduce electricity waste, such as unnecessary daytime lighting and lights left on continuously. Air-conditioning operations are also fine-tuned in response to seasonal and weather changes to enhance overall energy efficiency.

Building on the leadership of the headquarters, regional offices have likewise incorporated green principles into their office management practices. The Shanghai and Changsha regions have issued green office initiatives, strengthening management measures related to water and electricity conservation, efficient use of office assets, and recycling of wastepaper. The Southeast Region has focused on "green paper usage", promoting paperless office practices, double-sided printing and paper reuse to continuously improve the efficiency of office resource utilisation and foster a resource-efficient, low-carbon workplace environment.



2025



Highlights



The energy consumption intensity of administrative office operations decreased by more than **25%** compared with 2024, exceeding the reduction goal.



Practice

Growing Together with Our Employees

CORE ISSUES



Talent recruitment and team building



Equal participation and diversity



Employee remuneration and benefits



Employee training and development opportunities



Employee rights protection

KEY PERFORMANCES IN 2025

Completion rate of the core courses in the "Management Foundation 100" training program

100%

Coverage and pass rate for business ethics training

100%

Coverage rate of "AI Foundation" training

100%

Total employee training hours

9,135 hours

Total training investment

RMB 150,000

KEY ACTIONS IN 2025

- Established a tiered, categorized incentive mechanism, achieving organic integration of material incentives and spiritual incentives.
- Continued to operate the "Merit and Honor" system, focusing on actual performance and inspiring organizational motivation.
- Provided specialized training for key talents to enhance their practical capabilities.
- Implemented the "Heartfelt Care" program to effectively boost employees' overall well-being.

IN RESPONSE TO SDGs



Protecting Employee Rights and Benefits

CIFI Group firmly believes that safeguarding employee rights is the fundamental basis for building harmonious labor relations. Employee rights protection is integrated into every aspect of the Group's corporate governance. Upholding the principles of equal employment and compliant labor practices, the Group continuously optimizes its compensation and benefits system and improves its performance empowerment mechanisms, fostering an organizational environment that respects individual value and encourages collective growth.

Compliant Employment

CIFI Group strictly complies with the "Company Law of the PRC", the "Labor Law of the PRC" and the "Interim Provisions on Labor Dispatch", and other relevant laws and regulations in the jurisdictions where it operates. The Group adheres to principles of equality and diversity in recruitment and explicitly prohibits the use of child labor and forced labor. To standardize labor management, the Group has formulated the Labor Employment Management Measures in accordance with the Provisions on the Prohibition of Child Labor and international labor standards, ensuring that all employment practices remain lawful and compliant. In 2025, the Group recorded no incidents involving child labor or forced labor.

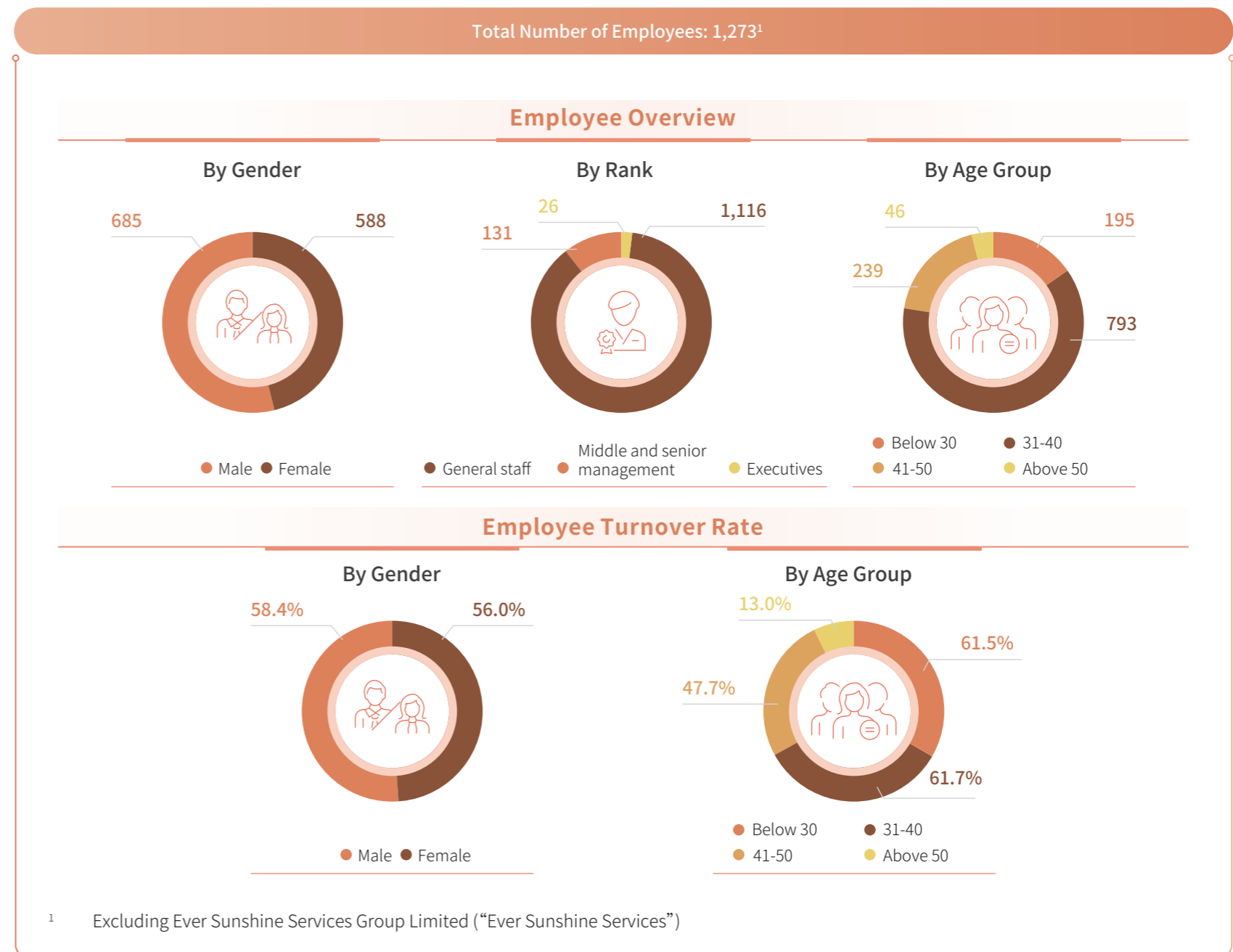
Guided by the principles of equality, voluntariness and non-discrimination, the Group has formulated and implemented the "Employee Diversity Policy". It clarifies that fair and non-discriminatory recruitment and appointment serve as the foundation, supports every employee in obtaining equal growth opportunities, and formulate and implement the Employee Diversity Policy, clearly stipulates that the recruitment and appointment shall be based on fair and non-discriminatory principles, and supports every employee to have equal growth opportunities. The Group is committed to fostering an open, diverse and inclusive workplace. In recruitment and all personnel decisions, comprehensive individual capability is the sole evaluation criterion. Discrimination based on gender, age, ethnicity, religion, race or any other factors is strictly prohibited, ensuring equal treatment for all employees.

Case "Bright Moon Talent (皓月生)" Elite Recruitment Program

Since launching the "Bright Moon Talent" Elite Recruitment Program in 2014, CIFI Group has continuously enhanced its campus recruitment and talent development framework, focusing on identifying outstanding university graduates with strong development potential and career aspirations. To strengthen job competency, the Group has established a "five-in-one" development system that integrates structured training, on-the-job practice and job rotation. By combining comprehensive learning with hands-on experience, the Program accelerates new employees' integration into business scenarios while enhancing their professional capabilities. Through this systematic training pathway, "Bright Moon Talent" participants gradually develop into key marketing professionals and members of the management talent pipeline, providing a stable source of talent to support the sustained development of the Group's marketing system.

"Bright Moon Talent" Development Journey

Level	Duration	Professional Line	Comprehensive Line
Group Module Lead	Over 8 years	Regional Marketing Director	
Regional Module Lead	5-7 years	Operations Lead	
Planning Manager	3-4 years	Project Online Marketing Lead/Sales Manager	
Planning Supervisor	1-2 years	Star Host/Sales Supervisor	
Junior Planner	Within 1 year	Host/Property Consultant	



Remuneration and Benefits

The Group has formulated and implemented the “Performance Management Measures”, upgrading traditional performance management into a performance empowerment framework. This framework systematically standardizes the processes, evaluation criteria and cultural orientation of performance management. Taking into account the characteristics of different employee groups, we adopt differentiated appraisal cycles and provide timely feedback through mechanisms such as monthly performance review meetings, effectively supporting employees in improving performance and advancing their professional development.

We continue to enhance and innovate our compensation and benefits system by establishing a tiered and categorized incentive mechanism. By integrating short-, medium- and long-term differentiated incentive strategies, we combine material incentives with non-material recognition in a balanced manner, allowing the system to flexibly meet management needs at different organizational stages. In safeguarding employees’ lawful rights and interests, the Group strictly implements the “Overtime Management Policy”, clearly defining overtime compensation and payroll calculation mechanisms. We adhere to the principles of position-based remuneration and role-based pay adjustment, ensuring internal fairness while effectively stimulating employee potential and improving organizational management efficiency. In addition, we provide benefits such as assignment allowances for cross-location postings and city relocation subsidies, encouraging the rational mobility of talent and supporting employees in obtaining fair and competitive remuneration alongside sustainable career development opportunities.

A differentiated resource allocation strategy is adopted, prioritising incentives for teams and key management personnel who make direct contributions to performance, in order to maintain the stability and effectiveness of the management team.

A timely disbursement mechanism for individual awards has been implemented, with such awards decoupled from the direct linkage to target completion rates, thereby encouraging frontline teams to continuously tackle critical tasks.

Primary incentives are distributed at year-end and are linked to the overall annual target completion rate. The higher the completion rate, the greater the corresponding rewards.

Remuneration and Benefits System Highlights

Case

Focusing on Practical Performance and Leading through Honor

In 2025, we continued to implement the “Military Merit Honor” incentive system, emphasizing a results- and performance-oriented approach by recognizing outstanding individuals and teams through a tiered commendation framework. During the year, a total of 24 Third-Class Collective Merits were awarded, along with 8 Third-Class Individual Merits, 5 Second-Class Individual Merits, and 1 First-Class Individual Merit, establishing a number of performance benchmarks and exemplary role models. Through this normalized recognition mechanism, the Group further strengthened value leadership and the demonstration effect of exemplary achievements, stimulating employee motivation and team collaboration. This initiative has provided sustained momentum for enhancing organizational capabilities and improving operational effectiveness.



Supporting Employee Development

CIFI Group is committed to building a full-cycle, multi-channel and high-impact talent development ecosystem. Through a systematic training framework, clearly defined career development pathways, and well-structured incentive and support mechanisms, the Group not only empowers employees’ professional growth but also lays a solid talent foundation for high-quality corporate development.

Diverse Training

CIFI Group places strong emphasis on talent cultivation and continues to enhance its tiered and categorized employee training system. The Group delivers structured training programs across areas including leadership development, business ethics education, and professional skills enhancement, while also introducing artificial intelligence-related training to continuously strengthen employees’ overall competencies and professional capabilities, thereby promoting mutual growth for both employees and the organization.

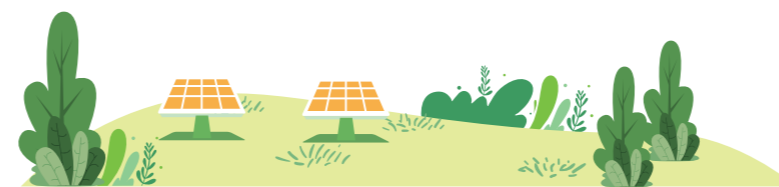
To improve training effectiveness, the Group has made outcome conversion a key management focus and introduced the Kirkpatrick Four-Level Training Evaluation Model to track and evaluate the entire training process. In routine training programs, training effectiveness is evaluated through satisfaction surveys and learning assessments; in key talent development programs such as Elite and Marketing Expert, action learning and outcome presentations are used to observe the application of competencies on the job; in specialized programs like Marketing War Games, post-training performance improvement is analyzed for results-based evaluation, measuring training value through business outcomes to continuously enhance relevance and effectiveness.

Case

Management Foundation 100

In July 2025, we launched the “Management Foundation 100” training program, precisely targeting the core needs of newly promoted managers transitioning from cadre to leadership roles. Employing a blended online-offline format, the program systematically imparted foundational management competencies in human resources and team collaboration, and reinforced practical application through Five-Competency Team Building (五才炼伍) and other practical courses, achieving 100% completion rates for core courses. Additionally, the program successfully certified 105 professional interviewers and 101 internal mentors, laying a solid foundation for internal talent pipeline development.

Since its curriculum optimization in 2023, this system has trained 233 newly promoted managers, achieving full empowerment across key positions. It has solidified the foundation of the enterprise’s internal talent pipeline, and significantly enhanced organizational synergy and management efficiency by leveraging cross-business-line exchange mechanisms, providing robust safeguards and sustained momentum for long-term and steady business development.



Case Business Ethics Training

We continue to strengthen its business ethics and integrity compliance management, conducting specialized training on a regular basis and organizing company-wide participation through its online learning platform. The training focuses on its integrity culture and governance system that supports integrity, systematically explaining the integrity management framework and specific implementation measures. It incorporates scenario analysis based on typical violation cases to help employees deepen their understanding of compliance and enhance risk prevention awareness. In 2025, a total of 2,383 employees completed online learning and assessments, achieving 100% training coverage and a 100% pass rate on examinations, thereby realizing comprehensive integrity education for all staff.



Online Business Ethics Training

Case Marketing Competency Training

In 2025, we organised the “High-intensity Marketing Training Program”, using 8 asset management land parcels as practical training grounds. Regional marketing leaders led a 15-day blended online-offline training program involving 54 key employees from 8 marketing teams, effectively enhancing their management and execution capabilities of asset management projects. Concurrently, to advance online marketing transformation, the Group rolled out programs like the “Soaring Eagle Training Program” and “Online Marketing Training Program”. These programs systematically cultivate skills in live-streaming operations and content conversion, accelerating the formation of an online marketing talent pool to provide continuous talent support for the upgrade of the marketing system.



Soaring Eagle Training Program

Case “AI Foundation” Training

To keep pace with the new development of the market, the Group proactively proposed the “Building a Competitive Edge Model 2070”, aiming to drive a comprehensive upgrade in business development through lean management and AI-driven thinking. In May 2025, the Group launched basic AI training courses, which include AI concepts, rules of interactive prompts and practical software skills. Completion of the training was tied to the semi-annual performance assessment. By the end of 2025, a total of 1,697 employees had completed the training and passed the assessment, achieving a 100% training coverage rate.



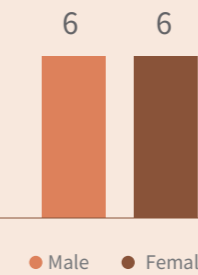
Basic AI Training Courses

Employee Training Overview

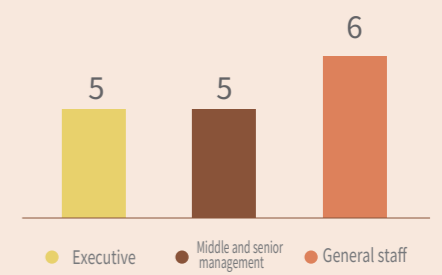
Total training hours: 9,135 hours
Total training investment: RMB150,000

Average Training Hours of Employees

by gender

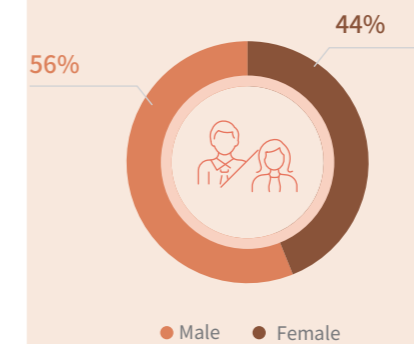


by rank

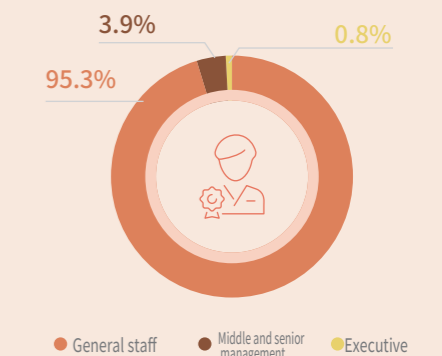


Employee Training Rate

by gender

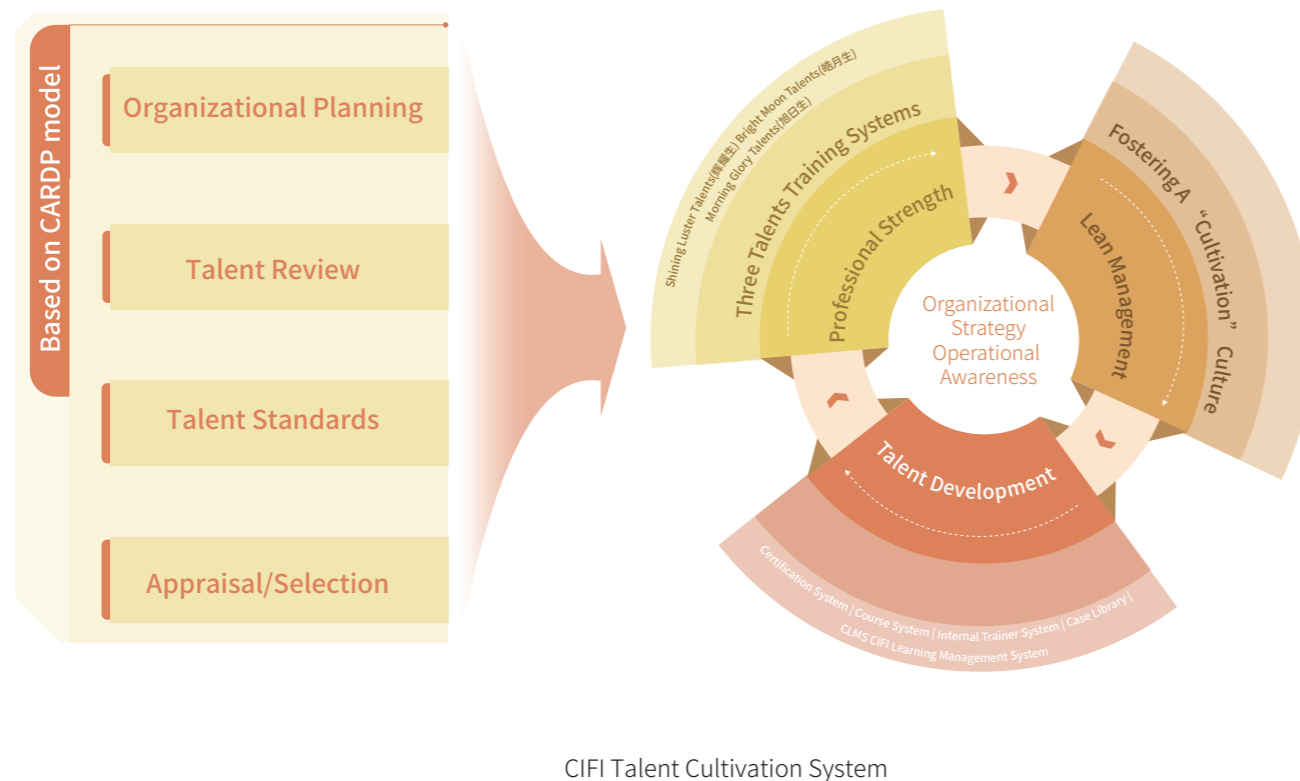


by rank



Promotion and Development

We place employee development at the core of its strategy and have systematically built a talent cultivation system that leverages the CARDP model. The system clarifies talent standards by enhancing organizational planning and talent assessment and also improves evaluation and selection processes. Through its Three-Talents development system and culture cultivation, the Group enabled rapid growth and effective motivation of both managers and elite talent.



CIFI Group has established the Cadre Management Committee to systematically strengthen leadership team development and make efforts to enhance their professional capabilities. Based on this framework, the Group optimized the succession pipeline through regular talent assessment, designed personalized development paths for key employees, and comprehensively enhanced the overall strength of its leadership team. At the same time, the Group maintained a flexible cross-regional transfer mechanism for cadres, ensuring dynamic replenishment and reinforcement of reserve talent for critical positions. To further invigorate organizational vitality, we have implemented a key position review mechanism to optimize our workforce structure. Through regular comprehensive position and salary reviews, we ensured outstanding talents receive proper incentives, continuously injecting fresh momentum into the Company's sustainable development.

Enriching Employee's Life

CIFI Group upholds a "people-oriented" philosophy and translates its respect and care for employees into concrete actions through a series of communication and care initiatives. The Group is committed to creating an environment where employees can work with peace of mind while experiencing a sense of warmth and belonging akin to that of a family.

Employee Communication

The Group has established diversified communication channels for employees, including morning briefings, departmental meetings, executive dialogue sessions and the President's mailbox, ensuring that employee opinions and feedback can be conveyed in a timely and smooth manner. The Group attaches great importance to the voices of its employees, responding promptly to their concerns and resolving issues effectively. It also actively adopts reasonable feedback and suggestions, continuously optimising the workplace environment and enhancing employee satisfaction as well as organizational cohesion.

Employee Care

CIFI Group places comprehensive emphasis on employee well-being and has systematically established and implemented the "Heartfelt Care" program. Guided by the "Employee Service Guide", employee services are categorized into three key dimensions, namely administrative basic services, administrative resource services and administrative care services, forming a comprehensive and structured care system.

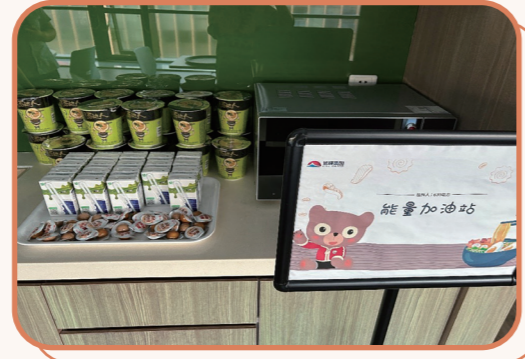
Building on this foundation, the Group provides employees with a wide range of statutory and additional benefits, including social insurance, workplace environment enhancement, health promotion initiatives, employee engagement activities and exclusive benefits. Through measures that range from fundamental protection to fostering emotional connection, the Group strives to create a safe, healthy and supportive working environment and organizational culture that fosters a strong sense of belonging for all employees.

Employee Welfare Initiatives

Work Environment and Facilities Enhancement	<ul style="list-style-type: none"> Installation of food delivery lockers and enhancement of outdoor landscaping maintenance Fire safety inspections, elevator maintenance, replacement of filters and water quality testing for direct drinking water dispensers, maintenance of air-conditioning units in fan rooms, curtain wall inspections and repairs Air-conditioning cleaning and exterior wall cleaning Pest control and disinfection, maintenance of AED equipment Employee shuttle bus service
Festival Care and Employee Engagement Activities	<ul style="list-style-type: none"> Annual Awards Ceremony and Pledge Conference Themed celebrations for International Women's Day, the Dragon Boat Festival and the Mid-Autumn Festival Company anniversary celebrations Summer cooling care initiatives 630 support station and 1230 support station
Health Protection and Promotion	<ul style="list-style-type: none"> Health check-ups for employees Health workshops focusing on both physical and mental well-being AED first-aid training
Exclusive Employee Discounts and Internal Purchase Programs	<ul style="list-style-type: none"> Bloomage Biotech exclusive staff sale Weekly Friday internal purchase benefits under the "Ever Sunshine Core Selection" program in collaboration with Ever Sunshine Services, together with car washing services
Special Care Facilities	<ul style="list-style-type: none"> Four-star "Loving Mom's Cottage"



International Women's Day Activity



630 Energy Support Station



"Mid-Autumn Warmth, Moving Forward Together" Special Mid-Autumn Morning Meeting



AED First-Aid Training



Health Workshop Focusing on Both Physical and Mental Well-Being



Annual Awards Ceremony and Pledge Conference



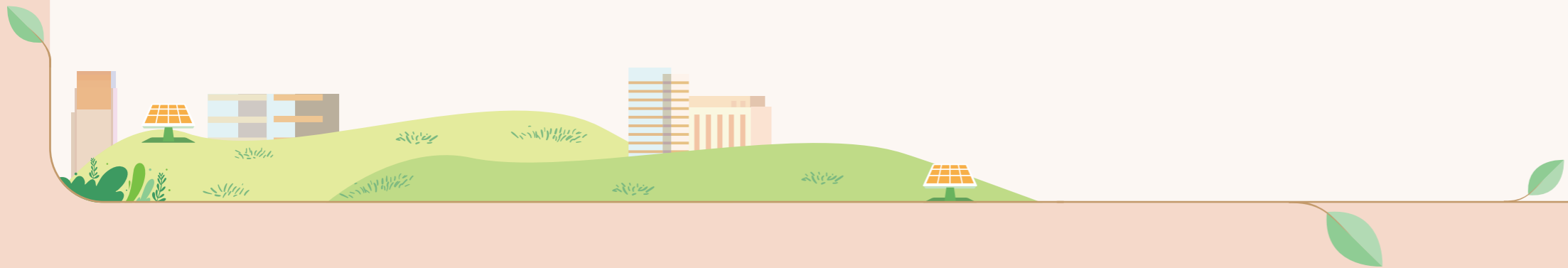
Elevator Maintenance and Inspection



Maintenance of Air-Conditioning Units in the Fan Room

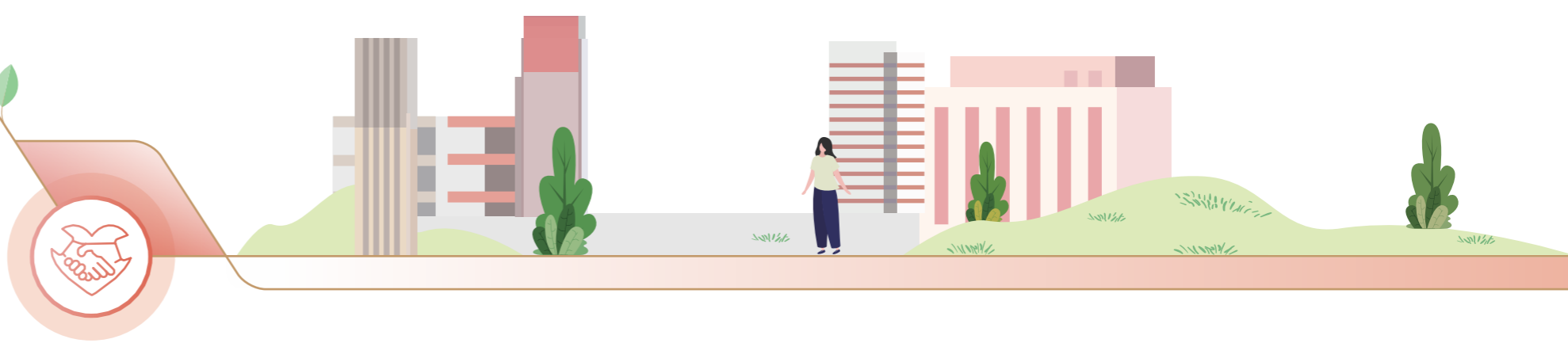


Four-star "Loving Mom's Cottage"

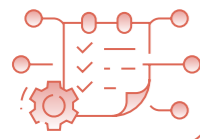


Practice

Driving Social Development



CORE ISSUES



Industry cooperation and development



Social welfare charity



Urban revitalization



Promote local economic growth

KEY PERFORMANCES IN 2025

Public Welfare and Charitable Donations

RMB **161,000**



No. of employee volunteers

85

Employee volunteers dedicated in service for

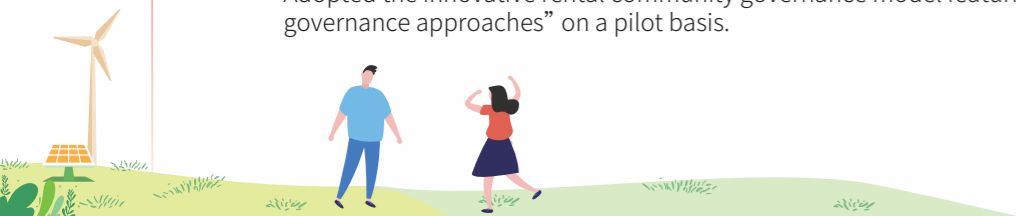
590 hours



KEY ACTIONS IN 2025

- Actively advanced the long-term maintenance mechanism for the “CIFI Charity Forest” project to continuously contribute to desertification prevention and control.
- The fourth season of “Baby, Run with Passion” successfully created a public welfare platform promoting health and community integration.
- LingYu had more than 72,000 affordable housing units recognized across the country, spanning over ten major cities.
- Adopted the innovative rental community governance model featuring “multiple governance entities + diversified governance approaches” on a pilot basis.

IN RESPONSE TO SDGs



Advancing Industry Development

CIFI Group remains committed to sustainable development and takes it as the principle of corporate development. We actively explore innovative business models while continuously enhancing operational quality and efficiency through modern management and advanced technologies. During the Reporting Period, the Group actively participated in different themed seminars organized by the government and industry associations and submitted over 15 policy-related recommendation reports. These reports address industry challenges such as delivery guarantee, risk prevention, and development models, combining frontline feedback on policy implementation to offer constructive suggestions for the stable development of the industry from a corporate perspective.

At the same time, the Group emphasizes pragmatic collaboration with industry peers to jointly promote the industry's exploration in areas such as standardization initiatives, intelligent applications, and green transformation. Through continuous technological innovation and process optimization, CIFI Group has not only strengthened its competitive edges but also set benchmarks for the industry, leading the entire industrial chain toward greater efficiency, sustainability, and resilience.

Deepening Philanthropic Commitment

Guided by its mission of "Building for a Better Life", CIFI Group has integrated its social responsibility into its development strategy, evidenced by being an active participant in charitable causes. In 2025, the Group has made solid efforts in ecological protection, community co-construction and public welfare donations. In particular, the "CIFI Charity Forest (旭辉公益林)" project contributes to desertification control, and the fourth season of "Baby, Run with Passion" has successfully established a public welfare platform that accelerates the integration of health and community. The Group also made a targeted donation of over RMB160,000 to the Shanghai Xinhong Community Development Foundation for educational assistance, poverty alleviation and medical aid.

During the Reporting Period, a total of 85 Group employees volunteered to provide service, accumulating 590 hours. They spread care and concern on behalf of the Company with their practical action.

Case CIFI Charity Forest

CIFI Group established the "CIFI Charity Forest" special fund with the China Environmental Protection Foundation in 2020. Since then, the Group has consistently carried out donation and tree-planting activities in Beitanzi, Hongquanba, Yangguan Town, Dunhuang City, Gansu Province. By the end of 2025, the project had made substantial achievements, including donating a total land area of 1,034 mu, with over 70,000 saxaul and red willow trees and nearly 40,000 Euphrates poplar trees planted. The survival rate of vegetation exceeds 80%, playing an effective role in wind prevention and sand fixation. Meanwhile, the Group has been actively advancing a long-term maintenance mechanism, working with the local forestry and grassland administration to develop a long-term operation plan aimed at consolidating these greening achievements in a sustainable way.



Case Baby, Run with Passion

In July 2025, CIFI Group initiated the fourth season of "Baby, Run with Passion", a community-based health public welfare activity for children. The campaign was conducted across 371 projects nationwide and involved 6,705 young residents. Centered around a 21-day running challenge, the activity featured a well-rounded system, including professional sports guidance, fun games, energy replenishment and safety education classes. An innovative addition this year was the integration of a science-based training system led by professional instructors. By bringing together property owners, parents and community resources, a full activity loop of "Warming up - Running - Gaming - Learning" was created. Scenes of mutual support among children, community bonding, and parent-child co-education reflected a positive shift in community welfare, which was shifting from a single-organizer effort to a multi-resource model of "co-creation and co-education". This evolution contributed to the physical and mental development of children, strengthened community ties, and nurtured a more vibrant public welfare ecosystem.



Building Urban Ecosystem

A city is more than just a collection of buildings; it is an organic community of life. CIFI Group deeply recognizes that to realize sustainable urban development, we must transcend the limits of single-function area development, building a comprehensive ecosystem that integrates secure housing, vibrant commerce and a warm human touch. To this end, we strengthen the foundation of people's livelihoods through affordable housing and community commerce, while also stimulating regional vitality via urban complexes, so as to systematically advance urban functions and quality. As a dedicated co-creator of a better life, we harness efficient resource integration and a sustainable operation philosophy to continuously contribute our expertise to the harmonious coexistence of people and the city.

Promote the Development of Affordable Housing/Commercial Projects

Following our “customer-centric” philosophy, CIFI Group has developed a series of high-quality affordable housing projects that integrate seamlessly into urban layouts. These projects actively contribute to the optimization of urban structure and help alleviate the pressures from housing and ancillary services in large cities. By the end of 2025, LingYu had more than 72,000 affordable housing units included in the government-subsidized housing system, spanning more than ten major cities including Shanghai, Beijing, Hangzhou, Nanjing, Chengdu and Ningbo. Centered on “guidance from the Group, platforms built by LingYu, and governance by tenants”, the Group is committed to shaping a governance framework for rental communities that integrate diverse participants and approaches. Our goal is to cultivate a vibrant community for young residents that fosters the integration of living, social connection, personal growth and career development.

Management Measures in 2025



- Exploring Multi-resource Co-governed Model in Communities: A pilot program was launched at the Youmi Community in Western Science and Technology Park in Songjiang, Shanghai. Leveraging the coordinating and guiding role of the tenant committee, the program facilitated the establishment of integrated community management and youth service organizations. This has led to the development of a “multi-grid integration” community governance approach, featuring Shanghai’s urban characteristics.
- Hosting Local Youth Service Projects: Several projects under management, including the Hangzhou Qinxian Lane Umi Community (Central Store) (杭州沁贤里柚米社区 (中心店)) and the Tujin Apartment (荼锦公寓), participated in Hangzhou’s “Qinghe Temporary Housing (青荷驿站)” program. Nearly 100 designated units were provided to support youth residency and the delivery of local services.
- Advancing Youth Learning and Development Platforms: Leveraging interest-based clubs, we established a night school for the youth. Driven by both resources and demand, the courses were opened to the wider community, extending the reach and influence of local youth services.

Awards of 2025



- Extensive Media Attention and Recognition: LingYu’s practices of self-governance within new-style residential communities have been reported by several municipal media outlets, including “Jiefang Daily”, “Xinmin Evening News”, and “Youth Daily”, with a positive social impact. Multiple community projects have been recognized as model examples of “joint construction, governance and sharing”. While delivering social value, these projects have also achieved strong operational results, demonstrating a sustainable model of community governance.
- Academic Research and Collaborative Outcomes: LingYu has partnered with academic institutions such as the China Institute for Urban Governance at Shanghai Jiao Tong University and the China Housing and Real Estate Research Institute at Zhejiang University of Technology and other universities and research institutes. They jointly conducted research and published findings, providing both theoretical support and practical validation for innovations in community governance.
- Project Honors and Awards: The representative project, Youmi Community in Western Science and Technology Park in Songjiang, Shanghai, has received the “15-Minute Community Life Circle” Excellence and Innovation Award in Shanghai, and the second prize in the Songjiang District Youth Social Governance Innovation Competition. These awards highlight its innovative achievements in community building and social governance.

CIFI Group is committed to creating a convenient and holistic living ecosystem for residents through introducing diverse commercial and service facilities. By supporting the growth of small and micro enterprises and encouraging resident entrepreneurship, we strive to cultivate a business environment that aligns with the designation of urban development and community character and balances essential services with innovation and vitality. Our underlying commercial facilities now encompass fresh food markets, casual dining, neighborhood retail, children’s education, and leisure and entertainment. All these facilities can fully meet the daily needs of the community. At the same time, we actively position community commerce as a key growth driver for the urban economy. By channeling commercial vitality into community development, we are steadily shaping an integrated living community in which residents can find a home, build a career, pursue learning and enjoy life.

Operating Urban Complexes

With the vision of “Becoming a trusted urban complex service provider”, CIFI Group firmly stands for the distinctive role urban culture plays in shaping and advancing urban development and construction. We take inspiration from each city’s unique character and geographic features and harness our two flagship product lines, “CIFI Cmall” and “CIFI Lane”, to craft distinctive urban complexes tailored for every city.



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



A lifestyle space tailored for urban families and fashionable professionals. Just like a captivating friend by your side, it seamlessly fulfills people’s needs in every high-frequency consumption scenarios, namely daily socializing, cultural entertainment, and parent-child interactions, while weaving a beautiful tapestry of life with every visitor.

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

The Group has created a variety of experiential spaces such as “OPEN HOUSE”, “Kids’ Wonderland”, and “Nine Alleys Street” that cater to diverse age groups, communication styles and consumer expectations. By offering differentiated experiences, we continuously enhance the adaptability and enduring brand vitality of our commercial complexes.



Appendix I 2025 ESG Key Performance Indicators

Table of Environmental Key Performances

Key Performance Indicator	Unit	Administration ^{a)}	Construction in Progress ^{b)}	Commercial Operation ^{c)}
A1 Emissions				
A1.1 Types of emissions and respective emissions data				
Total wastewater discharge	ton(s)	—	234,395.84	—
Cyclic water consumption	ton(s)	—	16,731.80	—
A1.2 Direct and indirect greenhouse gas emissions				
Greenhouse gas emissions (Scope I) ¹⁾	ton(s) of CO ₂ e	106.22	—	2,995.982
Greenhouse gas emissions (Scope II) ¹⁾	ton(s) of CO ₂ e	413.09	5,004.29	23,184.939
Greenhouse gas emissions (Scope I, II)	ton(s) of CO ₂ e	519.31	5,004.29	26,180.921
Greenhouse gas emission intensity	ton(s) of CO ₂ e/sqm GFA	0.02	0.0011	0.03
A1.3 Total hazardous wastes produced				
Waste cartridges/toner cartridges	ton(s)	1.21	—	—
Waste batteries	ton(s)	0.07	—	—
Waste lamps	ton(s)	0.39	—	2.32
Waste electronic products	ton(s)	0.16	—	—
Density of hazardous waste	kg/sqm GFA	0.08	—	0.00288
A1.4 Total non-hazardous wastes produced				
Domestic wastes	ton(s)	35.52	—	50,575.74
Metal scraps	ton(s)	—	573.56	—
Earthworks	ton(s)	—	1,841,912.77	—
Concrete	ton(s)	—	23,057.68	—
Bricks	ton(s)	—	2,858.11	—
Wood	ton(s)	—	1,355.39	—
Density of non-hazardous waste	tons/sqm GFA	0.002	0.42	0.06

Key Performance Indicator	Unit	Administration ^{a)}	Construction in Progress ^{b)}	Commercial Operation ^{c)}
A1.4 Non-hazardous waste recycled				
Rebars	ton(s)	—	129,604.09	—
Wooden battens	ton(s)	—	4,904.25	—
Concrete	ton(s)	—	3,651.80	—
Formwork	ton(s)	—	5,043.24	—
A2 Use of Resources				
A2.1 Direct and/or indirect energy consumption by type				
Total energy consumption ²⁾	kWh	1,129,701.48	9,431,373.22	58,691,047.97
Direct energy consumption	kWh	351,170.85	—	14,995,346.67
Indirect energy consumption	kWh	778,530.64	9,431,373.22	43,695,701.30
Energy intensity	kWh/sqm GFA	49.62	2.14	72.90
Electricity consumption	kWh	778,530.64	9,431,373.22	43,695,701.30
Gasoline consumption	liter(s)	38,683.04	—	—
Diesel consumption	liter(s)	530.00	—	—
Natural gas consumption	m ³	0.00	—	1,385,660.23
LPG consumption	kg	0.00	—	—
A2.2 Water consumption				
Water consumption ³⁾	m ³	13,431.92	523,865.91	556,487.80
Water intensity	m ³ /sqm GFA	0.59	0.12	0.66

Description on the scope of data

- ^{a)} The environmental data collection for administrations covers the Group's headquarters and 8 domestic subordinate regions, business divisions and municipal companies.
- ^{b)} The environmental data collection for ongoing construction projects covers 113 projects under construction across 8 regions and business divisions under the Group.
- ^{c)} The environmental data collection for commercial operations covers 13 commercial projects operated by the Group.

Description on calculations

- ¹⁾ Scope I greenhouse gas emissions mainly come from direct energy consumption by official vehicles and staff cafeterias; Scope II greenhouse gas emissions arise from indirect energy consumption through purchased electricity, with data sourced from relevant payment receipts and administrative statistical ledgers. Among these, the greenhouse gas emission factors for direct energy are referenced from the "Reporting Guidance on Environmental KPIs" published by the HKEX, while the greenhouse gas emission factors for purchased electricity are referenced from the "Announcement on the Release of 2023 Electric Power Carbon Dioxide Emission Factors" issued by the Ministry of Ecology and Environment of the PRC on 31 December 2025.
- ²⁾ In 2025, the Group's energy consumption types include official vehicle fuel, staff cafeteria fuel, and purchased electricity, with data sourced from relevant payment receipts and administrative statistical ledgers. Specifically, the energy consumption coefficients are calculated using conversion factors provided by the International Energy Agency and the national standard "GB2589-2020 General Rules for Calculation of the Comprehensive Energy Consumption".
- ³⁾ The Group's water consumption mainly comes from municipal water supply networks, with data sourced from water bill payments, financial reimbursement records, and administrative ledger records.

Table of Social Key Performances

Key Performance Indicator		2025	
B1	Employment		
B1.1	Total workforce by gender, employment type, rank, age group and geographical region and proportion		
		Number of employees	Ratio (%)
By gender	Male	685	53.8%
	Female	588	46.2%
By employment type	Full time	1,273	100.0%
	Part time	0	0.0%
By rank	Executive	26	2.0%
	Middle and senior management	131	10.3%
	General staff	1,116	87.7%
By age group	Under 30	195	15.3%
	31-40	793	62.3%
	41-50	239	18.8%
	Above 50	46	3.6%
By geographical region	Mainland China	1,263	99.2%
	Hong Kong, Macao and Taiwan regions	10	0.8%
	Overseas	0	0.0%
Total number of employees		1,273	
B1.2	Employee turnover rate by gender, age group and geographical region		
		Number of employees turned over	Turnover rate
By gender	Male	400	58.4%
	Female	329	56.0%
By age group	Under 30	120	61.5%
	31-40	489	61.7%
	41-50	114	47.7%
	Above 50	6	13.0%
By geographical region	Mainland China	721	57.1%
	Hong Kong, Macao and Taiwan regions	6	60.0%
	Overseas	2	100.0%
Total employee turnover rate		729	57.3%

Key Performance Indicator		2025	2024	2023
B2	Health and Safety			
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year			
	Number of work-related fatalities	0	0	0
	Rate of work-related fatalities	0.0%	0.0%	0.0%
	Number of work-related injuries	3	3	4

Key Performance Indicator		2025		
B2.2	Lost days due to work injury			
	Lost days due to work injury			56
B3	Development and Training			
B3.1	Number of employees trained and average number of hours of training by gender and rank			
		Number of trained employees	Average training hours per employee	Rate of trained employees (%)
By gender	Male	502	6	56.0%
	Female	394	6	44.0%
By rank	Executive	7	5	0.8%
	Middle and senior management	35	5	3.9%
	General staff	854	6	95.3%
Overview of all trained employees		896	6	70.4%

Key Performance Indicator	2025
B5 Supply Chain Management	
B5.1 Number of suppliers by geographical region	
Total number of suppliers	1,020
Suppliers from Mainland China	1,020
Suppliers from Hong Kong, Macao, Taiwan and overseas regions	0
B5.2 Number of suppliers where practices on the engagement of suppliers are being implemented	
Number of suppliers where relevant policies (especially environmental protection and social policies) are being implemented	1,020
Number of suppliers having signed Letter of Undertaking of Integrity	1,020
B6 Product Responsibility	
B6.1 Number of products and service related complaints received	
Time(s) of complaints received	14,067
Time(s) of complaints handled	14,067
Rate of complaints handled	100%
B7 Anti-corruption	
B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period	
Number of corruption lawsuits	0
B7.3 Anti-corruption training provided for directors and staff	
Number of anti-corruption training session	10
B8 Community Investment	
B8.2 Resources contributed to the focus area	
Cumulative charitable donations (RMB 10,000)	16.1
Number of staff volunteers	85
Total hour(s) of service by staff volunteers	590

Description on the scope of data and calculations

- 1) The total number of employees includes current employees engaged in real estate development, Shanghai Xinzhi Construction Co., Ltd. and Shanghai CIFI Health Technology Development Co., Ltd., excluding Ever Sunshine Services. This data represents the end-of-period figures as of 31 December 2025.
- 2) The employee turnover figures include both voluntary and involuntary departures within the scope of total employee count data. This data represents the end-of-period figures as of 31 December 2025.
- 3) Employee turnover rate is calculated with reference to the "Reporting Guidance on Social KPIs" issued by the HKEX, of which Total turnover rate of employees = Total number of employees leaving/Total number of employees*100%; Turnover rate of the specified category = Employees in the specified category leaving/Number of employees in the specified category leaving*100%.
- 4) The percentage of employees and employees in a specified category who took part in training is calculated with reference to "Reporting Guidance on Social KPIs" issued by the HKEX, i.e. Percentage of trained employees = Number of trained employees/Total number of employees*100%; and Percentage of trained employees in the specified category = Number of trained employees in the specified category/Number of trained employees*100%.
- 5) The average training hours for trained employees and trained employees in a specified category is calculated with reference to "Reporting Guidance on Social KPIs" issued by HKEX, of which the Average training hours for trained employees = Total number of training hours/Total number of employees; Average training hours for trained employees in the specified category = Total number of training hours for employees in the specified category/Number of employees in the specified category.
- 6) The statistics for product and service complaints are sourced from CIFI's "Joyful Heart Assistant" system.

Appendix II List of Policies and Regulations

ESG Indicators	Laws and Regulations	Internal Policies
A1: Emissions	Environmental Protection Law of the PRC	CIFI Group Design Guidelines for HUMAN Intelligent Healthy Life 3.0
A2: Use of Resources	Water Pollution Prevention and Control Law of the PRC Law of the People's Republic of China on Land Administration Regulation on Nature Reserve of the PRC Code for Accessible Design	CIFI Group Design Guidelines for the FABRIC Craftsmanship System CIFI Group Design Guidelines for Sponge City CIFI Group Design Guidelines for HUMAN Intelligent Healthy Life 3.0 Standardization Manual for the Fourth Generation of Residential Terraces Green Building Operation Form Administrative Measures for Green Construction Management Measures for Safety and Civilization Operation Guidelines for Standardized Management of Safety and Civilization
A3: Environment and Natural Resources	Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste Law of the PRC on Prevention and Control of Environmental Noise Pollution Regulations of the PRC on the Prevention of Pollution Damage to the Marine Environment by Land-sourced Pollutants Law of the PRC on Land Administration Regulations of the PRC on Nature Reserves National Catalogue of Hazardous Wastes Measures on the Management of Hazardous Waste Manifests Regulations of Waste Separation Technical Standard for Air Energy Water Heaters	Design Guidelines for Solar Water Heating System of CIFI Group CIFI Fluorine System Air Conditioning Design Guidelines V1.0 CIFI Group Standard for Green Residence CIFI Group Standard for Healthy Residence Green Building Operation Form Administrative Measures for Green Construction Management Measures for Safety and Civilization Operation Guidelines for Standardized Management of Safety and Civilization Standards for Sewage Discharge of Construction Sites Administrative Measures for Transportation and Reuse of Construction Waste Management System for Energy Saving and Consumption Reduction Design Guidelines of Leakage Prevention for Fabricated Projects Decoration Manual Guidelines Limits of Hazardous Substances in Wallpaper of Interior Decoration Renovation Materials Guidelines for Decoration Design of Operating Project Tenants (Multiple Business - Booths)
B1: Employment	Company Law of the PRC Labor Law of the PRC Contract Law of the PRC Employment Promotion Law of the PRC Social Insurance Law of the PRC Interim Provisions on Labor Dispatch Provisions on the Prohibition of Child Labor Provisions on Minimum Wages	Administrative Measures for Labor Employment Annual Incentive Rules Overtime Work Management System Administrative Measures for Performance Employee Service Guide

ESG Indicators	Laws and Regulations	Internal Policies
B2: Health and Safety	Labor Law of the PRC Law of the PRC on the Prevention and Treatment of Occupational Diseases Work Safety Law of the PRC Fire Protection Law of the PRC Emergency Response Law of the PRC Regulations on Reporting, Investigation and Handling of Production Safety Accidents Interim Provisions on the Investigation and Treatment of Hidden Dangers of Safety Production Accidents Regulation of the PRC on Work-Related Injury Insurance Provisions on the Administration of Occupational Health at Workplaces Regulations on Safety Production Management of Construction Projects Classification and Catalogue of Occupational Diseases	CIFI Group Management System for Accountability Management Measures for Safety and Civilization Operation Guidelines for Standardized Management of Safety and Civilization CIFI Project CI Image Standard Operational Guidelines for Disposal of Routine Events Green Building Operation Form CIFI Group Working Guidelines for Safety Management Committee Management Measures for Inspection and Evaluation, Rewards and Penalties of Projects
B3: Development and Training	—	Training Management System Evaluation Management System
B4: Labor Standards	Labor Law of the PRC Provisions on the Prohibition of Child Labor Law of the PRC on the Protection of Minors Administrative Measures for Labor Employment	Organizational and Human Resources Management Principles Administrative Measures for Labor Employment Administrative Measures for Performance Overtime Work Management System
B5: Supply Chain Management	Tendering and Bidding Law of the PRC	Cost Management System Procurement Management System Engineering Procurement Management Measures Engineering Supplier Management Measures Strategic Procurement Management Measures Group Procurement Inspection Management Measures Operational Guidelines for Supplier Graded Management Green Product Procurement Catalog CIFI Group Supplier Conduct Code Guidelines for Procurement Management of Cooperative Projects

ESG Indicators	Laws and Regulations	Internal Policies
B6: Product Responsibility		Administrative Measures of Trademark
		Administrative Measures of VI
		Undertaking of Attribution of Intellectual Property Rights of Functional Achievements
		Confidentiality Agreement
		Engineering Quality Management Measures
		Hold Point List
		Engineering Technology Management System
		Operational Guidelines for Inspection and Assessment of Group Project Delivery
		Standard of Nodal Practice for Whole-house Decoration
		Operational Guidelines for Project Delivery Inspection
		Transparent Disclosure in Sales Offices 2.0
		Letter of Information on Subscription
		Guidelines on Site Opening Activities
		Management Measures for Delivery
		Operational Guidelines for External Public Announcement of Project Cases
		Management Measures for Customer Incidents
		Management Measures for Customer Group Complaints of CIFI Group
		CIFI Group Information Security Technical Standards and Working Guidelines
		Warm Neighbors Convention
		Administrative Measures for Information Confidentiality
	Product Quality Control Management Manual of CIFI Group	
	Marketing Personnel's Letter of Undertaking of Responsibilities	
	Sales Personnel's Letter of Undertaking of Responsibilities	
	Operation Guidelines for Unified Management of Projects and Customers	
	Seven Major Disciplines on Marketing, Bidding and Procurement Expenses	
	Notice on Strengthening the Management of Intellectual Property Rights in External Advertising	
	2022 CIFI Group Administrative Measures of Technical Design	
	2022 CIFI Group Design Guidelines of Excavation Support	
	2022 CIFI Group Management Guidelines for Geo-technical	
	Engineering Investigation Demonstration Zone Standard Module and Standard Building Encapsulation	
	2022 CIFI Group Non-Residential Electric and Mechanical Design Guidelines	
	Product Configuration and Quota Design Guidelines for Residential Projects in 3rd-and-4th Tier Cities	
	2022 CIFI Group Quota Design Guidelines for Residential Projects	
	2022 Edition Design Fee Quota Standards and Design Supplier Base	
	Securities Law of the PRC	
	Anti-Unfair Competition Law of the PRC	
	Interim Provisions on the Prohibition of Commercial Bribery	
	Anti-Monopoly Law of the PRC	
	Law of the PRC on Protection of Consumer Rights and Interests	
	Cybersecurity Law of the PRC	
	Personal Information Protection Law of the PRC	
	Patent Law of the PRC	
	Copyright Law of the PRC	
	Regulations on the Protection of Computer Software	
	Advertising Law of the PRC	

ESG Indicators	Laws and Regulations	Internal Policies
B6: Product Responsibility		2021 CIFI Group Guidelines of 18 Methods for Cost Reduction and Efficiency Improvement on Residential Structure Design
		2021 CIFI Group Guidelines of 18 Methods for Cost Reduction and Efficiency Improvement on Residential Electric and Mechanical Design
		2022 CIFI Group Design Guidelines for Sponge City
		2022 CIFI Group Design Guidelines for Central Ventilation System
		2022 CIFI Group Design Guidelines for Distribution Box System
		2022 Group CIFI Design Guidelines for Residential Building Construction and Detail Drawing
		2022 CIFI Group Electric and Mechanical Proposal Template
		2022 CIFI Group Intelligent Proposal Template
		Demonstration Zone Standard Module and Standard Building Encapsulation
		2022 CIFI Group Standard Template of Design Contract
		2022 CIFI Group Foundation Scheme Template
		2022 CIFI Group Excavation Support Scheme Template
		2022 CIFI Group Structural Scheme Template
		Management Measures for Engineering Sustainability
		Standardization Manual for the Fourth Generation of Residential Housing Terrace
		CIFI Group Digital Construction Site Management System
		Operational Guidelines for Comprehensive Inspection and Evaluation of Group Projects
		Operational Guidelines for Group Project Delivery Inspection
		Management Measures for Inspection and Evaluation Rewards and Penalties of Group Projects
		Engineering Technology Management Measures
	Guidelines on Project Engineering Planning and Management	
	Guidelines on the Sequence Construction Method	
	Standards for Construction of Seepage and Crack Prevention Nodes	
	Engineering Prohibited Practices	
	Engineering Micro-Innovation Manual	
	Visible Building Management Manual	
	Operational Guidelines of CIFI Construction 2.0 System	
	Manual of CIFI Construction 2.0 System	
	Management Measures for Engineering Materials	
	Management Measures for Engineering Information	
	Management Measures for Whole-house Decoration	
	Guidelines on Sample-led Practices	
	Trademark Law of the PRC	
	Product Quality Law of the PRC	
	Urban Real Estate Administration Law of the PRC	
	Construction Law of the PRC	
	Regulation on the Quality Management of Construction Projects	
	Regulation on the Administration of Development and Operation of Urban Real Estate	
	Regulation on Realty Management	
	Measures for Administration of the Sale of Commodity Properties	
	Code for Accessible Design	

ESG Indicators	Laws and Regulations	Internal Policies
B6: Product Responsibility		Operational Guidelines on Measurement of Construction Quality
		Operational Guidelines for Engineering Quality at Hold Point
		Guidelines on Leakage Prevention Management
		Guidelines for Functional Testing of Projects
		Management Practices for Engineering Delivery and Maintenance
		Standards for Bottom Line Delivery Practices
		Operational Guidelines for Household Inspection of Projects
		Operational Guidelines for Property Acceptance Inspection of Projects
		Guidelines for Third-Party Maintenance Management of Projects
		Room Repair Management Standards and Cost Reservation Standards
		Operational Guidelines for Project Maintenance and Management
		Operational Guidelines for Disposal of Routine Events in Projects
		Operational Guidelines for Normalized Management of Project Response to Epidemics
		CIFI Group Working Guidelines for Safety Management Committee
		Operational Guidelines for Comprehensive Inspection and Evaluation of Group Projects
		Operational Guidelines for Specialized Inspection and Evaluation of Group Basements
		Operational Guidelines for Inspection of Major Quality Risks in Construction Projects
		Operational Guidelines for Safety Inspection of Large-sized Machinery in Group Projects under Construction
		Management Measures for Construction Progress
		Guidelines on Risk Management and Control of Works Progress
		Design Guidelines for Landscape Railing Standardization
		Manual of Standards for Residential Project General Specifications and Construction Nodes
		Design and Construction Standards for Waste Disposal in New Projects
	Client Management System for Sales Personnel	
	Operational Guidelines on Transparent Disclosure in Sales Offices	
	Prohibited Words for Real Estate Livestreaming	

ESG Indicators	Laws and Regulations	Internal Policies
B7: Anti-corruption		CIFI Group Management System of Supervision
		CIFI Group Management System of Audit and Supervision
		CIFI Group Management System of Audit
		CIFI Group Management System for Accountability
		CIFI Group Administrative Measures for Inspection of Supervisory Cases
		CIFI Group Administrative Measures of the “Four Responsibilities” Integrity Ecological Governance
		Administrative Measures of Declaration of Conflict of Interest
		Management System for the Purchase of Properties by Senior Executives and Their Associates
		Operational Guidelines for the Regulation of Intermediary Management
		Operational Guidelines for the Regulation of Temporary Borrowing from Channels
	CIFI Group Manual of Business Conduct Code for Employees Supervision and Whistleblowing Guidance Notes	
	Integrity Guidance Notes - for suppliers to sign	
	Letter of Undertaking of Integrity - for suppliers to sign	
	Anti-Fraud Management Evaluation Standards - Group Standard	
	The Cultivation of an Outstanding Anti-Fraud Professional	

Appendix III Content Index for the Environmental, Social and Governance Reporting Code

ESG Subject Areas and Indicators for General Disclosure and KPIs		Chapter
A1 General Disclosure	Information on: the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Leading the Low-Carbon Future
A1.1	The types of emissions and respective emissions data.	Appendix I
A1.2	(Removed on 1 January 2025)	/
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I
A1.5	Description of emission target(s) set and steps taken to achieve them.	Leading the Low-Carbon Future
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Leading the Low-Carbon Future
A2 General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Leading the Low-Carbon Future
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Appendix I
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix I
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Leading the Low-Carbon Future
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Leading the Low-Carbon Future
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The Group's principal products and services do not involve the use of packaging materials

ESG Subject Areas and Indicators for General Disclosure and KPIs		Chapter
A3 General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Leading the Low-Carbon Future
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Leading the Low-Carbon Future
A4 General Disclosure	(Removed on 1 January 2025)	/
A4.1	(Removed on 1 January 2025)	/
B1 General Disclosure	Information on: the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Growing Together with Our Employees
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Appendix I
B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix I
B2 General Disclosure	Information on: the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Improving Quality with Concrete Steps
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix I
B2.2	Lost days due to work injury.	Appendix I
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Improving Quality with Concrete Steps
B3 General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Growing Together with Our Employees
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix I
B3.2	The average training hours completed per employee by gender and employee category.	Appendix I

ESG Subject Areas and Indicators for General Disclosure and KPIs		Chapter
B4 General Disclosure	Information on: the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Growing Together with Our Employees
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Growing Together with Our Employees
B4.2	Description of steps taken to eliminate such practices when discovered.	Growing Together with Our Employees
B5 General Disclosure	Policies on managing environmental and social risks of the supply chain.	Building a Solid Foundation for Development
B5.1	Number of suppliers by geographical region.	Appendix I
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Building a Solid Foundation for Development
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Building a Solid Foundation for Development
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Building a Solid Foundation for Development

ESG Subject Areas and Indicators for General Disclosure and KPIs		Chapter
B6 General Disclosure	Information on: the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	Improving Quality with Concrete Steps
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
B6.2	Number of products and service related complaints received and how they are dealt with.	Appendix I Improving Quality with Concrete Steps
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Building a Solid Foundation for Development
B6.4	Description of quality assurance process and recall procedures.	Improving Quality with Concrete Steps
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Improving Quality with Concrete Steps
B7 General Disclosure	Information on: the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Building a Solid Foundation for Development
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Appendix I
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Building a Solid Foundation for Development
B7.3	Description of anti-corruption training provided to directors and staff.	Building a Solid Foundation for Development
B8 General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Driving Social Development
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Driving Social Development
B8.2	Resources contributed (e.g. money or time) to the focus area.	Appendix I

Appendix IV Climate-Related Disclosures Content Index

Climate-Related Disclosure Requirements	Chapter	
(I) Governance	19. An issuer shall disclose information about: (a) 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 issuer shall identify that body(s) or individual(s) and disclose information about:	Enhancing Responsibility Management Leading the Low-Carbon Future
	(ii) how and how often the body(s) or individual(s) is informed about climate related risks and opportunities;	
	(iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer’s strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	Enhancing Responsibility Management Leading the Low-Carbon Future
	(iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and	Enhancing Responsibility Management Leading the Low-Carbon Future
	(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:	Enhancing Responsibility Management Leading the Low-Carbon Future
	(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	
	(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.	
(II) Strategy	Climate-related risks and opportunities 20. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer’s cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:	Leading the Low-Carbon Future
	(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer’s cash flows, its access to finance or cost of capital over the short, medium or long term;	
	(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	Leading the Low-Carbon Future
	(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	Leading the Low-Carbon Future
	(d) explain how the issuer defines ‘short term’, ‘medium term’ and ‘long term’ and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	Leading the Low-Carbon Future

Climate-Related Disclosure Requirements	Chapter	
(II) Strategy	Business model and value chain 21. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain. Specifically, the issuer shall disclose:	Leading the Low-Carbon Future
	(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain; and	
	Strategy and decision-making 22. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:	Leading the Low-Carbon Future
	(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:	
	(i) current and anticipated changes to the issuer’s business model, including its resource allocation, to address climate-related risks and opportunities;	
	(ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);	
	(iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer’s transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan;	Leading the Low-Carbon Future
	(iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and	Leading the Low-Carbon Future
	(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	Leading the Low-Carbon Future
	Climate resilience 26. An issuer shall disclose information that enables an understanding of the resilience of the issuer’s strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer’s identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer’s circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:	Leading the Low-Carbon Future
(a) the issuer’s assessment of its climate resilience as at the reporting date, which shall enable an understanding of:		
(i) the implications, if any, of the issuer’s assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis;		
(ii) the significant areas of uncertainty considered in the issuer’s assessment of its climate resilience; and		
(iii) the issuer’s capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;		

Climate-Related Disclosure Requirements	Chapter	
(III) Risk Management	27. An issuer shall disclose information about: (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about: (iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria); (v) how the issuer monitors climate-related risks; and (vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	Leading the Low-Carbon Future
	(b) the processes the issuer uses to identify, assess, prioritise and monitor climate related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate related opportunities); and	Leading the Low-Carbon Future
	(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer’s overall risk management process.	Leading the Low-Carbon Future
	Greenhouse gas emissions 28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and	Appendix I
	29. An issuer shall: (a) disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as: (b) disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	Appendix I
	(c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer’s Scope 2 greenhouse gas emissions; and	Appendix I

Climate-Related Disclosure Requirements	Chapter	
(IV) Metrics and Targets	Climate-related targets 37. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose: (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and	Leading the Low-Carbon Future
	38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (c) the metrics used to monitor progress towards reaching the target; and	Leading the Low-Carbon Future



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