

LONGFOR⁷ 龙湖

2025

Sustainability Report

善待⁷共生
FOR YOU FOREVER

龙湖集团控股有限公司
LONGFOR GROUP HOLDINGS LIMITED

(于开曼群岛注册成立之有限公司)
(Incorporated in the Cayman Islands with limited liability)
Stock Code 股份编号: 960





ESG

Operational Compliance

Public Welfare Initiatives

Quality First

Thriving Together with the Industry

Environmental Symbiosis

People Orientation

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About the Report

Longfor Group Holdings Limited has issued the *2025 Sustainability Report* (the "Report"), the sixth independent sustainability report since 2020. This Report describes Longfor Group's philosophy, management, actions, and achievements in sustainable development from Environmental, Social, and Governance perspectives (hereinafter referred to as "ESG"), and responds comprehensively to stakeholders' expectations.

Reporting Scope

This Report covers the same scope of entities in the consolidated financial statements of Longfor Group Holdings Limited. For details regarding the Company's business operations and consolidated financial statements, please refer to the *Annual Report 2025*.

This Report covers the period from January 1, 2025, to December 31, 2025 (the "Reporting Period"). In certain sections, historical data and information extending into 2026 are provided for reference.

The Reporting Standards

This Report follows the relevant provisions and requirements of the *Environmental, Social, and Governance (ESG) Reporting Code* set out in Appendix C2 of the *Main Board Listing Rules* of the Stock Exchange of Hong Kong Limited (hereinafter referred to as "HKEX"). It was prepared with reference to Sustainable Development Goals (SDGs), the *GRI Standards* by Global Reporting Initiative (GRI), and other relevant PRC and international sustainability reporting standards.

Source of Data

This Report has been prepared in accordance with the reporting principles of materiality, quantitative, balance and consistency as set out in the *Environmental, Social and Governance (ESG) Reporting Code* of The Stock Exchange of Hong Kong Limited (the "HKEX"). Unless otherwise specified, the information and data contained in this Report are derived from the Company's official documents, statistical reports and financial reports, as well as ESG information collected and consolidated by the Company.

Report Terms

For ease of expression and comprehension, Longfor Group Holdings Limited is also referred to as the "Longfor Group", "Longfor", "the Group", "the Company" or "we". Unless otherwise specified, "Yuan", "million Yuan", and "billion Yuan" are referred to as "RMB", "RMB million", and "RMB billion".

Availability of the Report

The Chinese and English versions of this Report are available on the Company's official website (<https://www.longfor.com/en/develop/report.html>) or on the website of the HKEX. Should there be any inconsistency between the Chinese and English versions, the Chinese version shall prevail.



Chairman's Statement

In 2025, driven by both policy guidance and market adjustments, the real estate industry accelerated its transition toward a high-quality development model characterized by a dual focus on rental and ownership, the renewal of existing assets, and green and intelligent construction. Guided by the "quality home" initiative, the industry is cultivating a new development paradigm through a refined, quality-oriented approach. Continuing to uphold its founding mission of "For You Forever", Longfor Group remains committed to steady operations and high-quality development. We focus on three core business segments: property development, property operation and property service, while boosting the synergistic growth of five business divisions to continuously enhance product and service quality. Amid a complex and evolving market landscape, we remain customer-centric, working alongside partners to navigate challenges and steadily advance our sustainability commitments. For more than three decades, Longfor has shouldered its social responsibilities, embraced green, low-carbon principles, and delivered more care to people. We are dedicated to creating better living environments for cities and customers, strengthening our role as a trusted, long-term urban partner.

In 2025, the Group continued to receive favorable ESG ratings from internationally recognized rating agencies, including MSCI, GRESB and S&P Global CSA.

Caring for Customers – Crafting Quality Homes

Guided by our commitment to craftsmanship excellence, Longfor released the *Longfor Quality Home Product Standards*, which have outlined 70 key value indicators and 435 specific criteria, to transform aspirations for a high-quality life into a reality. In 2025, we successfully delivered approximately 70,000 residential units across 125 projects in 39 cities nationwide. We also launched the "Longfor" APP, which integrates multi-scenario services to provide a one-stop solution for diverse customer needs. As of 31 December 2025, 25 property management subsidiaries were certified under the ISO 9001 Quality Management System, further strengthening our foundation in product and service quality.

Caring for Environment – Advancing Green and Low-Carbon Transition

Longfor Group remains steadfast in achieving its carbon reduction target of "aspiring to a 15% reduction in carbon emission intensity per unit area by 2030". In 2025, 100% of our newly developed projects complied with China's national green building standards, and we purchased 214 million kWh of green electricity. Furthermore, we continued to advance green and smart commercial operations. The Shishan Paradise Walk in Suzhou earned the inaugural Platinum certification under the *Evaluation Standards for Green, Low-Carbon, and Sustainable Development of Commercial Complexes and Shopping Malls*, setting a new industry benchmark.

Caring for Society – Deepening Community Engagement

The Longfor Foundation has continuously strengthened its internal governance and developed a matrix of public welfare projects, including the Smiley Bud Program, the Lake-Light Program, the Flying-Eagle Program, the Stream Program, and the Evergreen Program. It has provided comprehensive assistance for rural revitalization in Dianjiang County to precisely address social needs and convey corporate care. As of the end of 2025, the accumulated donations from Longfor Group, its founders, and the Longfor Foundation exceeded RMB 2 billion and a total of over 2.41 million people had been assisted.

Caring for Employees – Fostering a Diverse and Inclusive Workplace

We promote a diverse and inclusive corporate culture, while continuously optimizing the employee recruitment and employment system to ensure comprehensive protection of employees' rights and interests. The Group empowers employees' career growth and capability enhancement through the refined remuneration and benefits framework and the Flowing Water Program. Furthermore, we strictly implement a three-tier safety management system covering "headquarters, regional offices, and project sites", while directly linking critical safety performance to remuneration assessments. These measures have safeguarded employee health and safety, and laid a solid foundation for safe production and sustainable development of the enterprise.

Looking ahead, the Group will continue to strengthen its commitment to product excellence, digital empowerment and green transformation, steadily advancing its sustainable development strategy in a manner distinctive to Longfor.

Board Statement

The Board of Directors of Longfor Group attaches great importance to ESG governance and assumes overall responsibility for overseeing the Group's ESG strategy and performance. In accordance with the requirements of the ESG Reporting Code set out in the *Environmental, Social and Governance (ESG) Reporting Code of HKEX*, the Group has continuously enhanced its ESG governance framework and reinforced the Board's leadership and oversight in strategic decision-making and supervision, thereby supporting the Company's sustainable and high-quality development.

ESG Governance

The Board of Directors assumes ultimate responsibility for the Group's sustainable development and provides overall oversight of ESG matters. A Board-level ESG Committee has been established chaired by Mr. Chan Chi On, an Independent Non-executive Director, and consisting of the Chairman of the Board, one Executive Director, and two Independent Non-executive Directors. This Committee is responsible for formulating and reviewing the Group's ESG strategies and policies, monitoring significant ESG trends and related risks and opportunities, overseeing and evaluating the Group's sustainable development performance, and reporting to the Board on a regular basis. An ESG Working Group has been established under the ESG Committee to coordinate facilitate ESG initiatives across functional department and ensure the effective implementation of strategic goals.

ESG Risk Management

The Group systematically identifies and dynamically assesses the potential impact of ESG risks on its operations, and conducts regular risk assessments on relevant issues through the establishment of stakeholder communication mechanisms. The ESG Committee coordinates key annual ESG management matters through strategic decision-making mechanisms, reviews risk management initiatives, and establishes a closed-loop oversight process during committee meetings to ensure that risk response plans are advanced in alignment with business objectives. Regarding climate change risks, we have referenced the framework recommended by the Task Force on Climate-related Financial Disclosures (TCFD) to conduct quantitative assessments and stress tests of physical and transition risks for our core business segments under various climate scenarios, and have formulated short-term, medium-term and long-term response strategies.

ESG Target Management

The Group is committed to advancing its target of "reducing carbon emissions intensity per unit area by 15% by 2030". To strengthen the strategic implementation, we have incorporated ESG metrics, such as risk management and energy conservation and emissions reduction, into the performance evaluations for senior executives. Additionally, we have included "reduction in energy consumption intensity per unit area" in our strategic evaluation assessment (BSC) framework to ensure that these targets are effectively circulated and implemented in operations.

The Group attaches great importance to ESG information disclosure. The ESG Working Group is responsible for the preparation of the annual ESG report, which is reviewed by the ESG Committee to ensure the accuracy and integrity of the information disclosed. This Report sets out the progress and performance of Longfor Group's ESG initiatives in 2025 and was reviewed and approved by the ESG Committee on 20th April, 2026.



About Longfor

Founded in Chongqing in 1993, Longfor Group Holdings Limited (stock code: 960) has since expanded its footprint nationwide. The Company was listed on the Main Board of the HKEX in 2009 and has been a constituent of the Hang Seng Index since 2021, reflecting its recognised market position and corporate strength. Longfor Group maintained the ranking in the Forbes Global 2000 for 15 consecutive years and has been included in the Fortune Global 500 for many years. Longfor Group has established a high-quality development model with a focus on three main segments: property development, property operation and property service, leveraging the synergistic effect of five core sectors: property development, commercial investment, asset management, property management service, and smart construction. Longfor has established a well-balanced presence in high-potential first- and second-tier cities across China. The Company is committed to strengthening the operational capabilities of each business segment to support organic growth and maintain healthy operating cash flow. At the same time, Longfor continues to optimise its asset portfolio and enhance asset quality to underpin long-term sustainable development.

Corporate Culture

Mission: For You Forever

- What do we do for you?
 - Space as a Service "SaaS"
 - Making space come alive, by offering sincere and compelling service
- What our customers will experience?
 - An enjoyable peace of mind with pleasant discoveries and sweet surprises in every Longfor space
- How do we deliver success?
 - Attracting and developing the right talents and effectively deploying and effectively applying advanced technologies and pioneering in this field
 - Creating innovative ideas for you forever



Core Values

- Entrepreneurship
 - Business trend insight
 - Building competitive advantage
 - Driving execution
 - Creating a resource ecosystem
- Integrity
 - Maintaining promises and trust worthiness
 - Integrity involves willingness as well as ability
 - Embracing low power distance
 - Maintaining bottom-line and principle thinking
 - Dare to raise objections to unreasonable decisions made by superiors
- Agility
 - Looking beyond the place where we stand
 - Self-development
 - Pursuing excellence
 - Continuous innovation
- Win-win
 - Striving to achieve a win-win or all-win
 - Deeply involving stakeholders in the goal
 - Supporting the success of customers, employees, and partners
 - Encouraging teams to collaborate, recognize goals, overcome challenges and celebrate victories together

The Ten Principles

- Customer First
- Long-term Oriented
- Win-Win
- Continuous Innovation
- Open and Embrace Change
- Transparency
- Continuous Productivity Improvement
- End to End Ownership
- Management as a Service
- Minimum Cost

Key Performance Indicators

In 2025

Revenue	Tax Paid
RMB 97.3 bn	RMB 10.8 bn

Key Performance Indicators for Five Business Segments

Property Development

NO. of Projects Developed	Total GFA Developed	Accumulated Housings Delivered
1,300+	240 mn sqm	1.1+ mn units

Commercial Investment

2025 Rental Income	No. of Malls in Operation	Total GFA in Operation
RMB 11.2 bn	99	10.5 mn sqm

Asset Management

No. of Projects in Operation by Long-term Rental Apartment Goyoo	GFA under Industrial Office Blue Engine	No. of Projects in Operation by Dynamic Commercial Hybrid Space in Shanghai, Hangzhou, Chengdu, and Hefei
300+	270+ thousand sqm	4
Serviced Apartment Hsiafei Mansion Benchmark Project in Hangzhou and Shanghai	No. of Patient Visits Served by Maternity & Children's Hospital Youyou Baobei	No. of Projects in Operation by Elderly Care Ever Spring in Beijing, Chengdu, and Chongqing
2	1.22+ mn ppl	5

Property Management Service

GFA under Management	No. of Projects under Management
360 mn sqm	2,100+
Households Covered	
3.25 mn	

Smart Construction

No. of Contracted Construction Projects	GFA of Contracted Construction Projects
270+	38+ mn sqm





● 2025 ESG Highlights

○ Economy/Governance

Revenue	Total Assets	Net Assets	Tax Paid
RMB 97.3 bn	RMB 595.9 bn	RMB 237.0 bn	RMB 10.8 bn

MSCI	GRESB	CDP	S&P CSA
AA	Green 4-Star with 96 points	B	Scored 51 points, performed in the 89 percentile in the real estate industry

○ Social

Housing Units Delivered	Total Number of Employees	Total Number of Suppliers	Accumulated Charity Donation
~ 70,000	31,653	285,496	over RMB 2.0 bn

Accumulated Number of People Helped	Total Number of Volunteers	Cumulative Volunteer Service Hours
over 2.41 mn	over 20,000	over 75,000

○ Environmental

As of the end of 2025, the Group's accumulated area for projects that meet national green building standards

over **130** million square meters

In 2025, the proportion of the Group's new projects that meet national green building standards

100 %

In 2025, the proportion of new projects utilizing solar photovoltaics

71.4 %

In 2025, the proportion of new projects utilizing air-source heat pumps

14.3 %

In 2025, the proportion of the Group's new projects that meet national green building standards of one star or above

85.7 %

In 2025, the number of prefabricated construction patents applied by the Group

61

In 2025, the proportion of new projects utilizing solar hot water

14.3 %

In 2025, the total volume of green electricity purchased by the Group

214 million kWh





Stakeholder Communication

Longfor Group recognizes the material influence of stakeholder input on corporate operations and development. We closely monitor the feedback and expectations of both internal and external stakeholders, and have established a comprehensive, multi-channel communication mechanism. We actively share our sustainability practices with all sides and welcome oversight from our stakeholders.

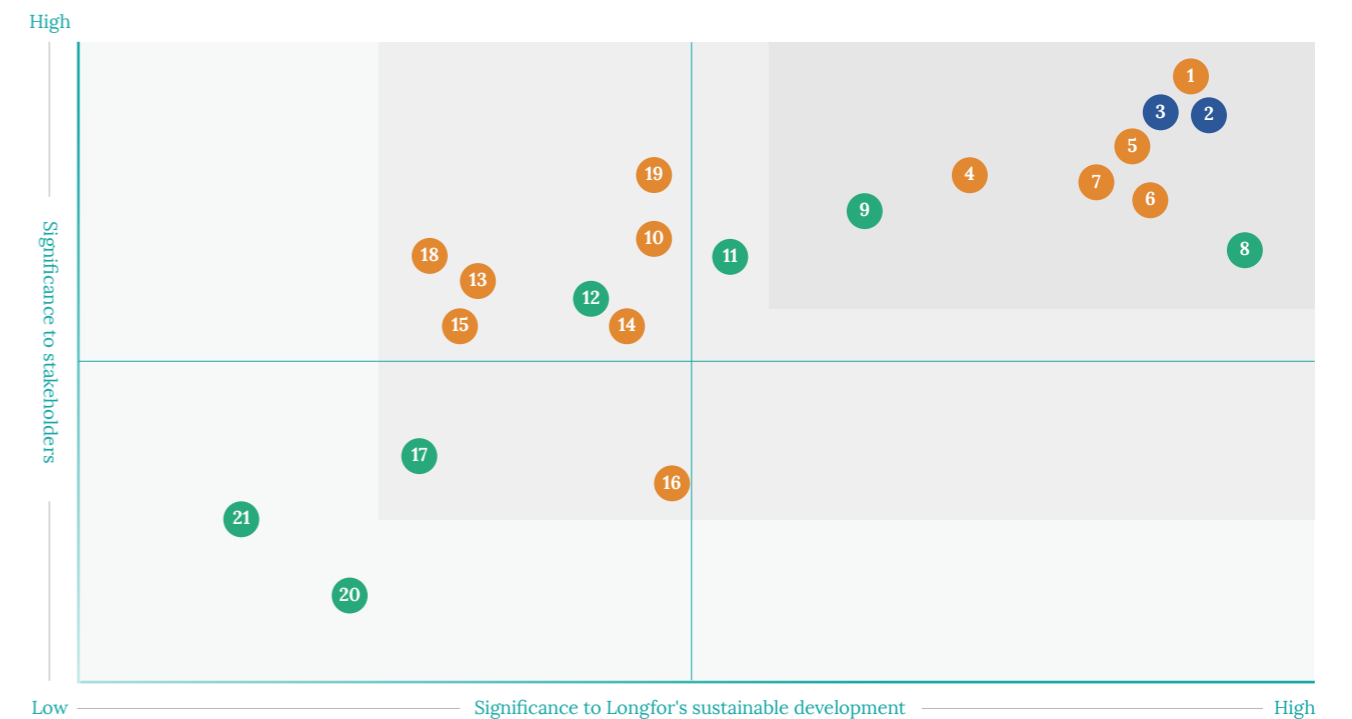
Longfor's Stakeholder Communication Mechanism

Stakeholders	Main Concerns	Main Communication Channels	Main Response
Government/ Regulatory Authorities 	Operate in legal compliance Response to national strategy Promote economic growth Support local development Anti-corruption and antitrust	Governmental conferences Policy directives Project collaboration Supervision by governmental agencies Daily communication	Strengthen operation compliance Response to governmental calls Implement national housing policies Facilitate urban development Constantly refine anti-corruption mechanism
Shareholders/ Investors 	Corporate governance Economic and market performance Investment return and growth Enhance information disclosure	Shareholders' general meeting Regular reports and corporate announcements Investor relations activities Irregular email communication Investor teleconference	Operate stably and progressively Improve corporate governance and risk management Facilitate information disclosure Enhance investor relations management
Customers 	Product and service quality Data and privacy security Response to demands Management service	Customer satisfaction survey Customer relations management Customer visits and communication	Reinforce product safety and quality inspection Improve data security and privacy protection Refine customer service process Upgrade the quality of product and service
Employees 	Legitimate rights and interests of employees Remuneration and benefits Development and promotion opportunities Occupational health and safety Good working environment Diversity, equity and inclusion	Employee training Employee engagement survey Employee suggestion feedback mechanism	Protect the legitimate rights and interests of employees Provide a competitive remuneration system Offer career development channels Offer diversified training programs Expand employee benefits Enhance employee communication Improve employee engagement and satisfaction
Cooperative Partners 	Legal compliance Business ethics Economic and market performance Customer relations management Long-term partnerships	Project collaboration and negotiation Evaluation and survey Communication and visits for daily business	Comply with contractual requirements Improve the Company's credit Strengthen qualification review Expand business fields Maintain sustained collaboration
Community 	Economic and social impacts Public welfare Charitable activities Provide career opportunities	Community projects Regular communication with community representatives and media Donation Charity events and voluntary service	Participate in community projects Actively participate in public welfare and philanthropic activities Advocate employees in volunteering activities
Environment 	Reasonable resource consumption Emission management Environmental protection Biodiversity protection Response to climate change	Pay heed to environmental protection Collaboration on environment protection projects Collaboration with association	Implement green construction, and promote the design and application of green buildings Enhance resource and energy use efficiency, and actively reduce energy consumption and emissions Implement green office practices and encourage a green lifestyle Identify and assess risks and opportunities of climate change and devise corresponding responses Enhance environmental information disclosure

Identification of Material Issues

Accurately identifying and assessing material issues is a key element of Longfor Group's sustainability management. During the Reporting Period, we conducted a comprehensive review, discussion, and analysis of the previously identified material issues database, taking into account the compliance requirements of the HKEX, mainstream ESG rating standards in the capital markets, and industry best practices, while also incorporating the expectations and concerns of our stakeholders. The assessment results indicate that there have been no significant changes to the issues. On this basis, we have prepared the 2025 material issue matrix and provided targeted responses and disclosures in this report regarding the issues of primary concern to stakeholders.

Material Issues



● Environmental ● Social ● Governance

- | High Material Issues | Medium Material Issues | Low Material Issues |
|---|---|---|
| <ul style="list-style-type: none"> 1 Engineering Quality and Safety 2 Legally Compliant Operation 3 Anti-corruption and Integrity 4 Protection of Employees' Rights and Interests 5 Occupational Safety and Health 6 Service Quality and Customer Satisfaction 7 Customer Information and Privacy Protection 8 Design and Application of Green Building 9 Energy Efficiency and Renewable Energy Application | <ul style="list-style-type: none"> 10 Supply Chain Management 11 Response to Climate Change 12 Waste Management and Pollution Prevention 13 Technological Innovation 14 Community Communication and Integration 15 Employee Career Development 16 Intellectual Property Protection 17 Water Resource Management 18 Industry Development 19 Public Welfare and Charity | <ul style="list-style-type: none"> 20 Biodiversity and Flexible Land Use 21 Green Finance |



ESG Material Topic(s) Responded in This Chapter

Legally Compliant Operation
Anti-Corruption and Integrity
Green Finance

SDGs Responded in This Chapter



Compliance First and Robust Operation

01

Longfor Group firmly believes that robust corporate governance is the cornerstone of sustainable development. We have established a governance structure with clear authorities and responsibilities, upholding the principles of integrity and compliance. By continuously enhancing governance effectiveness and risk resilience, we safeguard the Company's healthy, long-term, and sustainable development.



Corporate Governance

During the Reporting Period

the Board of Directors held

4 meetings

Attendance rate

100 %

Longfor Group strictly abides by relevant laws and regulations, including the *Company Law of the People's Republic of China*, and continuously refines its corporate governance structure. We also strive to enhance the diversity of the Board of Directors to ensure compliant operations and value creation for the Company.

The Board of Directors ("the Board"), as the highest governance body, is responsible for formulating and reviewing the Group's overall business, development strategies and performance, and fulfilling its governance duties in accordance with legal and regulatory requirements. The Board has established five specialized committees, including the Audit Committee, the Remuneration Committee, the Nomination Committee, the Investment Committee, and the Environmental, Social, and Governance Committee (hereinafter referred to as the "ESG Committee"). Based on their specific duties, the five committees oversee the relevant operations and management of the Group to ensure the efficient functioning and scientific decision-making of the Board. For more details about the Board and the committees, please refer to the investor relations section of the Company's official website at <https://www.longfor.com/en/investor/govern.html>. During the Reporting Period, the Board of Directors held four meetings with a 100% attendance rate.

As of the end of the Reporting Period, the Board consisted of 9 members, comprising 4 Executive Directors (44.4%), 1 Non-executive Director (11.2%), and 4 Independent Non-executive Directors (44.4%).

List of Longfor Board of Directors

Executive Director	Non-executive Director	Independent Non-executive Director
Mr. Chen Xuping (Chairman and CEO)	Ms. Sun Jiahui	Mr. Frederick Peter Churchouse
Mr. Zhao Yi (CFO)		Mr. Chan Chi On, Derek
Mr. Zhang Xuzhong		Mr. Xiang Bing
Ms. Shen Ying		Mr. Leong Chong

List of Members of Each Committee

Audit Committee	Remuneration Committee	Nomination Committee	Investment Committee	ESG Committee
Mr. Chan Chi On, Derek (Chairman)	Mr. Leong Chong (Chairman)	Mr. Xiang Bing (Chairman)	Mr. Chen Xuping	Mr. Chan Chi On, Derek (Chairman)
Mr. Frederick Peter Churchouse	Ms. Shen Ying	Mr. Chan Chi On, Derek	Mr. Zhao Yi	Mr. Chen Xuping
Mr. Xiang Bing	Mr. Chan Chi On, Derek	Ms. Sun Jiahui	Mr. Zhang Xuzhong	Ms. Shen Ying
	Mr. Xiang Bing		Mr. Chang Keyi	Mr. Frederick Peter Churchouse
	Ms. Sun Jiahui		Ms. Sun Jiahui	Mr. Xiang Bing

Longfor Group regards board diversity as a critical factor in achieving the sustainable development of the Company. We have formulated the *Board and Employee (Including Senior Management) Diversity Policy*¹, which stipulates that the selection of Board members must be comprehensively based on multiple factors, including gender, age, cultural and educational background, professional qualifications, industry experience, and tenure. We regularly review the implementation of diversification of the Board to ensure the impartial and objective decision-making of the Board, while creating long-term value for the Company and all stakeholders.

¹ *The Board and Employee (Including Senior Management) Diversity Policy*

To assess the operational performance of the Board, we regularly conduct internal evaluations covering the appropriateness of its structure, performance efficiency, and the effectiveness of its operating mechanisms. These measures aim to identify potential issues promptly and implement targeted improvements, thereby safeguarding the interests of all shareholders.

When formulating the remuneration policy for directors, we comprehensively consider the Group's strategic objectives, performance results, and benchmarking against the external market environment to ensure that the Company attracts and retains key talent. Meanwhile, we take into account the individual capabilities, performance, role value, and contributions of the directors to the Company. The remuneration structure not only includes short-term incentives such as base salary, allowances, and bonuses but also provides long-term incentives through the implementation of equity incentive plans. These measures further enhance directors' sense of responsibility and belonging, encouraging them to create long-term value for the Company.

Longfor Group continuously strengthens communication with investors to foster informed understanding and confidence in the Company. Through interim/annual reports, stock exchange announcements, earnings release presentations, roadshows, investor forums, and a dedicated investor relations email, we ensure timely and transparent information disclosure, thereby enhancing investor trust. In 2025, the Group issued 66 announcements, conducted two online result briefing conferences, and hosted over 150 investor visits and teleconferences with both domestic and international investors.

During the Reporting Period

Announcements issued

66

Annual general meeting held

1 session

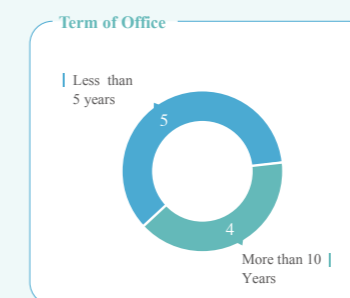
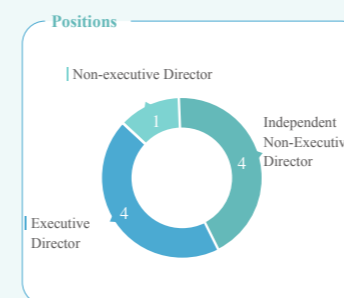
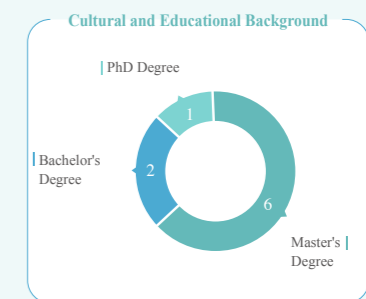
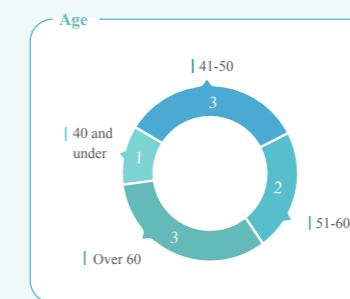
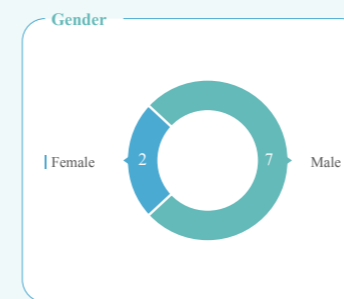
Online result briefing conferences held

2 sessions

Number of visits and teleconferences with both domestic and international investors

150+

Board Diversity Dimensions





Sustainability Governance

Adhering to the principles of sustainable development, Longfor Group continuously refines governance structure and operational systems, and is committed to fostering harmonious integration between corporate growth and the environment and society.

We have established a clear, stable, and efficient ESG governance structure, including the ESG Committee at the board level. The ESG Committee is responsible for overseeing and reviewing the Company's overall climate strategy, goals, and related material issues. Under the ESG Committee, an ESG Working Group has been established to coordinate with various business lines and functional departments to drive the implementation of ESG initiatives and regularly report the Group's ESG performance to the ESG Committee. For details on the roles and responsibilities of Longfor Group's ESG Committee, please refer to the *Terms of Reference of the ESG Committee*².

ESG Governance Structure of Longfor Group



In 2025, the ESG Committee held a total of 2 meetings with a 100% attendance rate. During the meetings, the ESG Committee reviewed the Company's ESG Report for 2024, received progress reports on key ESG priorities for 2025, examined the latest trends and business planning in ESG regulation and green building development, and outlined key ESG priorities and improvement plans for the next year.

Longfor Group continuously optimizes the ESG management system, sets multidimensional sustainability goals, and regularly reviews the progress of goal completion. We incorporate indicators such as risk management, occupational health and safety, innovation and research, and energy conservation and emission reduction into the performance evaluation of senior executives, thereby continuously enhancing the Board and senior management's involvement in ESG management.

² *The Terms of Reference of the ESG Committee*

Green Finance

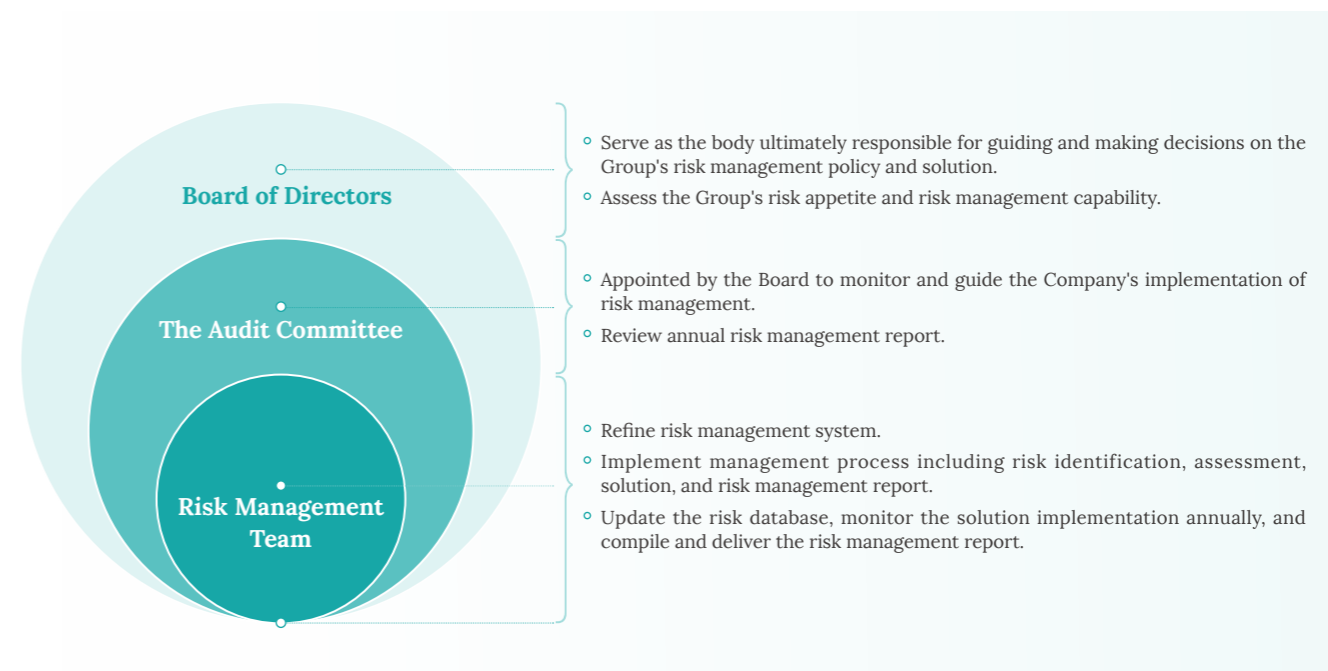
Longfor Group actively implements the principles of green finance. In 2020, we established a *Green Finance Framework*³ and obtained certification from independent third-party rating agencies⁴. During the Reporting Period, we effectively leveraged green finance as an important supporting tool and capitalized on opportunities in green finance. Furthermore, we continuously advanced sustainability management, vigorously developed green buildings, and actively participated in smart city construction. For more details about Longfor Group's green finance activities, please refer to the sustainability section of the Company's official website at <https://www.longfor.com/en/develop/environment.html>.

Risk Management

Longfor Group strictly complies with relevant laws and regulations, including the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Companies Ordinance of Hong Kong*, and the *Rules Governing the Listing of Securities on the HKEX*. With reference to the internal control framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), we have established various internal management systems, including the *Longfor Risk Management System*, to standardize risk management processes and strengthen risk control capabilities. During the Reporting Period, all business segments and functional departments of the Group continuously strengthened daily supervision and management, and updated and optimized multiple risk management policies to ensure timely and effective risk prevention and response.

We continue to refine our risk management structure, with the Board of Directors serving as the ultimate responsible body for the Group's overall risk management, clarify the roles and responsibilities of each level, and ensure the fulfillment of risk control duties.

Risk Management Structure of Longfor Group

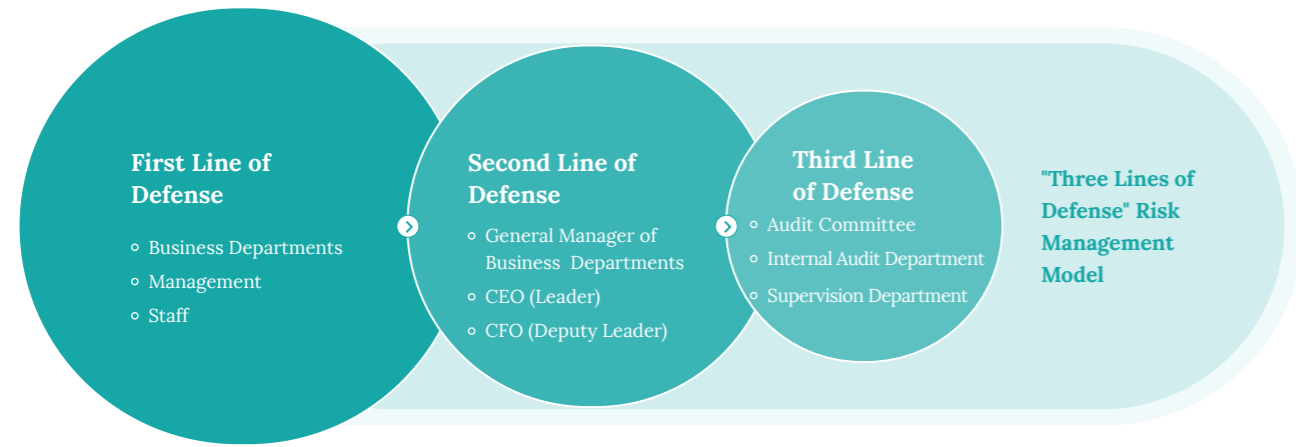


³ *Green Finance Framework*

⁴ *Independent Third-party Rating Agencies Certification*



Longfor Group integrates risk management requirements into various management and business processes, while establishing a "Three Lines of Defense" risk management system. Responsibilities for risk management are clearly assigned to each department, thereby forming a coordinated risk control framework. During the Reporting Period, we conducted self-inspection and self-correction activities in the first and second lines of defense, and enhanced the effectiveness of relevant systems and the compliance of business operations in response to the more than 300 issues identified, all of which were addressed through corrective actions. The third line of defense utilizes case advocacy and other methods to deepen business empowerment and increase the integration and agility of business linkages.



Each year, Longfor Group engages external professional audit firms to carry out risk identification and assessment. We have completed the risk identification and assessment in 2025 and sorted out 14 medium-level risks and 3 low-level risks. We also determined the top 10 risks and their solutions in 2025 according to the vulnerability and impact assessment method. Details of risks and response plans were submitted by the Audit Committee and confirmed by the Board. The Group also monitored the implementation of risk management based on the risk response plans and prepared a risk management report at the end of the year.



We actively employ quantitative indicators to measure the effectiveness of our risk management efforts. We have established the *Management Measures for Segment Strategy Evaluation System*, setting financial incentive targets related to risk management for both management and staff. We have also included various risk indicators, such as systemic vulnerabilities, significant defects in public opinion feedback, customer complaints, and safety incidents in performance evaluations, encouraging employees to proactively identify and report potential risks. In addition, Longfor Group conducts specialized risk management audits to continuously refine risk management processes. During the Reporting Period, we engaged external audit firms to conduct specialized risk management audits on the bidding management processes and the procurement platform bidding processes.

To better respond to a complex and rapidly evolving market environment, we not only maintain comprehensive defenses against traditional risks but also build capabilities to identify emerging risks. Therefore, we continuously monitor multiple factors such as industry trends, regulatory developments, and market feedback to promptly identify emerging risks and incorporate them into the Company's enterprise risk management framework.

Risk	Description	Response Measures
Cybersecurity and data compliance risks	The construction of digital security systems and security technology defense capabilities must be continuously strengthened. Vulnerabilities must be proactively prevented in accordance with stricter regulatory requirements.	<ul style="list-style-type: none"> Engage third-party information security experts to conduct specialized testing, penetration testing, etc. Enhance capabilities of the information security team to improve detection and response to external threats.
Data privacy security	Ineffective implementation of data protection and privacy security measures may lead to issues such as improper data processing, information leakage, and untimely disposal of system vulnerabilities, thereby threatening the data security and reputation of individuals and the organization.	<ul style="list-style-type: none"> Strengthen risk control, establish a blacklist database, monitor account anomalies, and intercept suspicious transactions in real time.

During the Reporting Period, we conducted 4 risk management training sessions for executives and key management personnel, which focused on material risks identified. We also made every effort to foster a culture of risk management and continuously enhance employees' risk awareness and response capabilities.





Business Ethics and Anti-Corruption

Longfor Group strictly abides by relevant national and local policies and regulations, including the *Supervision Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, and the *Prevention of Bribery Regulations*. A governance framework for business ethics at the board level has been established, with the Audit Committee responsible for the daily supervision and management of business ethics issues. We conduct regular business ethics audits, ensure the accessibility of reporting and complaint channels, and foster a corporate culture of integrity and self-discipline. These efforts aim to comprehensively safeguard the Company's honest and compliant operations.

During the Reporting Period

Audit completed

15+

We have formulated management systems including the *Longfor Group Code of Ethics and Business Compliance*⁵, the *Code of Longfor Business Conduct*⁶ (hereinafter referred to as the "Code of Conduct") and the *Anti-Bribery and Anti-Corruption Rules*. These systems adopt a "zero tolerance" approach to corrupt and bribery-related activities, monopolies, unfair competition, money laundering, and other violations of business ethics. We require all employees to sign the *Code of Conduct* and link compliance with the code to individual employee performance evaluations. If an employee violates the *Code of Conduct*, we will take measures such as public criticism and salary deductions, in accordance with the *Employee Discipline Management Regulations*.

Rectification rate

100 %

We conduct annual business ethics and anti-corruption audits covering all business segments and functional departments within the Company. These audits focus on evaluating the implementation effectiveness of business ethics policies, compliance of business activities, decision-making quality, and the reasonableness of business models. We also proactively identify potential control gaps and fraud risks during operational processes. Any violations of business ethics identified are promptly reported and addressed to ensure the effective implementation of related policies within the Group. During the Reporting Period, we completed over 15 audit projects covering business ethics and over 50 audited risks were identified, all of which were handled with a 100% rectification rate.

During the Reporting Period

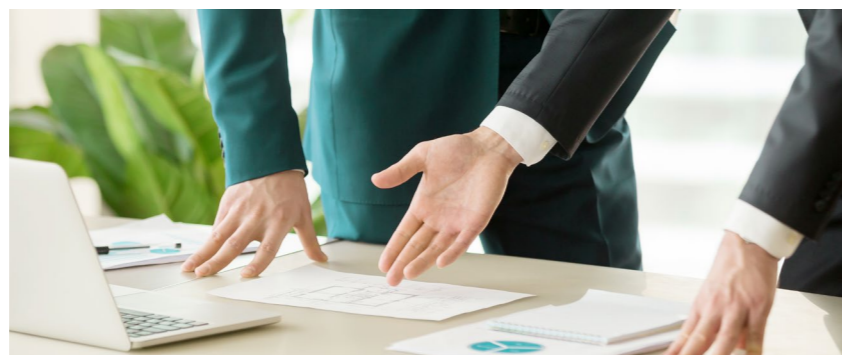
Valid reports received

1,178

Longfor Group encourages employees and stakeholders to actively report any violations of business ethics. We provide multiple open and unobstructed reporting channels including email, hotline, official website, and mail, and clearly explain how to use each channel during business ethics training sessions. We have also set up business ethics reporting liaison teams across business segments to further enhance complaint handling efficiency. Upon receiving a complaint, cases are followed up based on risk levels and importance by either the relevant business department or the Supervision Department. During the Reporting Period, a total of 1,178 valid reports were received from all channels, and the completion rate for reports throughout the year was 100%.

Completion rate

100 %



⁵ [Longfor Group Code of Ethics and Business Compliance](#)

⁶ [Code of Longfor Business Conduct](#)

Longfor Reporting Channels for Business Misconduct

E-Mail



lijb@longfor.com

Hotline



400-604-0988

Official Website



<https://www.longfor.com/report/index.html>

Mail



Longfor Blue Engine Industrial Park, Building 6,
No.8 Beiyuan Xiaojie, Chaoyang District, Beijing

Recipient: Internal Audit Department
Zip Code: 100012

Longfor Group strictly fulfills its responsibilities for whistleblower protection. We have formulated the *Whistleblower Protection System*⁷, which prohibits the disclosure of whistleblower information or the contents of their reports in any form, and ensures the right of whistleblowers to submit reports anonymously. Any retaliatory action against whistleblowers will be dealt with severely to safeguard the legitimate rights and interests of whistleblowers.

Longfor Group is committed to fostering a fair and equitable business environment together with employees, suppliers, and contractors. We conduct online training sessions on the *Code of Conduct* for all employees (including interns and part-time employees), suppliers, and contractors, with more than 80,000 participants and a total of over 4,000 training hours. During the Reporting Period, we organized 4 integrity training sessions for senior executives and key management personnel, with an average training duration of 3.5 hours per person and a total of over 500 training hours.

During the Reporting Period, Longfor Group did not experience any incidents of discrimination or harassment, conflicts of interest, money laundering or insider trading, or corruption litigation cases.

During the Reporting Period

Integrity training sessions held for senior executives and key management personnel

4 sessions

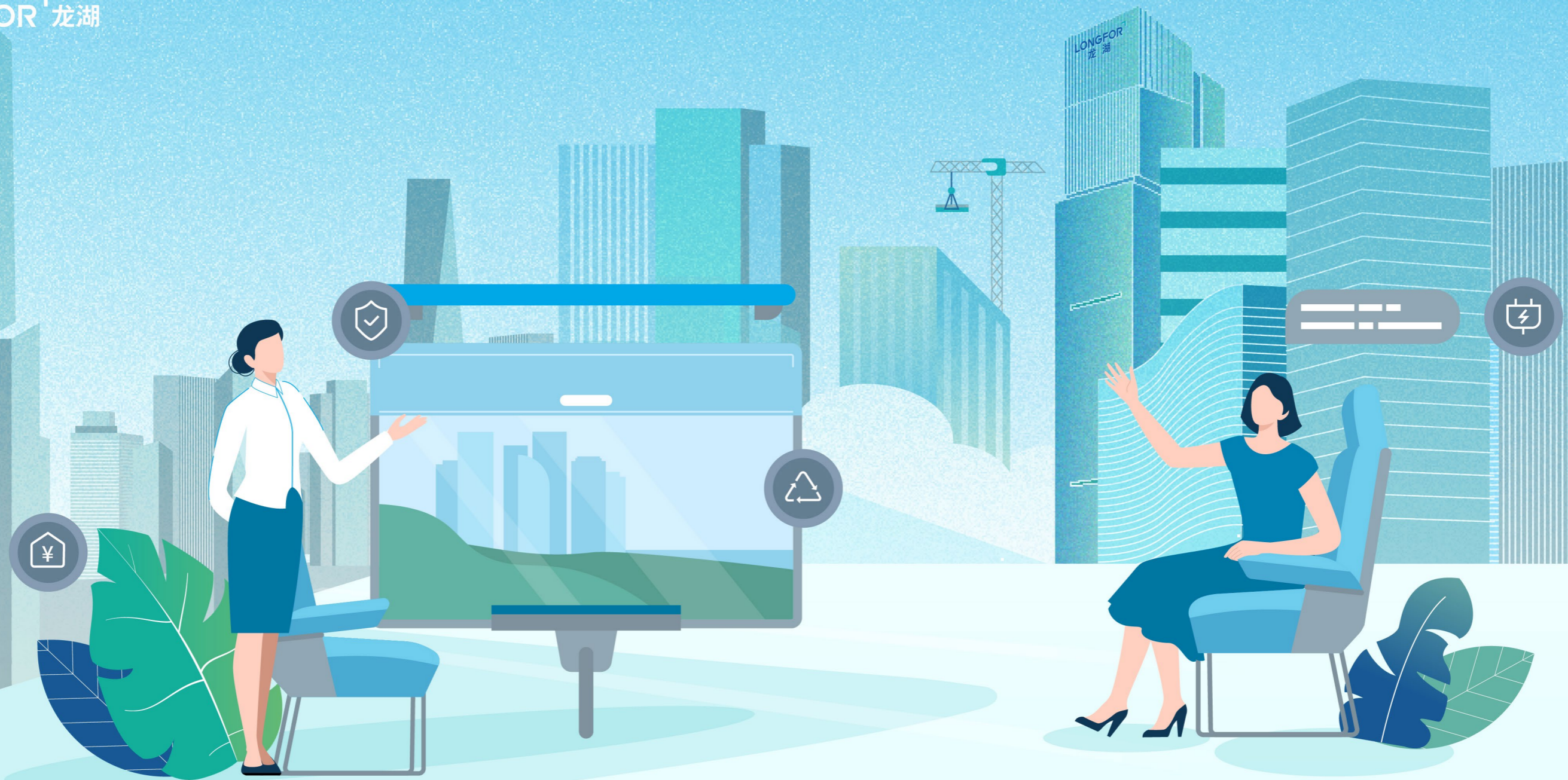
Average training hours per capita

3.5 hours

Total training duration

500+ hours

⁷ [Whistleblower Protection System](#)



ESG Material Topic(s) Responded in This Chapter

- Community Communication and Integration
- Service Quality and Customer Satisfaction
- Customer Information and Privacy Protection
- Engineering Quality and Safety
- Technology Innovation

SDGs Responded in This Chapter



Quality-driven Strategy and Premium Services

02

Built on a foundation of craftsmanship, Longfor Group focuses on three key segments: property development, property operation and property service. We ensure safety through full-cycle quality control and enhance experiences with smart services. By delivering more high-quality services, we infuse warmth into the symbiotic relationship between cities and their residents.

Product Quality and Safety

Longfor Group has established a full life-cycle product quality management system to ensure compliance from raw material traceability to process implementation. We continuously optimize our product delivery system to achieve end-to-end transparency. Furthermore, we rely on our quality and safety training system to build a robust defense of safety and a solid guarantee of quality.

Product Quality Management System

Longfor Group strictly complies with relevant laws and regulations, including the *Construction Law of the People's Republic of China*, the *Product Quality Law of the People's Republic of China*, the *Regulations on Construction Project Quality Management*, and the *Unified Standard for Constructional Quality Acceptance of Building Engineering* (GB 50300-2013). We have established internal management systems including the *Longfor Rework Management System for Completed Housing Projects*, the *Longfor Property Unit-Specific Inspection Management System*, and the *Longfor Regulations on Concrete Quality Management*. In 2025, we updated the *Management System for Third Party Inspection of Property Development Headquarters* and issued the *Technical Quality Management System for Property Development Headquarters* to further improve our quality management system framework. The Group has thoroughly implemented quality management system certification. As of the end of 2025, 25 property management subsidiaries had obtained ISO 9001 Quality Management System certification, further enhancing quality management.

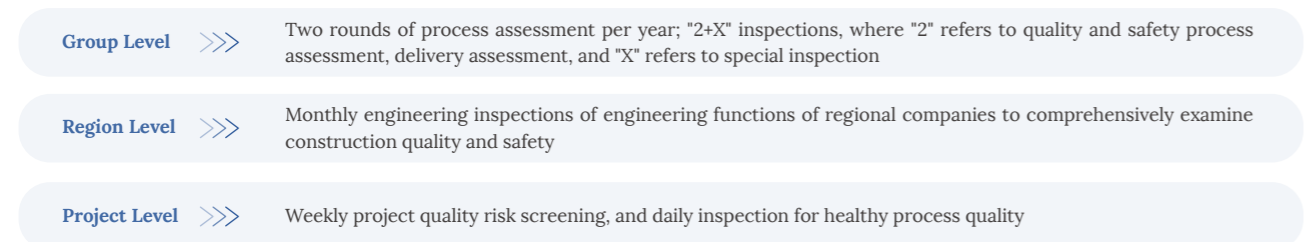
The Group integrates quality management requirements throughout the entire lifecycle of real estate development. We have established a three-tier quality control system at "Group-Regional-Project" levels. Through mechanisms such as "one household, one file", specialized review meetings at various levels, and cloud-based inspections, we achieve comprehensive construction supervision and closed-loop business oversight, solidifying the foundation of product quality.

As of the end of the Reporting Period, we had successfully implemented 91 precision workmanship methods, enhancing the Group's quality management standards and system capabilities.

Quality Management Requirements for Each Process Stage



Three-Level Quality Control System



Product Quality Honors for Longfor Group in 2025



Longfor Group has released the *Longfor Quality Home Product Standards*. In line with the current "quality home" construction standard of "safety, comfort, greening, and intelligence", we innovatively integrate the two dimensions of "aesthetics" and "quality". Based on in-depth customer insights, we have upgraded industry benchmarks into a value framework that better aligns with the residential needs of homeowners. Furthermore, we have developed the Fourfold Quality Value System based on three core dimensions of product excellence, supporting facilities, and service quality. The system is decomposed into 70 value points and 435 specific standards, reflecting every tangible detail of ideal home for a high-quality life. To date, these standards have been jointly reviewed by high-caliber industry experts from the Ministry of Housing and Urban-Rural Development, China Real Estate Association, China Academy of Building Research, and renowned universities. Longfor will continue to explore the standardization of residential value for users, respond to homeowners' diverse aspirations for a high-quality life, and offer the industry a forward-looking, practical framework for building quality homes.

Product Delivery System

Longfor Group is dedicated to pursuing product excellence and craftsmanship in space creation while establishing an industry-leading product delivery system to continuously enhance residents' living experience. In 2026, Longfor Group was once again ranked among the "Top 10 Real Estate Developers in China", achieving this honor for the 15th consecutive year. As of the end of the Reporting Period, the Group had developed over 1,300 projects covering more than 240 million square meters, and delivered over 1.1 million housing units.

In 2025, we further refined the Longfor Smart & Good Delivery⁸ system, providing homeowners with products and services spanning the entire lifecycle of ownership. Meanwhile, we also optimized the delivery risk management mechanism and conducted comprehensive assessments of on-time delivery, product fulfillment, and customer sentiment to ensure precise and controllable delivery. In 2025, Longfor Group delivered approximately 70,000 housing units across 125 projects in 39 cities.

As of the end of the Reporting Period

NO. of Projects Developed	Total GFA Developed	Accumulated Housing Delivered
1,300+	240 mn sqm	1.1+ mn units

⁸ An introduction to the full lifecycle services of the Longfor Smart & Good Delivery System can be found on page 32 of 2022 Longfor Sustainability Report.



Longfor's High-Quality Delivery Projects in 2025



Guangzhou Glory of Thrones Phase I

The project fulfilled its promise of an ideal lakeside lifestyle through four core value pillars: material selection, refined craftsmanship, landscape design, and clubhouse amenities. Featuring a 1,000-square-meter clubhouse integrating multifunctional spaces, it caters to homeowners' diverse needs for socializing, fitness, and leisure. An approximately 800-square-meter swimming pool evokes a resort-like ambiance. The landscape is designed with safety-focused water features and native-adapted tree species, allowing homeowners to enjoy tranquil lakeside living beside the bustling CBD.



Beijing Shunyi Glory of Thrones Phase II

The project responds to homeowner expectations through "value enhancement". Inheriting the elegance of oriental aesthetics, the project creates ecological scenery with dual gardens and seven landscapes. It enables homeowners to enjoy greenery from their windows and embrace gardens upon stepping out. Upon move-in, residents can immediately experience a rich garden environment for high-quality living.



Product Quality and Safety Training

Longfor Group conducts various product quality and safety training sessions every year for all employees and suppliers, aiming to deepen everyone's awareness of quality and safety. In 2025, the Group organized a total of 145 quality and safety training sessions for employees and suppliers, including 3 engineering all-staff meetings and 131 specialized empowerment sessions. During the Reporting Period, the Group achieved 100% coverage in quality control or product safety-related training for suppliers.

During the Reporting Period

Quality and safety training held for employees and suppliers

145 sessions

Among them, engineering all-staff conferences

3 sessions

Among them, specialized empowerment conferences

131 sessions

During the Reporting Period

The coverage rate in quality control or product safety-related training for suppliers

100%



Longfor Group Quality Training System

Group Level

We regularly conduct all-staff quality and safety training, specialized empowerment sessions for key projects, and professional capability enhancement training for engineering managers and their reserve personnel.

Regional Level

We irregularly host product quality and safety case-sharing sessions, as well as quality technical training.

Suppliers/Contractors

We provide on-site briefings, daily technical briefings, safety training, morning meetings, and other forms of communication for various subcontractors, including training on quality and safety topics.



Customer Service

Longfor Group has established a full-cycle customer service system. Through complaint management, health care, community building, and digital-intelligent upgrades, we continuously enhance the service experience, create happy residences, and consistently deliver value that exceeds customer expectations.

Customer Service System

Longfor Group continuously enhances its customer service system by formulating internal policies such as the *Management System for Customer Satisfaction* and the *Management Measures for House Delivery Evaluation*. We have also established documents including the *Communication and Service Case Library* to strengthen customer communication, optimize full-cycle product and service experiences, and improve customer satisfaction.

From the three dimensions of "customer classification", "product classification", and "service design", we have developed a refined service system with distinctive Longfor characteristics to fully meet the diverse needs of customers. At the same time, we have seized AI-driven innovation opportunities by developing an intelligent customer service platform that integrates online and offline services. This platform is designed to continuously optimize the customer experience while enabling efficient response to and intelligent resolution of their concerns.

In 2025, Longfor Group launched its customer service platform, the "Longfor" App. The new app consolidates functions of multiple apps and mini-programs previously developed for different business segments. It covers all scenarios, including new home purchases, rental housing, shopping at Longfor Paradise Walk, and community services, allowing members to access various services with one click on a single terminal. Based on members' needs for daily life, consumption, entertainment, and socializing, the platform delivers targeted, high-quality services, enabling a seamless experience in various lifestyle scenarios.

We have developed four product modules for full-cycle property services, which is designed to understand and meet the five key needs of customers. Additionally, we have established three service standards for various stages of customer service to ensure that we provide customers with five-level quality experiences, namely "longzhiming, prime, fine, joyful and affordable" experiences.

Longfor Homeowner In-Depth Interview Program



In 2025, Longfor Intelligent Living launched an in-depth interview mechanism aimed to deepen customer understanding, better align services with resident needs, and boost interactions. Through a cross-functional team collaboration model, the program has established a closed-loop management system of "needs identification, service iteration, and value conversion" for the customer base. In 2025, a total of 165,000 in-depth interviews were completed, enabling precise identification of customer pain points and generating over 220,000 tips on service improvement.

In 2025

Total in-depth interactions completed

165,000

Instructions of service optimization generated

220,000+



Customer Complaint Management

Longfor Group continues to refine the customer complaint handling mechanism. The Group has formulated several regulations and guidelines such as the *Property Development Headquarters Customer Complaint Management System* and the *Longfor Property Management Complaint Management Procedures*, ensuring standardized and efficient handling of complaints for each segment.

The Group has created convenient channels for customers to file complaints and provide feedback, including the customer service hotline 950, the "Longfor" APP, the U Xiangjia service account, Longfor mailbox, the Group's official website, and reporting email. These channels ensure that customer opinions and feedback are promptly collected and passed on to the relevant departments. Additionally, we have designed a tiered complaint handling process based on the attributes of the complaint, thereby ensuring that various issues can be resolved rapidly and effectively and enhancing the overall customer experience and satisfaction.

In 2025, the Group further improved the efficiency of complaint response, follow-up, and resolution through refining system workflows, shortening the handling cycle, and other methods. In 2025, we received a total of 34,373 customer complaints, with the complaint resolution rate rising to 76%. In 2025, overall customer satisfaction was approximately 90%.

Measures of Customer Satisfaction Improvement

High-quality products and services

- Ensure the quality of products and services meets or exceeds customer expectations, continuously improve and innovate to meet the constantly changing customer needs.

Good customer experiences

- Think from the customer's perspective and optimize business processes to ensure that customers can have good experiences at every stage of interaction with the enterprise.
- Provide adaptation care for new residents through initiatives such as activity invitations and phone feedback at key stages of their move-in process.

Personalized services

- Provide personalized products and services based on individual differences of customers, allowing them to feel the care and respect from the Company.
- Set up a special handover mechanism for elderly customers to ensure that their feedback is promptly communicated and addressed.

Continuous improvement

- Regularly evaluate customer satisfaction, analyze customer feedback, identify areas for improvement, and continuously optimize products and services.
- Maintain dedicated feedback channels to regularly gather customer opinions on product quality and quickly address any needs that arise.

Employee training

- Strengthen the training of property service staff, and enhance their awareness of service and professional skills, in order to provide better customer service.



Customer Satisfaction Improvement Program by Longfor Intelligent Living



In 2025, Longfor Intelligent Living implemented the Xinlimei Quality Improvement Program with improving customer satisfaction as the core objective. The program consists of three dimensions.

- "Lizi": The Lizi Program focuses on improving the basic environment by cleaning high-traffic and concealed areas (including front and back offices, office areas, rest rooms, rooftops, equipment rooms, etc.), with 100% coverage. A dynamic progress feedback and random inspection mechanism has been established to consolidate the foundation of internal management and service delivery.
- "Mianzi": The Renewal Program focuses on visible quality upgrades. Functional departments provide specialized instruction for business units, with key initiatives such as stone cleaning, lawn bare soil repair, ornamental garden landscaping, and visible engineering maintenance. Daily progress is tracked in real time to achieve leapfrog improvement in service quality.
- "Xinzi": The Xinguang Program aims for emotional bonding by meticulously planning and executing the "Longfor Residents' Summer" series of themed activities (such as summer beverage offerings, cooling care, neighborhood parties, and themed photography). These activities attracted cumulative participation from over 160,000 homeowners, with project coverage exceeding 90%, building trust and emotional connections with homeowners.

Customer Health and Well-Being

The Group prioritizes customer health and well-being, deeply understands their needs, and thoughtfully designs living spaces and community environments that cater to these needs. We regularly gather and analyze customer feedback through surveys to consistently improve services and facilities, ensuring that every customer enjoys a caring and comfortable living experience.

During the architectural design phase, we focus on factors such as room temperature and acoustic comfort. By utilizing advanced Building Information Modeling (BIM) technology and intelligent design tools, we can accurately simulate a building's thermal performance, ventilation effects, and acoustic environment. This allows us to optimize building layouts, envelope designs, and material choices. For example, we adjust temperature controls based on customer needs to ensure a healthy living environment. In terms of acoustics, we create a quiet, comfortable living space through thoughtful space planning, multi-layer glass, and noise source isolation.

During the renovation and operational phase, we offer professional indoor air quality management services, using a three-step approach: "identifying key pollution sources, addressing targeted pollutants, and comprehensive re-treatment." This helps reduce formaldehyde levels from various sources, including new home construction materials, old home renovation panels, and newly purchased furniture, ensuring air quality meets safety standards.

Longfor Commercial has formulated systematic work plans to enhance tenant health and well-being. The plan includes adding indoor greenery, using efficient fresh air systems and air purifiers to optimize indoor air quality; utilizing water purifiers to ensure the safety of water use; implementing scientific lighting systems and rational daylighting design; deploying zone-based temperature control systems in shopping malls to maintain comfortable sensory experience throughout all seasons; and setting up leisure areas for tenants' psychological well-being. These measures aim to create a healthy and comfortable working and living environment.

For elderly customer services, we have established a dual-track communication mechanism. Through a dual-confirmation process with WeChat notifications and information letters, we ensure real-time updates on their health status and timely notification to their family members. We have formulated the *Elderly Health and Welfare Enhancement Program*, established a health and well-being assessment and tracking mechanism, and implemented four actions to enhance the health and well-being of the elderly. We track the progress, maintain records of elderly participation and health indicators, and conduct follow-up visits to tailor our services to their needs more precisely.

Four Actions

Health service upgrades:

We add two new services: Traditional Chinese Medicine (TCM) therapy and mental health counseling. Professional therapists and counselors are engaged weekly to provide therapy and counseling, with services reaching over

600 individuals throughout the year

Health lectures:

We conduct lectures on topics such as chronic disease management and winter health preservation to enhance elderly self-management capabilities, with a total of

36 sessions held throughout the year

Mental well-being enhancement:

We provide three new interest classes: Tai Chi, handicrafts, and smartphone usage, with dedicated instructors.

Comprehensive elderly welfare:

We provide festive gifts, organize collective birthday celebrations for seniors aged 80 and above, and offer free haircuts and bathing services for those with physical or cognitive impairments, with services reaching over

2,000 individuals throughout the year

At Longfor's elderly care community Ever Spring, we adopt a series of safety measures to protect the health and safety of elderly customers from multiple dimensions, including temperature, acoustic comfort, and elderly dietary care. In 2025, we conducted satisfaction surveys for elderly residents and their families, covering 7 dimensions: service quality, living environment, health protection, catering services, safety management, privacy protection, and spiritual and cultural activities. We collected opinions and suggestions from elderly residents and their families. The survey results showed an overall satisfaction rate of 96%. In addition, Longfor actively participates in the formulation of local elderly care service standards, while providing recommendations to civil affairs departments on senior care facility operations and age-friendly renovations. Through these efforts, we support the standardized development of the industry.

Health Protection Measures for Elderly Customers

- Temperature** To ensure a healthy and comfortable living environment for the elderly, the ambient temperature (via HVAC systems) should be adjusted promptly according to their optimal thermal comfort.
- Acoustic Comfort** Use multi-layered glass windows to minimize external noise disturbance.
- Elderly Diet** Offer a variety of meal options tailored to individual needs, including soft foods, chopped foods, pureed foods, liquids, semiliquids, tube feeding, and vegetarian options, to ensure balanced and healthy nutrition.



Building a Friendly Community

The Group places great emphasis on residents' quality of life and organizes community activities such as the Beauty Life Plan, Longfor Games, and Longmin Festival to comprehensively enhance residents' happiness and sense of belonging.

Longfor Group Community Service Programs

Beauty Life Plan

The "Beauty Life Plan" includes two key initiatives: "Household Renewal" and "Community Maintenance."

- "Community Maintenance" focuses on consistent improvement of the community's environment, such as caring for plants and upgrading leisure facilities, so as to ensure fresh and vibrant outdoor spaces.
- "Household Renewal" enhances residents' living experiences by optimizing indoor facilities, from wall repairs to plumbing maintenance, so as to ensure a warm and comfortable home.

The Beauty Life Plan has been implemented for the 14th consecutive year. In 2025, the plan included over 600 key initiatives. Tailored to local conditions and resident needs in more than 200 communities nationwide, it helps to create a beautiful life for numerous residents.

Longfor Games

The Longfor Games themed "Longfor Games Play Together", is a branded IP event hosted by Longfor Group for the 5th consecutive year. It aims to promote a healthy lifestyle and strengthens neighborhood and workplace bonds through creative, fun, and competitive activities.

In 2025, the 5th Longfor Games took place in 24 cities with over 400 activities, attracting more than 70,000 participants gathering in communities, office areas, industrial parks, and commercial complexes. These activities featured diverse scenarios, including water gun battles, giant mahjong pools, robot entertainers, and massive volleyball matches, alongside special segments like pet companionship runs, weight-management jogs, and fun workplace challenges. The event aims to help participants of all ages relieve stress and deepen connections through play.

Longmin Festival

The "Longfor Community Festival" is a special holiday established by Longfor Group to thank homeowners for their long-standing support and trust. Through cultural performances, neighborhood dinners, and other celebratory events, the festival fosters greater understanding among residents and creates a warm and harmonious community atmosphere.

In 2025, the Longmin Festival was held for the 11th consecutive year. From the "Longfor Family Banquet" to the "Family Portraits" and from the "Public Welfare Bazaars" to the "Fun Garden Party", each event strengthened neighborly ties and fostered harmonious communities. In this year, the festival took place in over 20 cities, with more than 40 large-scale activities and over 350 community gatherings.

Digital and Intelligent Services

Since 2014, Longfor Group has embarked on exploring and practicing digital and intelligent space and services, ranging from cost procurement, marketing management, and smart construction sites in property development, to low-carbon/zero-carbon spaces, with smart space systems as the brain ensuring low-energy building operations. This approach has achieved digital management throughout the entire process of investment, construction, management, operation, and services.

As a pioneer in digital and intelligent services, Longfor Intelligent Living has evolved from the initial technology efficiency enhancement stage into an integrated technology management platform. Longfor Intelligent Living has achieved multi-scenario intelligent management by building the "HALO Smart Space Service Platform". It establishes an open intelligent ecosystem through data aggregation, expert knowledge, and artificial intelligence, thereby achieving intelligent interconnection of people, equipment, and places in space and bringing about more convenient space utilization, more humanized services, and more efficient management.

Longfor Intelligent Living Digital Intelligence System

Smart Technology Platform

This platform achieves intelligent human-machine collaborative services with AIoT+big data

- Longfor Intelligent Living combines advanced technologies like smart hardware, IoT, big data, and AI to build an intelligent tech platform. It facilitates real-time end-to-end data collection and control among different devices, fully digitizing the operations of offline communities and creating a virtual "digital twin" online. This provides more efficient and accurate support for community management and services.

Efficient Operation Platform

This platform empowers high quality and efficient spatial services through digital process operation

- The smart technology platform integrates various business systems, including intelligent property management, customer operations, and customized services, achieving deep interaction between space and services. By enhancing human-machine collaboration, operational efficiency and the precision of space management have been significantly improved. This enables us to provide efficient, personalized services to customers while optimizing overall operational quality, driving the business towards smarter and more refined development.

Customer Server

Multi-channel online services create a satisfying and surprising customer experience

- Through a variety of online service platforms, we provide one-stop solutions that meet the needs of both space users and managers, creating a customer experience that exceeds expectations and delivers both satisfaction and surprise.



Shanghai Glory of Thrones: HALO Smart Space Service Platform Builds a Digital Intelligence Safety Network for Homeowners



Leveraging its self-developed HALO Smart Space Service Platform, Longfor Intelligent Living has reshaped community safety management through digital and intelligent means at Shanghai Glory of Thrones project, so as to build a robust safety network for homeowners. The project replicates the physical community online through full equipment connectivity, cross-system data integration, and "digital twin" technology, transforming safety management from "passive response" to "proactive prevention".

The platform focuses on core risk scenarios such as high-altitude object throwing and electricity and gas usage, achieving real-time hazard warning and closed-loop handling through technologies such as AI recognition and IoT monitoring. Fire emergency response has been accelerated by 30%, elevator maintenance compliance rate has increased by 50%, fire hazards have decreased by 50%, high-altitude object throwing handling efficiency has improved more than 5-fold, and gas leakage triggers alarms within seconds. Homeowners can view equipment operation and work order progress in real-time through community display screens, ensuring peace of mind on a daily basis. Property service personnel can use the system to precisely solve problems, with cost savings reinvested into community services, forming a virtuous cycle of "safety and quality".



The Smart Screen of Shanghai Glory of Thrones



HALO Smart Space Service Platform Interface



Responsible Marketing

Longfor Group has established a responsible marketing management system to ensure transparency in marketing practices. Through responsible marketing training, we strengthen the sense of responsibility and compliance capabilities among all employees, making every act of communication a cornerstone of trust.

Responsible Marketing Management System

Longfor Group strictly complies with relevant laws and regulations, including the *Advertising Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China*, and continuously improves management policies such as the *Longfor Group Responsible Marketing Policy*⁹ and the *Marketing Red Line Commitment Letter*. These policies clearly define and regulate marketing behaviors, content, and methods. In 2025, we revised system documents including the *Property Development Headquarters Mystery Shopper Inspection System* and the *Property Development Headquarters Marketing and Planning Guidelines*. We explicitly prohibit any false or misleading statements in the Group's marketing communications and eliminate exaggeration or consumer deception in all promotional activities.

The Group has implemented a systematic marketing risk identification process and developed a marketing risk control model. We conduct regular specialized audits on responsible marketing, disclose self-inspection and self-correction results, and announce audit objectives, scope, content, and control recommendations to mitigate risks. In 2025, the Group completed 175 business self-inspections with a correction rate of 100%, promoting standardized management of marketing activities.

We are committed to fostering an open, transparent, and fair workplace. We have established internal and external reporting channels, including hotlines, email, and other online platforms, to comprehensively monitor non-compliant marketing behaviors by employees. Employees can anonymously report violations of the *Marketing Red Line Commitment Letter*. All reports are rigorously investigated with strict privacy protection to ensure fairness and transparency.

Furthermore, in the marketing process, we always safeguard customers' right to information and promote an open and transparent sales process. We provide necessary disclosure for each sales stage and have established external reporting channels. Customers can anonymously report any violations, such as improper commitments, acceptance of gifts, or other actions that harm their interests during the home-buying process. The Group conducts rigorous investigation of all reported cases and promptly implements corrective measures once the investigation results are disclosed. This approach builds a foundation of trust through transparency.

Longfor Group's Initiatives to Protect Customers' Right to Information in 2025

- Publish the five required certificates at the sales venue, ensuring all documents are complete and the property meets sales conditions
- Publish the filing price at the sales venue, ensuring price transparency
- Display the "Buyer's Notice"
- Publish the sales contract signed by the customer at the sales venue (including a full set of signed materials such as delivery standards)
- Publish the unfavorable factors inside and outside the redline of the project
- Show the unfavorable factors around the houses on the sand table
- Provide a notice regarding any uncertainty around educational facilities
- Publish the preliminary property service agreement
- Publish parking space information
- Provide on-site reminders about payments being made to the escrow account and notify that transfers to personal accounts are not allowed

Responsible Marketing Training

With the goal of deeply embedding responsible marketing awareness into the organization, Longfor has established a tiered and classified training system. By integrating diverse delivery methods including online interaction, offline seminars, and knowledge sharing, we ensure training coverage across all levels and relevant positions within the Group and regional sales teams. In 2025, the Group conducted 500 responsible marketing-related training sessions, covering topics such as "Marketing Red Line Training for All Employees", "Risk Control Case Training for All Employees", and "Marketing Intelligence Agent Construction and Practical Case Sharing". These sessions covered multiple roles including regional marketing managers, supervisors, planners, and risk control staff, with a total of over 40,000 participants.

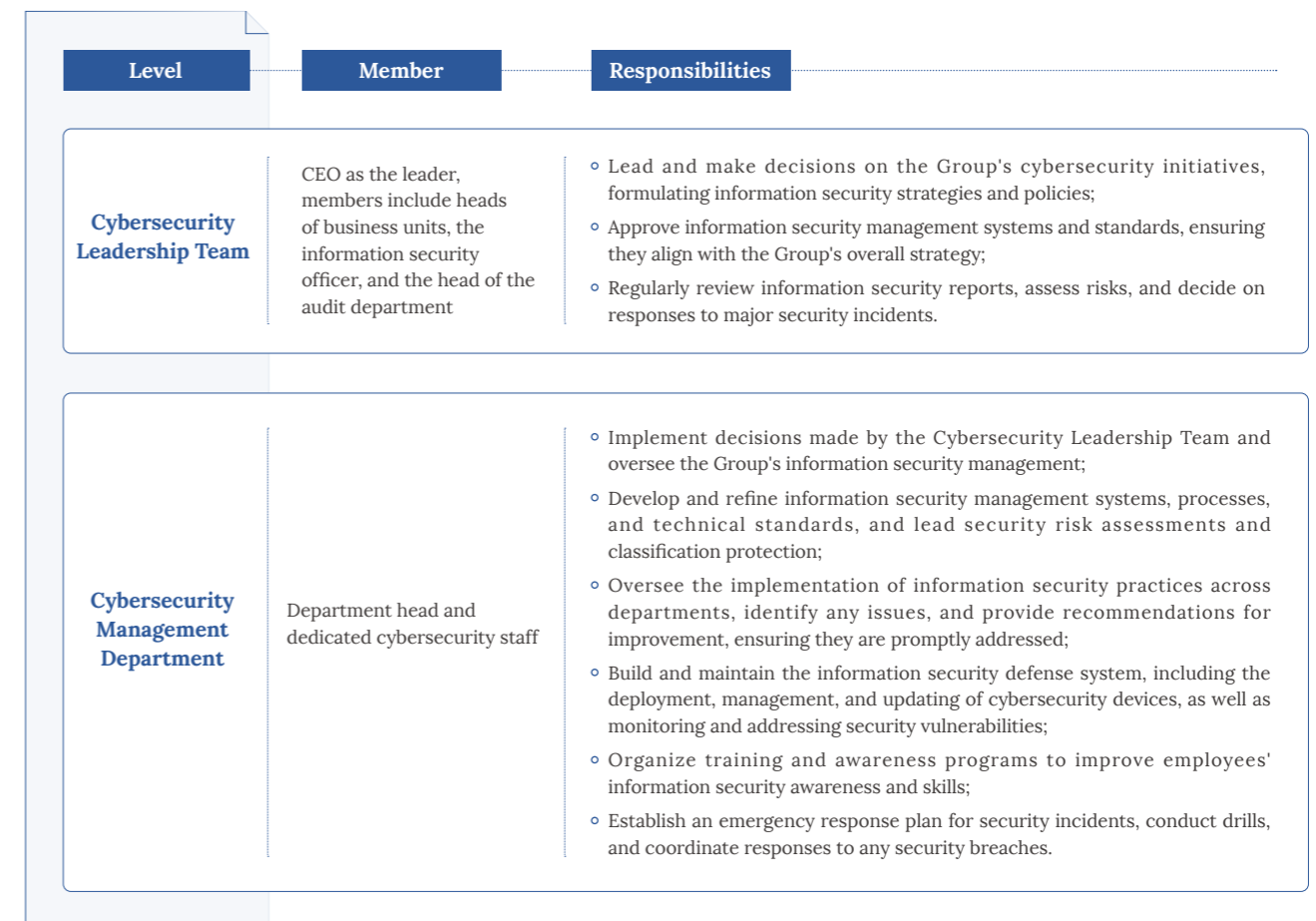
⁹ [Longfor Group Responsible Marketing Policy](#)

Data Security and Privacy Protection

The Group strictly complies with the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and the *Personal Information Protection Law of the People's Republic of China*. We have formulated internal management systems including the *Group Data Security Management System*, the *Group Staff Information Security Code of Conduct*, and the *Personal Information Protection and Management System*. In 2025, we revised systems such as the *Platform Empowerment Employee Information Security Guidelines* and the *Data Security Management Implementation Guidelines*, as a supplement to specific security behavior requirements for employees in digital technology roles, thereby strengthening information security.

Information Security Management System

We have established a cybersecurity leadership team led by the CEO, which serves as the highest authority overseeing the Group's information security management. The Cybersecurity Management Department regularly updates the Cybersecurity Leadership Team on information security matters, including progress, risk assessment results, issues, and corrective actions. At the end of each year, the department conducted a full review of the year's information security efforts, assesses the overall security status, and sets priorities and improvement measures for the next year. In 2025, the Group experienced no incidents of information security or privacy breaches.



The information systems of multiple business lines of Longfor Group have actively aligned with national information security standards. To date, the Group's official website, property management system, the smart community system Qding Net, and the Hospital Information System (HIS) of Youyou Baobei Maternity & Children's Hospital have obtained national Multi-Level Protection Scheme (MLPS) certification.

Information Security Management Mechanism

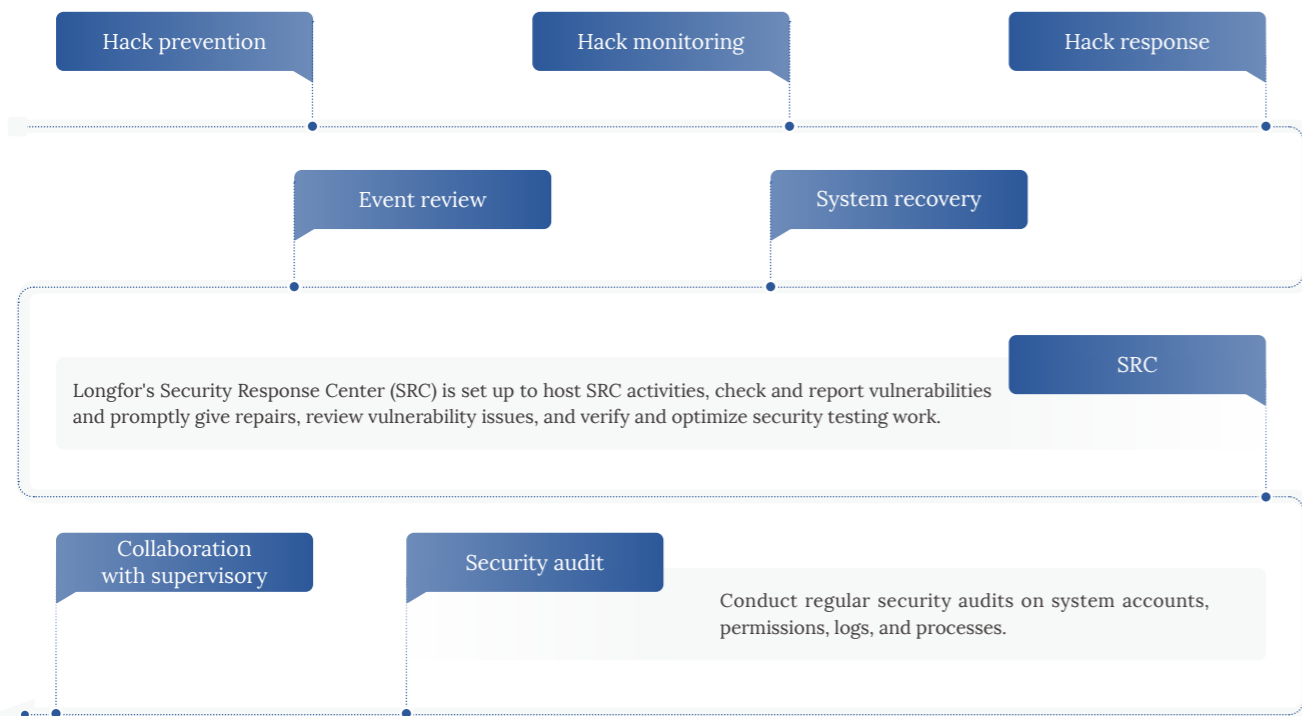
We have established a comprehensive information security management process. During digital product development, we follow self-inspection procedures to manage information security risks and vulnerabilities. When launching new digital products, we conduct security penetration tests to identify and fix potential security flaws. We also perform regular security spot checks to assess risks and reinforce our security defenses. We have a well-established emergency management mechanism in place. In the event of a significant information security incident, the responsible department or personnel will immediately report it to the Cybersecurity Management Department. After verifying the situation, the department will promptly inform the Cybersecurity Leadership Team and follow the emergency response procedures to resolve the issue.

To ensure business continuity, we conduct security penetration tests whenever there are digital product changes. The digital product development team also carries out comprehensive security self-inspections based on a detailed checklist. In 2025, we completed two full-scale product tests. Additionally, based on ongoing security assessments, our security team performs spot checks on key digital products.

We regularly conduct security awareness and defense drills. In 2025, we focused on information system security inspections through a combination of "technical scanning and practical testing". We performed routine vulnerability scanning and used specialized tools to automatically scan all information systems of the Group, with a focus on identifying critical security vulnerabilities. During penetration testing, we engaged external professional security vendors to simulate real attacks, with comprehensive testing was carried out once on core business and external service systems, so as to uncover hidden vulnerabilities using hacker-style techniques. All identified vulnerabilities were rectified and verified. Through these measures, we have promptly addressed security gaps and effectively enhanced the system's resistance to attacks.

In addition, we have established the Longfor Security Emergency Response Center¹⁰, where security experts are invited to provide feedback on potential vulnerabilities in Longfor Group's digital products and services, working together to protect the security of our users.

Longfor Group Information Security Protection Initiatives by Processes



¹⁰ Longfor Security Emergency Response Center

Customer Privacy Protection

Longfor Group places a strong emphasis on customer privacy protection. We have developed and published the *Longfor U Xiangjia Privacy Policy*¹¹, which standardizes the entire data management lifecycle. This policy clearly outlines how customer personal information is collected, stored, used, managed, and deleted, creating a solid foundation for data privacy protection.

We have fully integrated customer digital information into the Group's management system and have improved record-keeping procedures. These measures clearly define the confidentiality of customer information and the requirements for record storage management, eliminating the risk of information leakage. Customer information is classified as confidential and is managed in accordance with the Group's standardized information requirements. All exports of customer information are logged to ensure full traceability throughout the entire process.

Longfor Information Security Protection Measures in 2025

In 2025, Longfor built a multi-dimensional information security protection system and adopted multiple core measures to enhance security, with a focus on "proactive defense and intelligent control".

- We developed a security risk cockpit, enabling business units to perceive the information security risk status of products and dispose of relevant risks in a timely manner.
- We implemented an intelligent work order mechanism, in which the system automatically identifies security risks, assigns them to responsible persons, tracks progress in real-time, and ensures 100% closed-loop risk handling.
- We deployed a Data Loss Prevention (DLP) system that precisely intercepts unauthorized copying and external transmission of core data such as customer information and trade secrets, effectively preventing breach risks.
- We strengthened third-party data security control, required all partners to sign *Security and Confidentiality Agreements*, and clearly defined data usage, confidentiality, and compensation for breach.

We have formulated the *Privacy Protection Management Measures for Elderly Care Institutions* to safeguard the privacy of elderly customers. We clearly define the scope of privacy protection, role responsibilities, and emergency response procedures for privacy breaches. We standardized admission agreements by signing the *Privacy Protection Notification Letter* with elderly residents and their families to clarify mutual rights and responsibilities and the scope of personal information use, with a 100% signing rate throughout the year. In addition, we fully upgraded customer privacy protection mechanisms on the elderly care operation platform, while implementing dual safeguards through both technical encryption and management processes. We have established a risk control monitoring system and platform to standardize the use of monitoring equipment. We have also strengthened employee training, and required employees to sign confidentiality commitments to reinforce responsibility for privacy protection.

Information Security Training

We actively promote a culture of information security. In 2025, by offering a security competency curriculum, we conducted information security-related training and assessments on data security construction and governance, secure development, the Security Development Lifecycle (SDL), and other topics for all employees involved in security management within the Group and business personnel in all segments. Meanwhile, we promoted security awareness among all employees through real-time display screens and poster placements, as well as information security examinations, forming a positive security atmosphere of "all-staff participation and proactive prevention". The training covered over 20,000 employees, enhancing overall security awareness.

¹¹ Longfor U Xiangjia Privacy Policy



ESG Material Topic(s) Responded in This Chapter

Community Communication and Integration
Public Welfare and Charity

SDGs Responded in This Chapter



Public Welfare and Harmonious Society

Adhering to the vision of "making public welfare simple and charity inclusive", Longfor Foundation actively advances the implementation of public welfare projects in various fields.



Longfor Group strictly complies with the *Charity Law of the People's Republic of China* and the *Regulations on Foundation Management*, and has formulated management measures such as the *Shenzhen Longfor Foundation Donation Management System* to continuously optimize internal governance of public welfare projects and efficiently conduct public welfare initiatives. The Longfor Foundation has constructed a series of public welfare projects covering the entire life cycle to address the specific needs of different age groups, including the Smiley Bud Program aimed at providing assistance for children with major illnesses from financially disadvantaged families, the Lake-Light Program aimed at supporting rural education, the Flying-Eagle Program aimed at assisting youngsters in their career development and universities support, the Stream Program aimed at supporting rural industrial development, the Evergreen Program aimed at promoting the renovation of old urban districts and ageing adaptation retrofitting, and the "One Elder and One Child" Friendly Community Project. The Longfor Foundation has made targeted and diversified efforts to promote the harmonious development of society through corporate public welfare initiatives. As of the end of 2025, the accumulated donations from Longfor Group, its founders, and the Longfor Foundation exceeded RMB 2 billion and a total of more than 2.41 million people had been assisted.

Rural Revitalization

In 2025, the Central Committee of the Communist Party of China (CPC) and the State Council issued the *Opinions on Further Deepening Rural Reforms and Advancing All-Round Rural Revitalization*, clearly defining key tasks centered on deepening rural reforms.

In response to the national call, the Longfor Foundation jointly launched the "Supporting Program for Dianjiang County to Comprehensively Promote Rural Revitalization" with the China Guangcai Program Foundation, the United Front Work Department of the Chongqing Municipal Committee, the Chongqing Federation of Industry and Commerce, and the Chongqing Guangcai Program Foundation. Through diversified measures such as industry-based assistance, education enhancement, medical assistance, and community building, we contribute Longfor Group's strength to the rural education enhancement, economic vitality, and rural revitalization in all respects.

Comprehensive Assistance for Rural Revitalization

By the end of 2025

Total beneficiaries

61,000+

In 2025, the Foundation was committed to exploring new models of sustainable rural development in the two dimensions of industry-based assistance and education enhancement.

During the Reporting Period, the Foundation continued to advance industry-based assistance projects in Dianjiang County and helped improve local industrial quality and efficiency by enhancing agricultural infrastructure and promoting the sales of specialty agricultural products. Meanwhile, we continued to deepen the Lake-Light Program by systematically supporting rural education development and organizing study tours for rural school principals from different regions. We also explored innovative paths for rural education through exchange and discussions.

As of the end of December 2025, the assistance activities had been fully implemented in dimensions such as children's health, youth education, industrial economic development, and the comfort and happiness of the elderly, benefiting over 61,000 people in total.

The Lake-Light Program¹²: Rural Education Support Program

The Longfor Foundation actively responds to policy requirements including the "14th Five-Year Plan", the "Long-Range Objectives Through the Year 2035", and the *Opinions of the Central Committee of the Communist Party of China and the State Council on Comprehensively Deepening the Reform of Teacher Team Building in the New Era*. Taking education as an initial priority and combining the actual needs of rural education development, it leverages the advantages of corporate management and talent cultivation, integrates high-quality resources of enterprises, prestigious schools, and the public welfare sector, and embeds into the county-level education ecosystem. In the dimensions of "principals, teachers, and students", we provide all-round support for remote counties in education enhancement and rural revitalization through various initiatives, such as rural principal empowerment training on education management, rural teacher empowerment training and teaching support, diversified literacy courses, and the Nurturing Talent Plan.

As of the end of December 2025, the Lake-Light Program had covered 187 rural schools in five provinces. It also supported 184 rural education managers in enhancing their management skills, provided empowerment training and development support for 3,604 rural teachers, and assisted 57,592 rural students in improving comprehensive literacy.

By the end of 2025

Accumulated number of rural students assisted

57,592

¹² For more details, please visit <https://www.longforfoundation.com/hgjh/index.htm>

Longfor Hosts the "Lake-Light Program: Rural Education Support Forum"



On November 20, 2025, the Longfor Foundation, in collaboration with the 21st Century Education Research Institute, held the "Lake-Light Program: Rural Education Support Forum" in Beijing. The forum focused on the current status of rural education, systemic challenges, and innovative development pathways. The event brought together more than 150 principals, teachers, education researchers, and representatives from non-profit organizations in China, with online live-streaming reaching more than 38,000 viewers.

The forum was devoted to updating rural education concepts, sharing practical experience, and building collaborative public welfare mechanisms. It showcased exploratory achievements by rural schools in innovative schooling models, resource collaboration, and community integration. During the public welfare collaboration session, representatives from multiple foundations and universities discussed targeted support for rural education, while sharing best practices in arts education, music education, and resource matching. The event also featured the launch of the *Moving Forward with Innovation: Rural Education Innovation Case Collection*, as well as the initiation of the "Lake-Light Program: Rural Education Innovation Practice Support" project. Through ongoing mentor guidance, resource connection, and other support measures, the program will continue to foster innovative development in rural education and promote multi-stakeholder collaboration in rural education revitalization.



Lake-Light Program: Rural Education Support Forum



The Stream Program¹³: Rural Industry-based Assistance Project

To thoroughly implement the national strategy of "comprehensively advancing rural revitalization" and actively respond to the overall requirement of "solidly promoting rural industry revitalization", Longfor Foundation implemented the Dianjiang specialty products consumption support project. This program aims to boost the development of distinctive local industries and inject economic vitality into rural revitalization.

Stream Program: "Thinking of Dianjiang" Specialty Products Consumption Support Project



In 2025, Longfor Foundation assisted Dianjiang County in carrying out the "Thinking of Dianjiang" specialty products consumption support project. The project partnered with diverse organizations and commercial entities, including the Affiliated Yongchuan Hospital of Chongqing Medical University, Chongqing University of Science and Technology, Chongqing Machinery & Electronics Holding (Group), and Chongqing Longfor Times Paradise Walk. Through a series of roadshow exhibitions and sales events, it aimed to promote local specialty industries and establish a virtuous cycle of "offline exhibitions building brand awareness and online channels sustaining traffic inflow". Products such as small noodle seasonings, Dianjiang stone-ground tofu pudding, and rice noodles were well sold in the market. Through consumption-based assistance, the project effectively supported rural revitalization in Dianjiang County and strengthened the connection between local industries and broader markets. The event lasted seven days, with total sales of over RMB 3 million and online viewers exceeding 100,000, attracting more than 150,000 visitors for inquiries and purchases.

¹³ For more details, please visit <https://www.longforfoundation.com/xljh/index.htm>



Care for the Elderly and Children

The issue of "the elderly and children" is essential to safeguarding people's livelihood. Longfor Group actively responds to national strategies by continuously advancing the Smiley Bud Program aimed at providing assistance for children with major illnesses. At the same time, we strive to create friendly communities for the elderly and children and contribute to a more comprehensive elderly care and childcare service system through initiatives such as old community renovation, elderly care actions, and "Children's Council".

"One Elder and One Child" Friendly Community Building¹⁴: Creating an Inclusive Community for the Elderly and Children

Longfor Foundation prioritizes the physical and spiritual well-being of the elderly and children. Collaborating with the China Philanthropy Research Institute of Beijing Normal University, it strives to provide overall solutions of sustainable services for the elderly and children based on their needs, facilitating the construction of high-quality communities in the new era. This project focuses on various aspects of community service, including the development of standards for constructing elderly and child-friendly communities, the creation of friendly spaces, capacity-building, and the design and implementation of service programs. These efforts aim to meet the specific needs of the elderly and children, resulting in the establishment of safe, healthy, cultured, and self-governing communities. It gradually establishes a community public welfare model led by the community and supported by socialized professional services, with active participation of residents, to effectively improve the quality of life of the elderly and children in the community.

As of December 31, 2025, the "One Elder and One Child" friendly community project had covered 141 communities in Shenzhen, Chongqing, Beijing, featuring 6,949 activities and professional empowerment training for 4,037 community workers. We also launched joint construction actions in 68 cities across 28 provinces nationwide and conducted nine public space renovations, which benefited over 280,000 residents in total. In 2025, 50 new communities were covered, where 5,449 activities were held, 202 people received training, and two public space renovations were completed, benefiting a total of 169,000 people.

By the end of 2025

Total community activities held

6,949

Communities covered

141

Total number of beneficiary residents

280,000+



Co-construction Project for a Wonderful Home for Child Care

With the support of the Co-construction Project for a Wonderful Home, community charity projects have gradually developed diversified and sustainable service models through professional guidance and localized operations, jointly forming a systematic community public welfare service framework.

The "Starry Art Dream" art therapy program for children with special needs aims to inspire the growth journey of children and adolescents aged 7 to 15 with intellectual disabilities. Through structured art therapy courses, the program provides psychological support and empowerment for both special children and their families. Since its launch, positive changes have been observed in participants' behavioral expressions and emotional communication, bringing tangible hope to the families involved.



Co-construction Project for a Wonderful Home for Child Care

Community Practice Project for Children's Council

In 2025, Longfor Foundation implemented the "Children's Council" project in Beijing's Xiujuyuan Community and Chongqing's Zhongxinwan Community. The project aimed to systematically guide children aged 8 to 17 to participate in the whole process of research, discussion and action on issues such as community safety, environmental improvement, and intergenerational integration. The Children's Council in the Xiujuyuan Community identified 54 safety hazards and promoted micro-renovations including "Cute Safety Signs" and "Rainbow Hopscotch" installations. They also participated in the age-friendly renovation of 13 households, strengthening intergenerational bonds. The Children's Council in the Zhongxinwan Community set up two recycling stations, contributing to community environmental protection and overall safety.

As of the Reporting Period, the project directly benefited over 500 residents, pioneering a new model of sustainable community governance driven by children's participation. It also provides replicable and scalable practices for building child-friendly, inclusive communities.



Children's Council

¹⁴ For more details, please visit <https://www.longforfoundation.com/gxzc/index.htm>

The Smiley Bud Program¹⁵: Save Children in Need

The Smiley Bud Program offers a systematic solution for children's healthcare through medical screening clinics, financial assistance for children with major illnesses from financially disadvantaged families, training for grassroots pediatricians, and humanistic care for patients. This program aims to enable early detection and treatment without requiring patients to leave their province.

Meanwhile, Longfor Foundation has established volunteer service bases in over 10 partner hospitals to provide ongoing humanistic care and support for sick children and their families. As of December 2025, the Smiley Bud Program had assisted 671 children with major illnesses, provided free diagnosis and screening services for more than 107,000 children, and delivered training to grassroots pediatricians with a total of 415 participants.

By the end of 2025

Total number of children with serious illnesses assisted

671

Total number of children received free diagnosis and screening services

107,000+

Total number of grassroots pediatricians received training

415



The Smiley Bud Program Conducting Free Screening for Children with Major Illnesses

Eight-year-old Zhenyu (pseudonym) comes from a mountainous region in Yunnan Province. Born with congenital heart disease, he required surgery, but his family could not afford the high medical costs. In March 2025, experts from Beijing Huaxin Hospital identified his condition during a local free screening clinic and assisted the family in applying for the Smiley Bud Program. After approval, Zhenyu successfully underwent surgery, with the program covering the entire out-of-pocket expense, significantly easing the family's financial burden. Today, Zhenyu has fully recovered and returned to normal life. Through the Smiley Bud program, Longfor provides tangible support for children with serious illnesses, delivers warmth and hope through tangible actions, fully demonstrating its corporate social responsibility and commitment to public welfare.



Zhenyu Smiles at the Upcoming Surgery

¹⁵ For more details, please visit <https://www.longforfoundation.com/syjh/index.htm>

The Evergreen Program¹⁶: Building Age-Friendly Communities

In response to China's "14th Five-Year Plan" and a series of policies on the renovation of old urban residential communities, Longfor Foundation launched the Evergreen Program. The initiative categorizes elderly activity spaces into three types, identifies 34 human-centered design details, and ultimately develops 64 standardized product modules. Focusing on age-friendly renovation of old urban neighborhoods, it has improved the quality of life for seniors by optimizing both public spaces and home environments.

Renovation of the Darongshu Plaza in Jiangwei Community, Matian Sub-district, Guangming District, Shenzhen



Located in Jiangwei Community, Matian Sub-district, Guangming District, Shenzhen, the project covers an area of approximately 1,230 m². There was an urgent need among local residents to renovate this idle public space. Guided by the "all-age friendly and green sharing" principle, the renovation project upgraded facilities, implemented zoned layouts, and prioritized ancient tree conservation. As a result, the project created a vibrant multi-functional square that integrates children's play areas, youth exercise zones, and rest spaces for the elderly. Leveraging the presence of Grade III ancient banyan trees, protective signage was added to promote ecological awareness and blend nature with cultural heritage. The project benefits approximately 20,000 nearby residents and has become a "green engine" of community vitality.

Focusing on ecological preservation, this project catalyzes dual improvements in community well-being and cultural continuity, creating a new leisure-oriented community space for residents of Matian Subdistrict while showcasing humanistic care through multifunctional integration.



Renovation Site

¹⁶ For more details, please visit <https://www.longforfoundation.com/wnqjh/index.htm>



Volunteer Service

Leveraging its resource and platform advantages, Longfor Group actively encourages employees, homeowners, customers, and broader social forces to participate in various volunteer services, work together to spread kindness and contribute warmth to society.



Volunteer Activities

Longfor volunteers adhere to the philosophy of "Actions make public welfare simple". They actively participate in various public welfare projects, spreading warmth to every corner of society. In 2025, volunteers engaged in diverse activities, thereby integrating public welfare into daily life and inspiring greater social participation.

Volunteer Activities in 2025


Public Welfare Bazaars

During the 2025 Longfor Public Welfare Day, Longfor Foundation, in partnership with the Chongqing Foundation for Disabled Persons, organized public welfare bazaars in over 20 cities nationwide. Employees actively participated by donating unused items, purchasing charity products, and joining charity auctions. The event marked the debut of Longxiaoyi plush toys, canvas bags, and embroidered notebooks featuring artwork by rural children from the Lake-Light Program, all of which were well received. The bazaar attracted over 2,000 participants and raised more than RMB 86,000 in donations. All proceeds will support the "Lake-Light Program" rural education initiative, advancing sustainable development in rural education.

Public Welfare Campaign for International Children's Day

During the International Children's Day in 2025, Longfor Foundation, together with Longfor Paradise Walk and caring partners, held a technology experience event themed "Celebrating the Same Children's Day, Sharing the Same Dream" for students at Jinxin Primary School in Liangshan, Sichuan. Volunteers brought drones, robots, AR glasses, and 3D printing pens to the countryside and used AI to create dream photos for the children and spark their curiosity about technology. Highlights of the event were simultaneously exhibited in Longfor Paradise Walk in Chongqing, Chengdu, Shanghai, Haikou, and Hangzhou, allowing children nationwide to share the joy and dreams of the festival. Through partnerships with compassionate enterprises, volunteers, and the public, the event raised over RMB 200,000 worth of in-kind donations and more than RMB 12,000 via the Tencent Charity platform, providing tangible support for rural children's development.

Public Welfare Investments of Longfor Foundation in 2025¹⁷

Special Donation for Rural Revitalization	"One Elder and One Child" Friendly Community Building	Smiley Bud Program	Evergreen Program
RMB 7.5 mn	RMB 3.36 mn	RMB 2.0 mn	RMB 0.66 mn
Lake-Light Program	Disaster Relief	Supporting Universities	
RMB 0.42 mn	RMB 0.4 mn	RMB 0.18 mn	

¹⁷ Excluding external public welfare donations from Longfor Group.

"Baby Dragon" Public Welfare Study Tour & Volunteer Home Visits

From August 15 to 17, 2025, Longfor Foundation organized an urban-rural children public welfare study tour in Xichang, Sichuan. Urban children visited the homes of their rural peers for friendly exchanges and participated in volunteer efforts such as renovating the school library. The children from both areas also enjoyed a fun sports meet, learned to build water rockets, and visited the Xichang Aerospace Metaverse Experience Center for a themed educational trip. Through immersive interaction and hands-on exploration, the event fostered knowledge sharing, emotional connection, and mutual understanding between urban and rural children.

"Senior Photographer Debut" Activity

In 2025, Longfor Foundation advanced age-friendly community development by launching the "Mobile Photography for the Elderly" public welfare course via the Longfor APP. The course encouraged elderly homeowners to engage in community activities through accessible, online learning. Since launch, the course has recorded over 4,000 enrolments, with more than 90 seniors consistently checking in. During Longmin Festival, the Foundation further recruited over 10 senior photography volunteers in seven cities to take family portraits for community residents, transforming learning outcomes into meaningful volunteer service.



ESG Material Topic(s) Responded in This Chapter

- Supply Chain Management
- Intellectual Property Protection
- Industry Development

SDGs Responded in This Chapter



Industry Advancement and High-quality Development

Longfor Group actively practices sustainable procurement, aiming to build a green and responsible supply chain system. We strengthen ESG management, enhance suppliers' sustainability capabilities, and reinforce supply chain resilience. At the same time, the Company prioritizes intellectual property protection and innovation empowerment to drive high-quality industry development, support the construction of sustainable cities and communities, and create lasting social value.



Sustainable Supply Chain

Longfor Group strictly complies with relevant laws and regulations, including the *Government Procurement Law of the People's Republic of China* and the *Tendering and Bidding Law of the People's Republic of China*, and has formulated internal management systems including the *Longfor Supplier Code of Conduct*, the *Longfor Group Supply Chain Function Assessment Methods*, and the *Property Development Headquarters Construction Resource Management System*. These systems clearly specify requirements for supplier management, covering the entire process of supplier entry, assessment, communication, and exit. We have established a supplier grading mechanism and conducted reviews of suppliers' sustainability performance.

Through continuous optimization of the supplier management system, we persist in enhancing our ability to identify and respond to supply chain risks as well as promoting the construction of a more resilient sustainable supply chain. As of the end of the Reporting Period, Longfor Group had a total of 285,496 suppliers. The percentage of suppliers contracted for material and equipment procurement that obtained ISO 9001 and ISO 14001 was 95%.

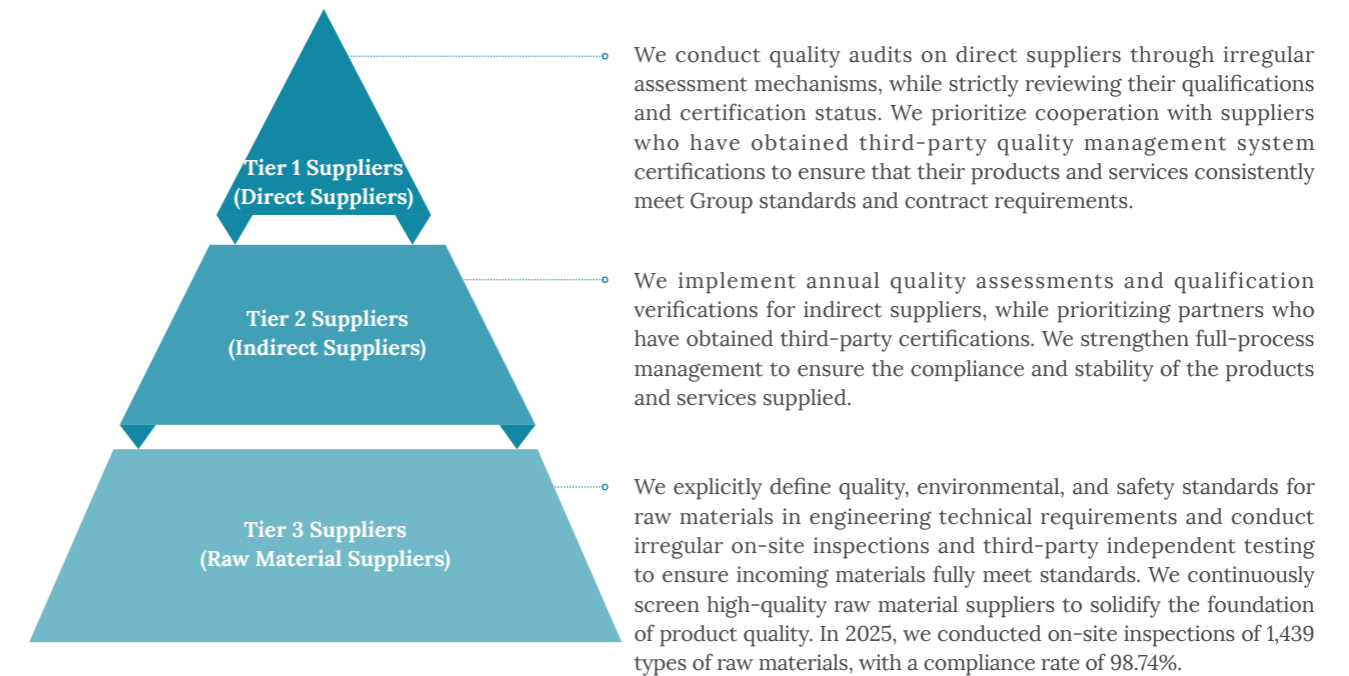
Longfor Group consistently optimizes the supplier life-cycle management process, strengthens risk identification and management, and enhances the risk resilience of the supply chain.

Comprehensive Supplier Life-Cycle Management Process

- Entry**
 - Candidates must register on the Group's designated management platform and submit relevant certification documents independently, including ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), and ISO 45001 (Occupational Health and Safety Management System).
 - We prioritize suppliers holding these certifications and maintain a list of qualified subcontractors.
 - As of the end of the Reporting Period, the Group had screened and approved 23,969 qualified suppliers based on comprehensive criteria covering labor standards, product quality, service, and safety.
- Classification**
 - Suppliers are systematically categorized according to multiple dimensions, including supply category, willingness to cooperate, product quality, and service standard.
- Evaluation**
 - We carry out routine performance evaluations and grading to assess suppliers' product and service capabilities from an entire life-cycle perspective.
 - We perform random unannounced inspections each year, key suppliers undergo at least 1 comprehensive annual audit covering product quality, production management, occupational health, and social responsibility.
 - We evaluate suppliers from environmental dimensions such as carbon emissions, use of renewable energy, and purification of hazardous substances.
 - We conduct semi-annual and annual assessments and tiered management for key suppliers and contractors. We will disqualify those who fail to meet standards, and provide incentives to those with excellent performance.
- Risk Management**
 - We prioritize verification of suppliers' safety production permits, green product certifications, environmental compliance credentials, and other management system certificates, while rigorously assessing their workplace and safety management systems.
 - We prefer to cooperate with suppliers demonstrating excellent ESG performance and select environmentally friendly products to reduce the overall ESG risk of the supply chain.
 - We use internal audits and third-party testing to identify potential risks in raw materials related to quality, health, and environmental impact, and we have established ESG risk classification and determination criteria for suppliers.
 - Our unannounced inspections cover usage of green raw materials, labor protection, hazard source control, and quality management. We require suppliers with deficiencies to implement corrective actions and preventive measures within deadlines.
 - We encourage suppliers to actively participate in environmental protection initiatives and reduce their environmental footprint.
- Exit**
 - We implement improvement measures for underperforming suppliers and set a rectification period. If they still fail to meet the requirements after the deadline, we will initiate the exit procedure.
 - We terminate cooperation with suppliers with outdated processes, obsolete equipment, or non-compliant environmental performance to build a more efficient, sustainable supply chain.

Supplier Quality Management

The Group has systematically established a tiered supplier quality management system and continuously optimized the evaluation mechanism to comprehensively enhance product quality and supply chain stability.



During the Reporting Period

Types of raw materials conducted on-site inspections	Compliance rate
1,439	98.74 %



Supplier Quality Training

The Group has established a routine supplier training mechanism. Each year, we organize at least one specialized quality training session for all suppliers. The training covers the importance of production, construction, and product quality, the latest laws, regulations, and regulatory requirements, as well as common quality risks and mitigation strategies. This initiative aims to systematically enhance the quality control capabilities of our suppliers and collaborate with our partners to deliver high-quality products and services.

Supplier Integrity Management

The Group actively educates suppliers on the importance of upholding business ethics and clearly sets out requirements and expectations for suppliers in terms of social, environmental, and governance performance. We have signed the *Integrity Cooperation Commitment* with all suppliers and strictly comply with the provisions on integrity and compliance outlined in the *Code of Longfor Business Conduct*. In 2025, the Group recorded no instances of corruption involving its suppliers.



Supplier ESG Capability Development

Longfor Group continues to strengthen the ESG capability of its suppliers. We organize systematic ESG training and awareness campaigns covering key topics such as environmental regulations, social responsibility, supply chain transparency, and green procurement policies. The Group conducts communications and explanations on all types of procurement projects before the bidding process. With these endeavors, it can ensure that the environmental protection and social responsibility requirements as well as quality standards are 100% conveyed to the suppliers. Meanwhile, during the performance service stage, we enhance the ESG awareness of suppliers through regular coordination meetings and other approaches to continuously consolidate the training achievements.

Green Procurement

The Group continuously refines its green procurement mechanism by releasing and implementing the *Green Procurement Policy*¹⁸, which formally incorporates environmental performance into the supplier evaluation system. We give priority to partners who demonstrate outstanding performance in areas such as energy conservation and carbon reduction, resource recycling, and pollution prevention and control, and we explicitly require them to prioritize the use of low-carbon and eco-friendly products in material procurement. Meanwhile, we track the environmental performance of suppliers throughout their entire production process and incorporate green procurement-related indicators into performance assessments.

- We include the supplier plants' energy consumption and pollution emission performance as a requirement for participating in the bidding process. We also inspect the supplier's energy-saving and emission-purification equipment during prequalification.
- We strengthen the inspection of raw materials and require material suppliers to ensure that their products meet environmental standards while limiting emissions of formaldehyde, volatile organic compounds (VOC), and other hazardous substances.
- We prioritize the procurement of materials produced from renewable resources, such as "Mosu" boards—a new type of A-grade fireproof, eco-friendly (ENF-grade), and moisture-proof material. We use it to replace liquid metal, solid wood, leather, and wood-grain decorative panels.
- For new expansion projects, we encourage using materials with low VOC and lead, with a preference for wood certified by the Forest Stewardship Council or its equivalent, such as FSC-certified wood.
- We apply artificial stone to reduce natural stone consumption.
- We require our suppliers to use a chromium-free passivation process to produce aluminum alloy materials, which controls the presence of chromium ions at the source.
- We include the star requirement of green building materials to drive upstream suppliers' green and sustainable development when purchasing interior wall paints, and introduce enhanced indicator requirements for the health and safety of property owners, such as stricter requirements for formaldehyde, Volatile Organic Compounds (VOCs), heavy metals, etc.

In 2025, the Group further expanded cooperation with suppliers on waste utilization, strengthened joint explorations in the new energy sector, as well as promoted the R&D, testing, and pilot applications of photovoltaic (PV) technologies.

¹⁸ [Green Procurement Policy](#)

Industry Co-Development and Innovation

Longfor Group is committed to innovation-driven development and places great importance on the protection, transformation, and application of scientific and technological achievements. By actively absorbing advanced technologies and management expertise, we continue to expand our horizons in technological innovation, integrate resources across the value chain, and deepen industrial collaboration, with the utmost effort to create a better life for our customers.

Intellectual Property Protection

The Group strictly abides by intellectual property-related laws and regulations, including the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*. We have formulated internal management policies, such as the *Group Guidelines for Patent Classification* and the *Group Guidelines for Patent Agent Assessment*, to continuously refine our intellectual property management system. We implement systematic, full-process management of all forms of intellectual property, including trademarks, patents, and copyrights, fully respecting and protecting all types of innovative achievements.

In 2025, the Group's patent applications were primarily focused on the integration of cutting-edge technologies with its core businesses, including virtual construction, energy conservation and environmental protection, artificial intelligence (AI), and AI-powered smart cooling plant control. During the Reporting Period, the Group achieved an invention patent authorization rate of 79%, while the authorization rates for utility models and industrial designs remained consistently at 100%.

During the Reporting Period

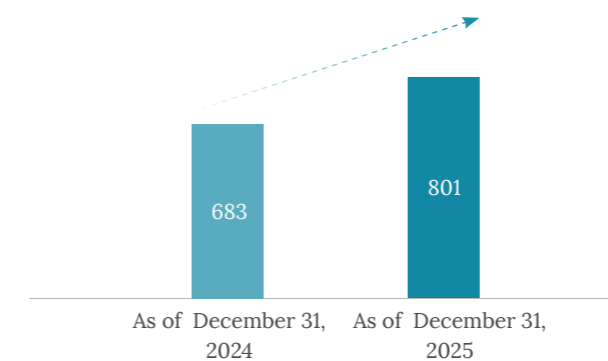
Authorization rate of invention patents
79 %

Authorization rate of utility models and designs
100 %

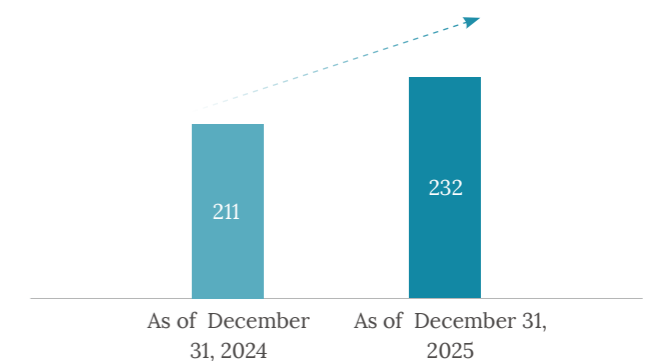


	2024	2025
Number of software copyright applications	14	11
Number of software copyright grants	14	11
Number of patent applications	321	235
Number of patent grants	200	90

Total number of patent grants



Total number of software copyright grants



Overview of Patent Research and Thematic Studies

The Group continuously carries out product research and development (R&D) centered on patent applications and thematic research focusing on energy conservation, consumption reduction, and technological upgrades across the supply chain. In 2025, the Group made substantive progress in specialized research. We conducted a dedicated study on ultra-low energy consumption design, which contributed to remarkable reductions in energy consumption and material usage. Longfor Group continues to refine its intellectual property management system by establishing a regular communication mechanism through designated intellectual property contacts, expanding communication channels and enhancing collaboration efficiency. Furthermore, the Group has implemented a specialized contact system tailored to the specific characteristics of different project teams to ensure precise management. As of the end of the Reporting Period, Longfor Group had 11 high-tech enterprises and 4 specialized, refined, distinctive, and innovative (SRDI) small and medium-sized enterprises under its umbrella, providing strong support for the Group's sustained innovation and healthy development.

In line with both internal and external intellectual property management requirements, Longfor Group actively carries out intellectual property awareness and education campaigns. In 2025, the Group conducted a total of 6 intellectual property training sessions, continuously enhancing employees' awareness of intellectual property protection.

During the Reporting Period

The number of intellectual property training sessions

6

Industry Co-Development

Longfor Group keeps a close eye on industry development and progress. Drawing on its deep industry expertise, the Group actively participates in industry standardization efforts. In 2025, the Group participated in the formulation of several standards, including the *Technical Specification for Aluminum-Alloy Sunroom* (T/CECS 1933-2025), the *Carbon Emission Calculation Standard for Residential Full Decoration*, and the *Evaluation Standards for Green, Low-Carbon, and Sustainable Development of Commercial Complexes and Shopping Centers*, thereby facilitating the efficient transformation of scientific and technological achievements.

Participation in the Compilation of the *Technical Specification for Aluminum-Alloy Sunroom* (T/CECS 1933-2025)

Leveraging its extensive practical experience in high-end residential and commercial projects, Longfor Smart Construction actively participated in the compilation of the *Technical Specification for Aluminum-Alloy Sunroom*. We provided critical technical support in areas such as architectural design, structural safety, and construction methodology, effectively boosting the upgrade of industry standards.

As of the end of the Reporting Period, Longfor Smart Construction served over 270 contracted construction projects, with a total gross floor area exceeding 38 million square meters. It has also maintained positive industry-academia-research partnerships with more than a hundred institutions, including China Railway City Development and Investment Group Co., Ltd., China Orient Asset Management Co., Ltd., Ant Technology Group Co., Ltd. and Tsinghua University.

As of the end of the Reporting Period

No. of Contracted Construction Projects of Longfor Smart Construction

270+

GFA of Contracted Construction Projects

38+ million square meters

Sustainable Cities and Communities

Longfor Group firmly believes in "urban symbiosis and people's livelihood as the foundation". We are deeply involved in urban renewal, community symbiosis, green leasing, and social welfare initiatives to promote social harmony and economic prosperity.

Urban Renewal

Longfor Group thoroughly implements the guiding principles of the *Opinions of the State Council on Continuously Promoting Urban Renewal Actions* and the *Notice on Carrying Out Urban Renewal Demonstration Work* issued by the Ministry of Finance. We are committed to optimizing urban structure, improving functional layout, and enhancing spatial quality, thereby providing robust support for the construction of livable, resilient, and smart cities.

Renovation and Renewal of Jinsui Building, Shanghai Lujiazui

As a landmark commercial building completed in 1999, Jinsui Building in Shanghai Lujiazui, faced challenges including outdated functionality, low space utilization, and insufficient operational efficiency. In response to the *Shanghai Action Plan for Promoting Commercial Building Renewal and Upgrading (2024-2027)*, we implemented a comprehensive renovation project using an EPC (Engineering, Procurement, and Construction) model with prefabricated components. Through BIM virtual construction and VR immersive presentation, we accurately restored the building's "skeleton" and optimized its spatial layout, achieving "renovation for usage and immediate occupancy upon completion".

While preserving the original architectural style and historical memory, we applied prefabricated interior technology to increase floor-to-ceiling height, improve lighting, and enhance public spaces. The project achieved a restoration accuracy of over 95% and extended the historical aesthetics of the building in a low-carbon manner. As a result, it provided a replicable model for organic urban renewal.



Before and After
Jinsui Building, Shanghai Lujiazui

Renovation of the Industrial Heritage Site of the Lathe Plant, Hefei

The Lathe Plant, located in Hefei and constructed in the 1950s and 1960s by Soviet experts, stands as a symbol and epitome of the city's industrial culture, holding significant historical value for preservation. Our approach follows the cultural lineage of the land while adhering to local government requirements, respecting the site's original industrial characteristics as much as possible, and renewing it through artistic means.

We follow the principles of historic building preservation, using a variety of restoration techniques and red brick materials to retain the industrial heritage to the greatest extent. Meanwhile, we integrate modern design to create a space rich in light and shadow. The project emphasizes harmony with the surrounding environment, transforming the site into a garden-style community space that enhances cultural diversity and inclusiveness in the area. Through ecological measures such as soil remediation, the environment has been significantly improved, breathing new life and function into the old industrial site.

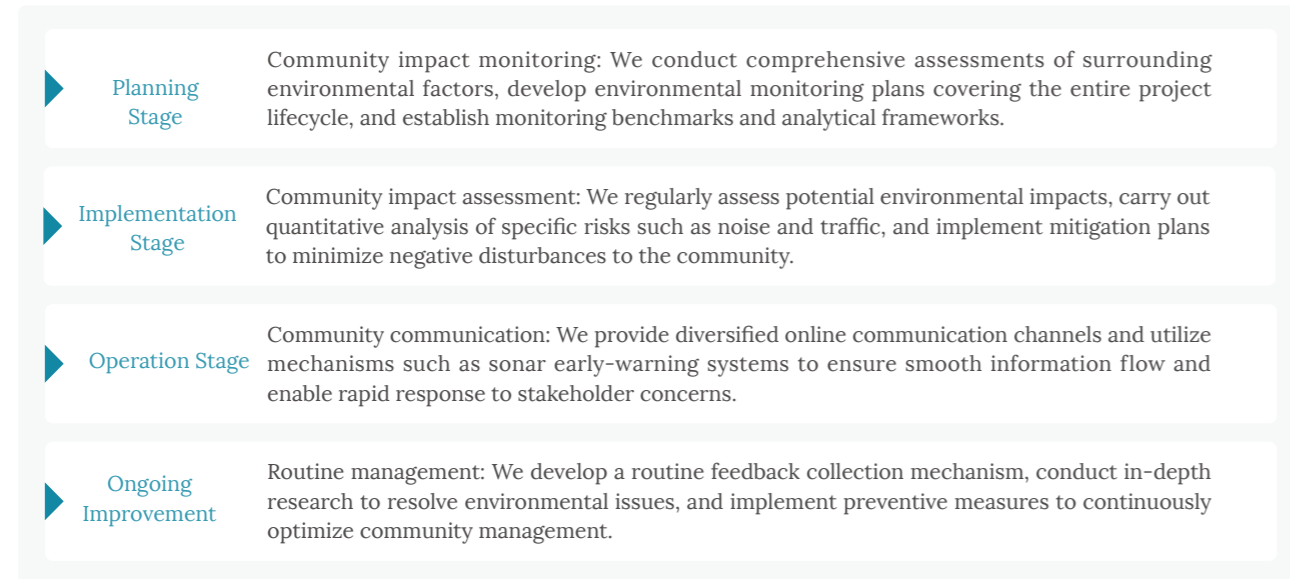


Before and After
Industrial Heritage Site of the Lathe Plant, Hefei



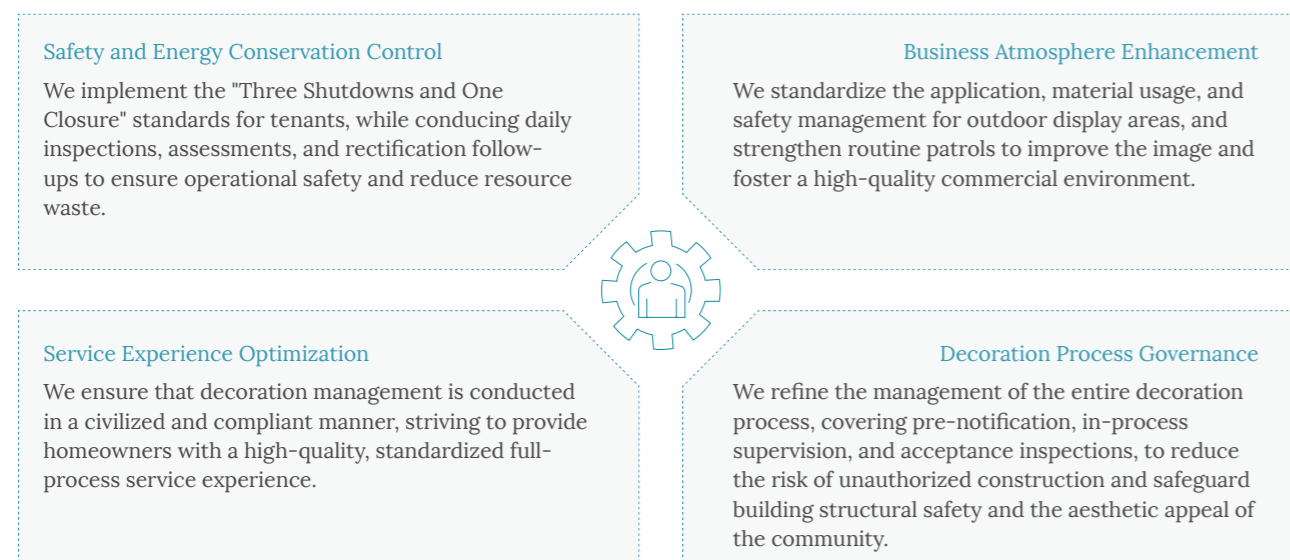
Community Symbiosis

Longfor Group upholds the goal of "building green, low-carbon, smart, and livable communities". We have formulated the *Community Management Policy*¹⁹, which specifies management requirements at every stage to achieve the synergistic optimization of environment, functionality, and services, thereby comprehensively enhancing community quality and the living experience of residents.



The Group is dedicated to building a green and harmonious community ecosystem. We have developed and continuously refined the *Three Shutdowns and One Closure Management System*, the *Commercial Outdoor Display Management System*, and the *Residential Management Department Renovation Management System*. Through refined management measures encompassing safety and energy conservation, commercial quality enhancement, renovation process governance, and service experience optimization, we safeguard community safety and quality in all aspects, fostering a harmonious and inclusive community ecosystem.

Longfor Community Refined Management Measures



¹⁹ *Community Management Policy*

Green Leasing

In response to the national strategy of "carbon peaking and carbon neutrality", Longfor Group is committed to fully implementing green leasing models in its leasing partnerships. Through contractual obligations and incentive mechanisms, we work together with tenants to enhance the environmental performance of assets and fulfill our social responsibilities. As of the end of the Reporting Period, Longfor Commercial had signed over 40,000 contracts including green clauses with commercial property tenants, accounting for over 90% of total contracts. In addition, Longfor Goyoo signs green leasing agreements with over 250,000 tenants on average each year, advocating energy conservation and environmental protection.

As of the end of the Reporting Period

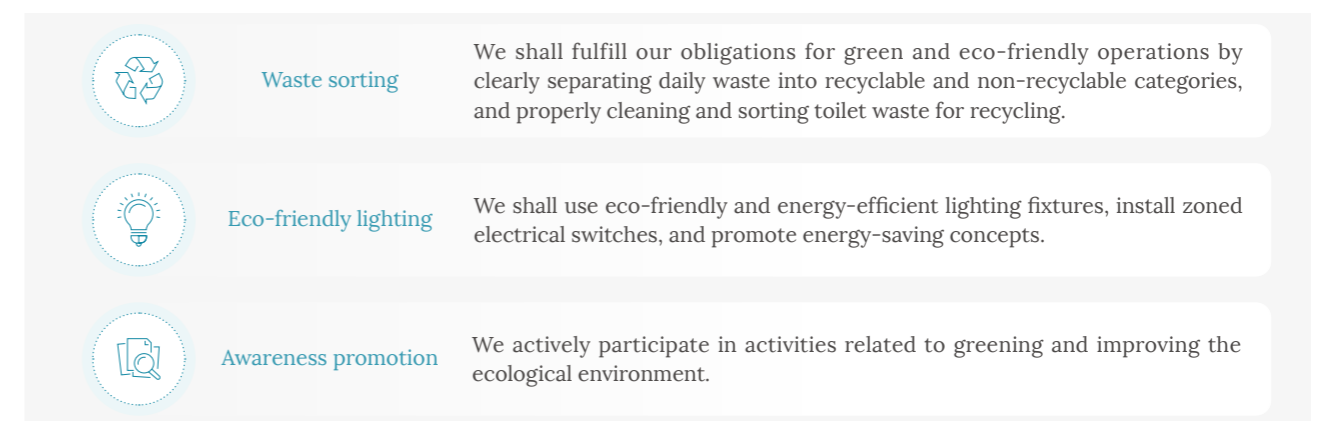
Percentage of property tenants who signed contracts including green clauses

90+ %

Longfor Commercial Green Leasing Agreement



Longfor Goyoo Green Leasing Agreement





Housing Security

Affordable Housing

Longfor Goyoo closely follows the national strategy of "encouraging both housing purchase and renting", with a focus on the operation of high-quality rental housing projects. Guided by the mission of "creating warm and bright hubs for urban youth", Longfor Goyoo advances the construction of affordable housing. In alignment with tenant needs more precisely, we have upgraded our products to the 4.0 version and innovatively implemented the model of "converting existing office buildings into long-term rental apartments", which breathes new life into older properties. As of the end of the Reporting Period, the Company's cumulative number of government-recognized affordable rental housing projects amounted to 167 (with over 76,000 rooms), contributing significantly to easing housing pressure and improving residents' living conditions. We make every effort to provide affordable housing solutions for low-income groups, the elderly, and young people.

Longfor Goyoo at Xi'an Institute of Physical Education



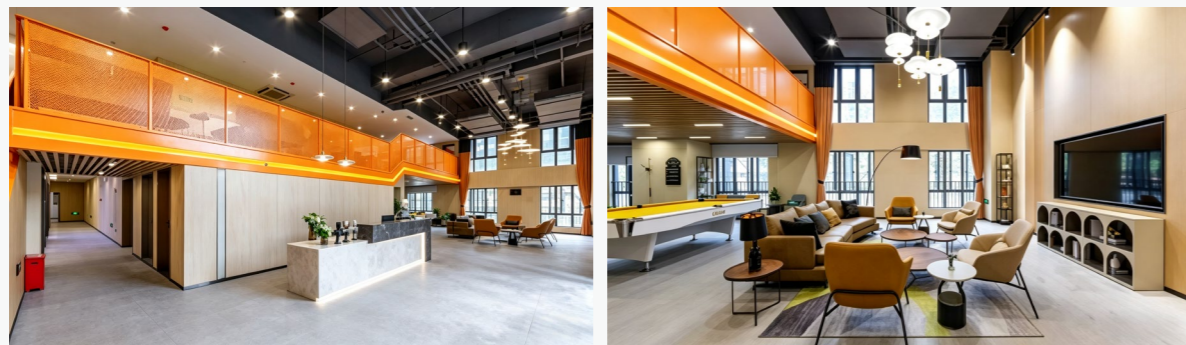
Longfor Goyoo at Xi'an Institute of Physical Education is a renovation project of existing housing, offering 765 smart rental units to serve the local youth population. The project delivers intelligent management, 24-hour services, and diverse amenities, achieving an average occupancy rate of 96.4% annually and providing high-value, affordable housing solutions to over 3,000 young residents, contributing to the development of affordable rental housing system.



Longfor Goyoo at Pinghu Ecological Valley, Shenzhen



Longfor Goyoo at Pinghu Ecological Valley in Shenzhen is located in the core industrial area of Pinghu, Longgang, serving young individuals and corporate talents in the park. The project leverages government and enterprise resources to provide talent apartments and customized corporate solutions, offering over 2,000 subsidized rental units for young people. It aims to support talent settlement and promote the integrated development of industry and urban areas in the region.



Shared spaces of Longfor Goyoo at Pinghu Ecological Valley, Shenzhen

The Main Honors Received by Rental Housing in 2025



Affordable Commercial Property

Focusing on urban core areas, Longfor Commercial is devoted to creating high-quality and affordable rental spaces. Through flexible and adaptable spatial design and modern office amenities, we precisely meet the diverse development needs of small, medium, and micro enterprises as well as startups, earnestly fulfilling our corporate social responsibility.

In 2025, the Group opened 13 new shopping malls, aiming to continuously expand its commercial landscape, create sustainable growth opportunities for merchants, and contribute to economic recovery. Throughout the year, the Group invested over one hundred million in marketing, provided targeted operational support, and empowered merchants to enhance their business performance. Meanwhile, leveraging diverse consumption scenarios and high-quality service experiences, the Group effectively stimulated market consumption potential, achieved mutual growth for merchants and enhanced value for consumers, and fostered a virtuous cycle in the commercial ecosystem.





ESG Material Topic(s) Responded in This Chapter

- Design and Application of Green Building
- Energy Efficiency and Renewable Energy Application
- Response to Climate Change
- Waste Management and Pollution Prevention
- Water Resource Management
- Biodiversity and Flexible Land Use

SDGs Responded in This Chapter



Ecological Symbiosis and Green Environment

Longfor Group, with a deep respect for nature, incorporates the principles of sustainable development into its corporate operations. The Company actively addresses climate change through extensive research and development and the application of green technologies, aiming to create environmentally friendly and habitable cities and align with the national goal of achieving carbon peaks by 2030 and carbon neutrality by 2060.



Spotlight

Digital Empowerment of Green and Low-Carbon Operations

Against the backdrop of the "Dual Carbon" strategy and "Digital China" initiatives, Longfor Group utilizes digitalization as an engine and deeply integrates green and low-carbon development requirements to build a comprehensive digital and intelligent dual-carbon management system covering the entire chain, all scenarios, and the full lifecycle. We also actively explore innovative pathways and practical paradigms for the green transformation of the construction industry.

Strategic Synergy

Building a Digitalized Pathway Based on the "Dual Carbon" Strategy

As China's "Dual Carbon" strategy deepens, the synergistic development of digitalization and greenification has become the core driver for industrial transformation and upgrading. In April 2025, ten government departments, including the Office of the Central Cyberspace Affairs Commission and the National Development and Reform Commission (NDRC), jointly issued the *Key Work Points for Coordinated Digital and Green Transformation in 2025*, further clarifying the priorities for leveraging digital technologies to empower green transformation in the construction sector.

Responding actively to these policy directives, Longfor Group has leveraged over two decades of expertise in digital intelligence to deeply embed digitalization into its green and low-carbon operational systems. We have developed replicable and scalable practical paradigms focusing on key areas such as architectural design, full-lifecycle carbon management, green building construction, and low-carbon community development. Longfor Group's digital and intelligent dual-carbon practices were awarded the 2025 China Enterprise Management Best Practice List: Digital and Intelligent Innovation Benchmark.



The Group has set a target of "aspiring to a 15% reduction in carbon emission intensity per unit area by 2030". Through a four-tier target delegation mechanism spanning "the group, business segment, region, and project", we ensure that the responsibilities and strategies for carbon reduction are implemented in a thorough and precise manner. In 2025, the Group successfully met its annual carbon reduction targets, demonstrating the effectiveness of digitalization-driven green operations.

Technology Empowerment

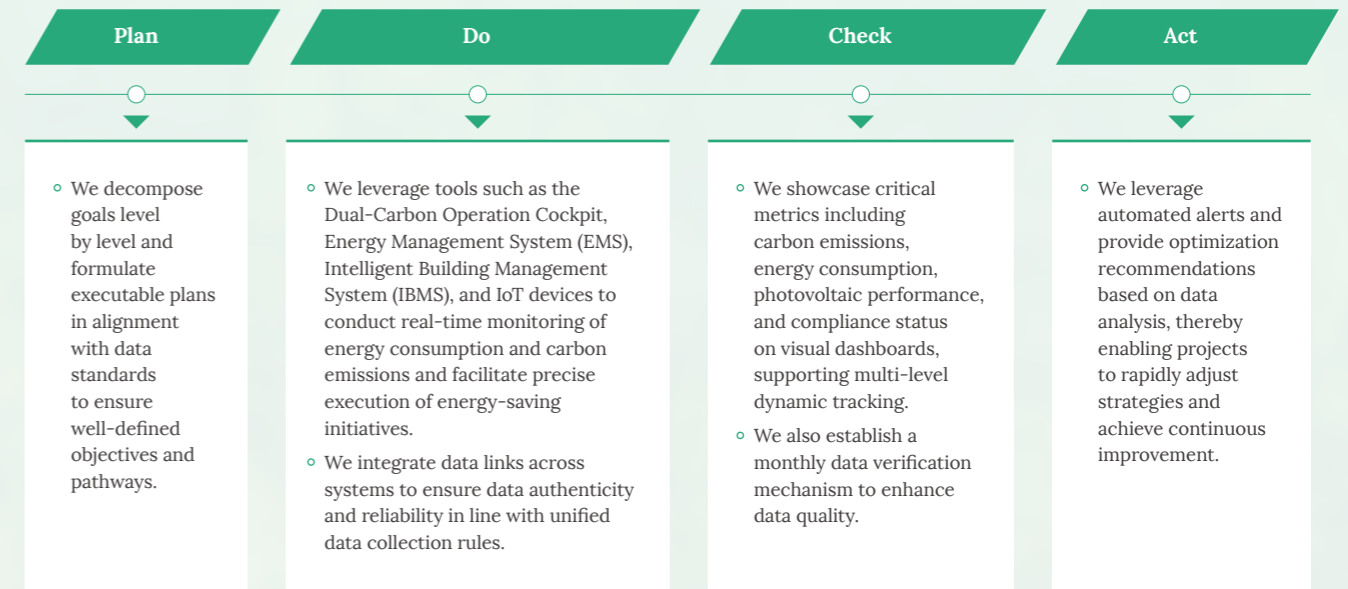
Creating a Full-Scenario Dual-Carbon Digital Product Matrix

The Group has created a dual-carbon digital product system covering the entire business chain, while forming an intelligent support platform that integrates monitoring, analysis, control, and optimization. The four platforms are interconnected, building an integrated digital foundation of "perception, analysis, decision-making, and execution" and providing solid technical support for green and low-carbon operations.

Management Closed-Loop

Establishing a PDCA-Driven Digital Governance System

To efficiently advance carbon reduction targets, the Group has established a closed-loop management system based on the Plan-Do-Check-Act (PDCA) framework, thereby achieving full-chain digital control from strategic objectives to frontline implementation.



Dual-Carbon Operation Cockpit

It provides a single-screen overview of the Group's carbon emissions and energy consumption, supporting goal tracking and early warning.

EMS Energy Management System

It collects real-time energy consumption data, identifies high-energy-consumption links, and assists in energy-saving optimization.

IBMS Intelligent Building Management System

It integrates systems such as air conditioning, lighting, and elevators for intelligent regulation, energy conservation and comfortable experience.

IoT Platform

It connects devices and sensors to enable remote monitoring, fault alerts, and intelligent maintenance.

Smart Reservation Platform of Longfor Club Empowers Low-Carbon Operation of High-End Public Spaces

In response to national requirements for "quality home" and to address challenges such as low management efficiency and difficult energy consumption control in clubhouses and elevated spaces of mid-to-high-end projects, Longfor Group has developed a smart reservation platform that integrates intelligent control and premium user experience. The platform features a closed-loop mechanism of "reservation, verification, and equipment linkage", enabling full-process digital management of spaces, facilities, and orders. This approach ensures that high-energy-consuming equipment in public facilities is activated only during reserved time slots, significantly improving both operational efficiency and user experience.



Responding to Climate Change

As global temperatures continue to rise, extreme weather events become more frequent, and ecosystems degrade, climate change has become a systemic challenge facing global society, economy, and the environment. In response to this challenge, Longfor Group has established a systematic climate governance framework. By formulating response strategies, establishing risk assessment and management mechanisms, and promoting effective mitigation and adaptation actions, we continuously enhance corporate climate resilience to reduce the potential impact of climate change on business operations and long-term development.

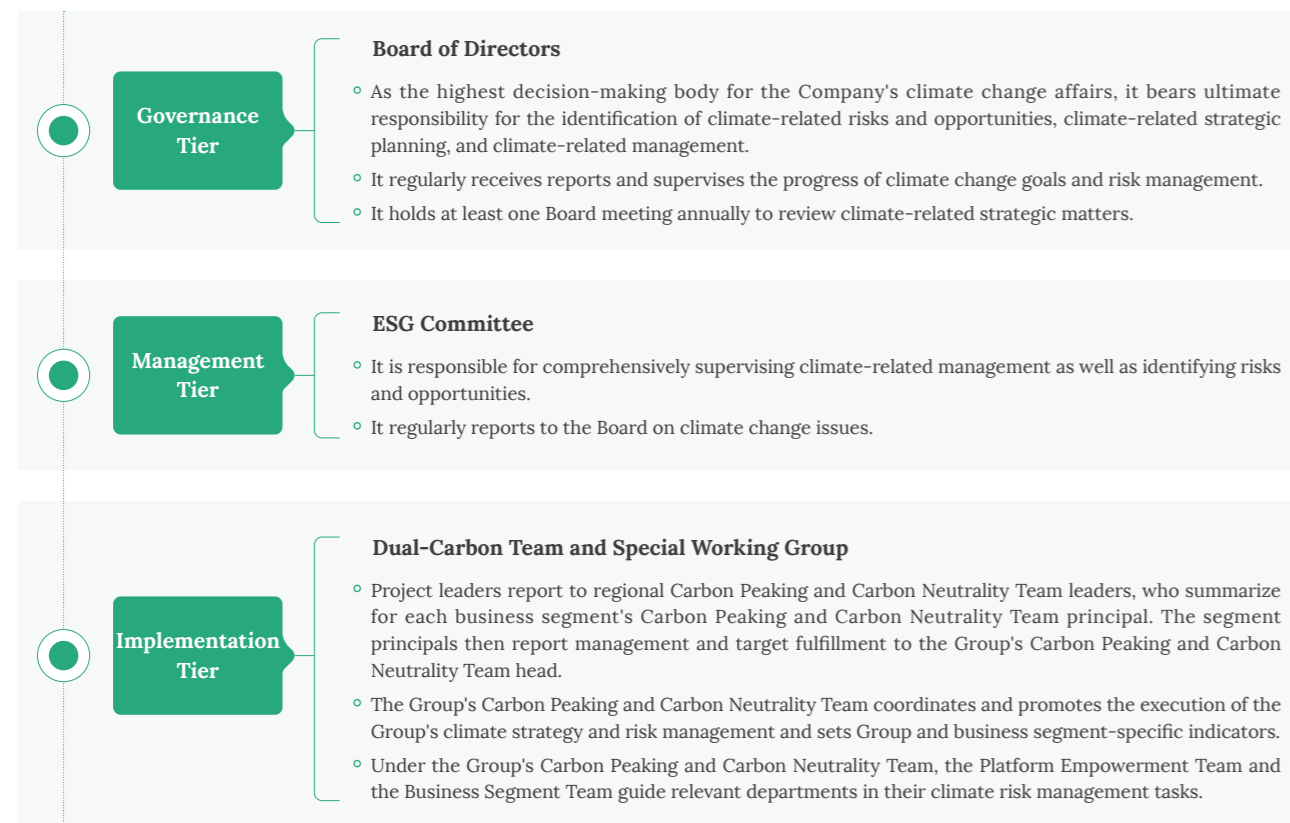
Governance

Longfor Group has developed a science-based climate change governance system. Through a clear governance structure, sound incentive mechanisms, and robust decision-making capabilities, we ensure the full implementation of climate strategies and effective risk management.

Governance Structure

Longfor Group has developed a climate change governance system led by the Board of Directors, which features a three-tier management framework of "Governance Tier, Management Tier, and Implementation Tier", thereby achieving the hierarchical delegation and implementation of climate management responsibilities. The Group implements a tiered reporting mechanism of "Project, Business Segment, Group, and Board". We advance respective initiatives at each tier based on annual targets, with regular performance feedback and dynamic assessments, aiming to ensure systematic, standardized, and closed-loop operation of climate governance.

Longfor Group Climate Change Governance Structure and Responsibilities



Incentive Mechanism

Longfor Group has formulated and released the *Climate Change Policy*²⁰, we comprehensively consolidate the organizational foundation and execution guarantee for climate governance by developing a sound institutional system and incentive mechanism. To enhance governance effectiveness, the Company has incorporated climate-related performance indicators into the remuneration evaluation system for senior executives. Specific metrics include carbon reduction volume and energy-saving performance, covering the CEO and relevant functional leaders. These efforts aim to ensure that climate objectives are effectively linked to management responsibilities.

Since 2024, the Group has further strengthened strategic guidance by including the "reduction in energy intensity per unit area" in the Balanced Score Card (BSC) system. This indicator serves as a core quantitative basis for measuring sustainability performance, and the achievement of this indicator is directly linked to the annual overall performance evaluation results of the Group and each business segment. This approach further strengthens the role of strategic goals in guiding and regulating organizational operations.

To encourage all-staff participation, the Company has set up special incentive awards for employees and teams that have made outstanding contributions in areas such as energy conservation, green technology innovation, and environmental practices. We also strive to integrate climate action into day-to-day operations and corporate culture.

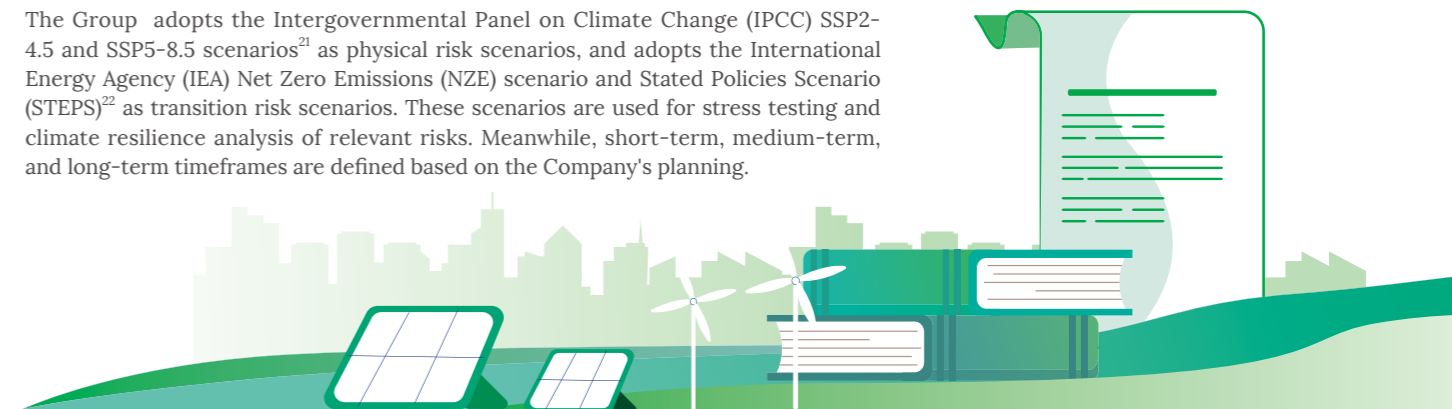
Capacity Building

In 2025, Longfor Group continued to strengthen the climate governance capabilities of the Board of Directors and the management team. Through climate governance related meetings, we systematically enhanced the decision-makers' understanding and practical skills in climate change risk management.

Strategy

Longfor Group has formulated the *Climate Change Policy*. By referencing domestic and international standards, best industry practices, and the Group's business development, we continuously refine the internal carbon reduction management strategies and advance the Group's carbon targets.

The Group adopts the Intergovernmental Panel on Climate Change (IPCC) SSP2-4.5 and SSP5-8.5 scenarios²¹ as physical risk scenarios, and adopts the International Energy Agency (IEA) Net Zero Emissions (NZE) scenario and Stated Policies Scenario (STEPS)²² as transition risk scenarios. These scenarios are used for stress testing and climate resilience analysis of relevant risks. Meanwhile, short-term, medium-term, and long-term timeframes are defined based on the Company's planning.



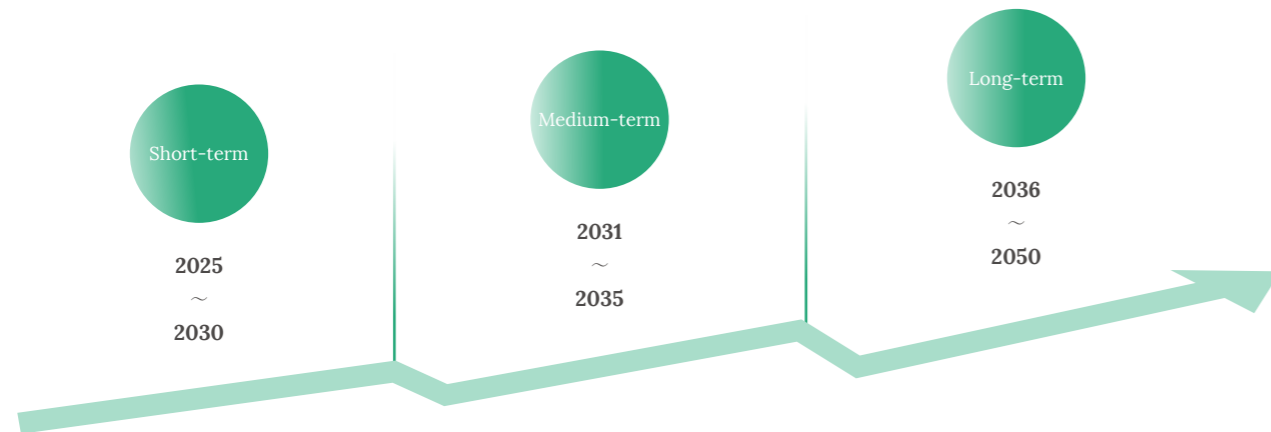
²⁰ *Climate Change Policy*

²¹ The SSP scenarios are used to describe emission levels and climate change trends under different socio-economic development pathways: SSP2-4.5 represents a medium-emission scenario with uneven policy advancement, while SSP5-8.5 represents a high-emission scenario with continued reliance on fossil energy.

²² The IEA transition scenarios are used to simulate global energy structures and policy pathways: NZE represents a deep decarbonization scenario aiming for global net-zero emissions by 2050, while STEPS simulates scenarios based on existing policies and future planned measures.



Short-term, Medium-term, and Long-term Timeframes



The Company has identified the impact of climate-related risks and opportunities on its value chain and outlined the response measures taken by the Company. Based on its current core business and strategic direction, the Company has clarified the scope of asset analysis and determined the main business segments for physical and transition risks and opportunity analysis. Each segment is analyzed in phases, leading to the following analytical outcomes.

Climate Change Physical Risk Impact Analysis

Risk Category	Risk Impact Description	Response to Risks
Acute risk	<p>Typhoon/Tropical cyclone</p> <p>Development phase: Extreme weather events such as strong winds and heavy rainfall directly impact construction activities, necessitating additional reinforcement and protective measures, as well as incurring post-disaster repair and emergency costs. Weather-induced work stoppages and post-disaster cleanup can significantly extend project timelines, increasing the risk of delays.</p> <p>Operation phase: Extreme weather events such as strong winds and heavy rainfall may damage building facades and structures, leading to leaks/safety hazards and direct physical losses. Furthermore, extreme weather forces temporary closures of commercial premises, resulting in interrupted foot traffic, stalled sales, rental losses, and potential merchant claims and thereby affecting operational revenue and investment returns.</p>	<ul style="list-style-type: none"> Enhancement of building disaster resilience: Strengthen wind-resistant design and reinforce vulnerable areas in the envelope of existing large public buildings; improve drainage efficiency and optimize building drainage systems to enhance flood resilience in critical zones. Optimization of emergency response mechanisms: Establish a tiered early warning management system with response measures for different alert levels; strengthen routine inspections and hazard rectification, with a focus on high-risk areas. Rapid post-disaster recovery: Assemble specialized emergency repair teams and establish standardized post-disaster recovery collaboration mechanisms. Technology empowerment management: Utilize technological tools to optimize protective measures; enhance professional skills and responsibility awareness training for relevant personnel.
	<p>Extreme cold</p> <p>Development phase: In regions affected by extreme cold, construction activities require additional protective measures such as insulation materials, leading to increased costs. Moreover, low temperatures can extend work stoppages, raising the risk of project delays.</p> <p>Operation phase: In affected areas, extreme cold drives up heating energy consumption, resulting in higher operational costs. The need to deploy additional on-duty personnel and snow-melting supplies for the property further increases maintenance expenses.</p>	<ul style="list-style-type: none"> Cold-resistance reinforcement for buildings: Enhance building insulation performance and improve anti-cold measures at entrances, exits, and ramps; implement freeze-protection measures for exposed building facilities and critical pipelines. Construction adjustments: Strengthen protective measures for low-temperature construction to ensure equipment and power stability; dynamically adjust project timelines and optimize construction scheduling. Operational energy conservation and consumption reduction: Optimize heating management and advance energy-saving and consumption-reduction initiatives. Technology empowerment management: Enhance training for relevant personnel in equipment freeze-prevention operations, frostbite emergency response, and other related skills.

Risk Category	Risk Impact Description	Response to Risks
Acute risk	<p>Extreme heat</p> <p>Development phase: In regions affected by high temperatures, heat waves lead to the suspension of outdoor construction activities, increasing project delays and uncertainty. Meanwhile, the need to provide heatstroke prevention supplies and equipment to ensure personnel safety drives up construction costs.</p> <p>Operation phase: In affected areas, summer heat significantly increases building cooling energy consumption and intensifies the load on fire protection systems. The health risks for employees engaged in outdoor work rise, requiring additional resources for mitigation.</p>	<ul style="list-style-type: none"> Heatstroke prevention measures for construction: Adjust work schedules during peak heat periods and strengthen health monitoring and early warning systems for outdoor workers; enhance emergency response capabilities for heatstroke incidents, provide heatstroke prevention supplies, and safeguard the health of construction personnel. Building energy efficiency retrofits: Optimize building design to improve passive cooling effects and reduce air conditioning loads; advance smart energy management to enhance energy efficiency and intelligent operation. Operational risk control: Upgrade equipment protection measures to prevent failures; strengthen fire safety inspections during high-temperature weather, with a focus on monitoring high-risk areas.
	<p>Heavy rainfall</p> <p>Development phase: Heavy rainfall leads to waterlogging at construction sites, damaging equipment and materials. It also inundates construction sites, destabilizes geology, and increases construction safety risks. Anti-flood and anti-mold materials must be installed to address potential water accumulation hazards.</p> <p>Operation phase: Heavy rainfall causes waterlogging in building facilities. It may damage power and water supply systems, disrupting normal operations. The resulting urban waterlogging and regional floods can interrupt transportation, hinder the movement of personnel and goods, and increase the risk and cost of operational disruptions.</p>	<ul style="list-style-type: none"> Enhanced construction safety: Install flood barriers and water retention facilities at critical locations on construction sites; stockpile emergency flood prevention supplies and establish emergency response teams. Flood prevention retrofits: Optimize building flood prevention design to enhance passive defense capabilities. Operational risk control: Upgrade equipment protection measures to prevent water ingress risks; establish emergency response mechanisms with differentiated control measures for different warning levels. Technology empowerment management: Develop a flood prevention early warning system and strengthen monitoring of key areas.
Chronic risk	<p>Sea level rise</p> <p>Rising sea levels undermine the foundation bearing capacity of coastal projects, increasing construction safety risks and project delays. Meanwhile, to cope with seawater intrusion and facility corrosion, it is necessary to continuously equip and maintain moisture-proof and waterproof facilities, thereby driving up long-term operational costs.</p>	<ul style="list-style-type: none"> Upgrading engineering defense systems: Strengthen coastline protection and optimize drainage management measures; enhance risk control during construction, including geological assessment and protective measures. Building resilience enhancement retrofits: Upgrade equipment protection measures to prevent potential risks. Intelligent risk prevention and control: Establish smart emergency response mechanisms and form specialized emergency teams. Supply chain resilience enhancement: Optimize material selection and upgrade protection for existing projects.
	<p>Global warming</p> <p>Progressive climate change brought about by global warming will continue to affect the long-term performance of building materials and drive adaptive adjustments in construction technology. In terms of operations, the continuous rise in temperature will increase building cooling loads and long-term energy consumption expenditures. Meanwhile, water resource pressure is prominent. Heat waves intensify water demand, continuously testing the resilience of water supply systems. Increasingly frequent droughts require long-term investment and maintenance of irrigation and water resource management facilities in affected areas, causing sustained cost pressures.</p>	<ul style="list-style-type: none"> Specialized response to high-temperature environments: Adjust work schedules and implement early warning coordination; strengthen heatstroke prevention and cooling measures during construction. Deep transformation of energy structure: Explore new energy applications and promote energy supply methods such as photovoltaics; advance smart energy management to optimize dynamic energy consumption control. Water resource resilience enhancement: Establish rainwater harvesting, purification, and reclaimed water reuse systems; optimize irrigation management to improve water use efficiency. Employee health protection: Strengthen health protection for employees and optimize working environment conditions.



Climate Change Transition Risk Impact Analysis

Risk Category	Risk Impact Description	Response to Risks	
Policy and compliance	Stricter policies on energy conservation and emission reduction	<p>Development phase: To meet stricter green building standards, construction costs need to be increased. Regional policy variations and the pursuit of international certifications may lead to extended development timelines and higher compliance costs. Newly developed buildings require early investment in low-carbon technologies. Existing assets face pressures such as energy efficiency retrofits, value reassessment.</p> <p>Operation phase: Continuous optimization of energy efficiency in systems such as lighting and elevators is required, along with the promotion of renewable energy applications. Signing green lease agreements with merchants to strengthen energy-saving responsibilities increases the complexity of tenant management. Meanwhile, energy efficiency retrofits for aging assets demand sustained resource and operational investment.</p>	<ul style="list-style-type: none"> Strengthen green building design, incorporate energy-saving and low-carbon considerations, and encourage planning new projects with high-star requirements; Develop ultra-low-energy buildings by integrating multiple energy-saving design strategies to reduce overall energy consumption; Apply renewable energy solutions, such as deploying photovoltaic systems, to increase the proportion of green electricity usage; Establish an energy and carbon management platform to enable monitoring, analysis; Sign green lease contracts to clearly define environmental and energy-saving responsibilities for both parties.
	Stricter emission reporting obligations and compliance requirements	<p>Development phase: Collecting Scope 3 carbon emission data requires information from upstream supply chains, increasing the complexity of supply chain carbon management.</p> <p>Operation Phase: Managing Scope 1 and Scope 2 emissions requires the installation of real-time energy monitoring systems. Disclosing Scope 3 data necessitates installing energy consumption metering equipment for residents/tenants and conducting carbon inventories. To meet disclosure requirements, existing data collection systems need to be optimized. During project handover, due diligence on the energy efficiency of existing buildings is required to identify high carbon emission risks.</p>	<ul style="list-style-type: none"> Establish an energy and carbon management platform to enable dynamic tracking and analysis of carbon emissions; Engage professional third-party agencies to conduct indirect emission inventories and identify key emission categories and processes; Disclose Scope 1, Scope 2, and Scope 3 carbon emission data in accordance with regulatory requirements.
	Greenhouse gas emission pricing	<p>Development phase: The cost of high-carbon building materials (such as cement and steel) rises due to carbon pricing mechanisms, driving up construction costs. Meanwhile, upfront investment is required for the adaptation of low-carbon technologies, increasing design and construction expenditures.</p> <p>Operation phase: Self-owned properties need to purchase carbon allowances or pay carbon taxes, directly raising operational costs. Commercial operations face challenges such as rising energy prices and the difficulty of passing carbon costs on to tenants. Property management must directly bear the carbon costs of energy consumption in public areas, which are amplified by high occupancy rates. When taking over projects, energy efficiency assessments of existing buildings are required, and energy-saving retrofits for high-carbon projects increase management expenses.</p>	<ul style="list-style-type: none"> Carbon Reduction Targets: By 2030, Longfor Group aims to reduce carbon emission intensity per unit area by 15%; Apply renewable energy and increase the proportion of green electricity usage; Develop an energy and carbon management platform and implement emission reduction measures; Select low-carbon building materials with lower embodied carbon and reduce the carbon footprint of projects; Establish sustainable procurement goals and encourage suppliers to adopt low-carbon solutions.
	Changes in product regulatory requirements and standards	<p>Development Phase: New development projects must adapt to continuously evolving green building standards, which may lead to extended design cycles and increased technological investment. Moreover, stricter energy efficiency design reviews across regions may require repeated revisions of project plans if they fail to meet new standards, directly impacting development timelines.</p> <p>Operation phase: Existing buildings require energy-saving retrofits to comply with updated green building standards. During project handover, energy efficiency compliance reviews must be conducted for existing buildings. Projects that fail to meet standards must undergo energy-saving retrofits, thereby increasing operational expenses and management burdens.</p>	<ul style="list-style-type: none"> Strengthen green building design, incorporate energy-saving and low-carbon considerations, and encourage planning new projects with high-star requirements; Conduct energy efficiency compliance reviews for existing buildings, and implement energy-saving retrofits for older projects that fail to meet standards; Monitor green building policies and standards, and participate in awareness campaigns, training sessions, and technical exchange activities.

Risk Category	Risk Impact Description	Response to Risks	
Technological innovation	Substitution of existing products and services with low-emission alternatives	<p>Development phase: Adopting ultra-low energy consumption, zero-carbon building technologies, or renewable energy may lead to increased development costs.</p> <p>Operation phase: Existing buildings with high carbon emissions may face the risk of asset stranding due to policy changes.</p>	<ul style="list-style-type: none"> Develop ultra-low energy consumption buildings by integrating multiple energy-saving design strategies to reduce overall energy consumption; Apply renewable energy solutions, such as deploying photovoltaic systems, to increase the proportion of green electricity usage; Establish an energy and carbon management platform to enable monitoring, analysis, and replacement of outdated, high-energy-consuming equipment; Conduct energy efficiency reviews of existing buildings and implement energy-saving retrofits for older projects.
	Investment in the development and adoption of low-emission technologies	<p>Development phase: Additional costs are required for developing green emission technologies and patents, as well as for training low-carbon technology professionals. Adopting low-carbon construction technologies such as green building and prefabrication will increase construction costs.</p> <p>Operation phase: Ongoing operation and maintenance costs for introduced low-carbon building technologies must be borne, creating long-term expenditure pressures.</p>	<ul style="list-style-type: none"> Increase resource investment in green building technologies to support the implementation of low-carbon solutions; Collaborate with external stakeholders to conduct joint research and development of low-carbon technologies and accelerate the adoption of low-emission solutions.
Market change	Shift in consumer preferences	<p>Development phase: To meet consumers' growing preference for green and low-carbon features, additional investment is required in energy-efficient design, sustainable building materials, and renewable energy systems. Meanwhile, pursuing international green certifications to enhance asset appeal may extend project development timelines.</p> <p>Operation phase: Failure to align with market green preferences may affect asset competitiveness and revenue. In addition, managing existing projects requires energy efficiency reviews and energy-saving retrofits for buildings that do not meet green standards, thereby increasing operational burdens.</p>	<ul style="list-style-type: none"> Strengthen green building design, and encourage planning new projects with high-star requirements; Disclose green building certification coverage, progress in energy conservation and carbon reduction, and highlight exemplary ultra-low energy consumption building cases to address consumer expectations.
	Rising raw material costs	<p>Development phase: High-carbon building materials such as cement and steel experience price increases due to carbon pricing cost pass-through, driving up construction costs. Low-carbon building materials and renewable materials further increase investment due to high prices and unstable supply chains.</p>	<ul style="list-style-type: none"> Prioritize the selection of low-carbon building materials with lower embodied carbon to reduce the carbon footprint; Establish sustainable procurement targets and encourage suppliers to invest in and adopt low-carbon, high-efficiency solutions.
Reputational impact	Stakeholder scrutiny of negative news	<p>Development phase: Failure to respond to low-carbonization requirements in a timely manner may negatively impact brand reputation.</p> <p>Operation phase: Failure to actively advance decarbonization could lead to heightened scrutiny and oversight from stakeholders, creating sustained reputational pressure. Conversely, failure to fulfill environmental responsibilities and advance low-carbon transformation will directly expose the Company to reputational risks due to lack of action.</p>	<ul style="list-style-type: none"> Disclose green building certification coverage, progress in energy conservation and carbon reduction, and highlight exemplary ultra-low energy consumption building cases to address consumer expectations.



Climate Change Opportunity Impact Analysis

Opportunity Category	Opportunity Impact Description	Response to Opportunities
Policy and compliance	Development of the green building industry Development phase: It is necessary to transform increasingly stringent green standards into product competitiveness. It also requires efforts to increase investment in green technologies such as ultra-low energy consumption, zero-carbon buildings, and renewable energy to establish benchmarks, capture market share, and potentially secure subsidies or incentives. Operation phase: It is necessary to conduct energy-saving retrofits and efficiency improvements for operational assets to directly reduce operational costs and enhance asset value. By offering value-added services such as green operations and maintenance, as well as carbon asset management, customer loyalty can be strengthened and new revenue streams can be developed.	<ul style="list-style-type: none"> Intensify technological breakthroughs and large-scale application of ultra-low energy consumption buildings to meet green building standards and create product highlights; Establish a green management system covering the entire project lifecycle, integrate green objectives, monitor and optimize carbon emissions and energy consumption, and achieve refined energy-saving management; Leverage green finance and policy incentives to apply for supportive policies, secure funding, convert green certifications into brand premiums, and enhance investment returns.
Technological innovation	Innovative expansion of low-carbon technologies Development phase: It is necessary to transform low-carbon technology demand into innovation and business opportunities. Through research and development or collaborative efforts in green building materials, prefabrication technologies, etc., it is feasible to reduce internal emissions while commercializing these technologies as external solutions to generate new revenue. Operation phase: It is necessary to transform green operations and maintenance demand into service expansion opportunities. By commercializing capabilities such as smart energy management and carbon asset management, low-carbon services can be offered to external clients, creating value-added revenue streams.	<ul style="list-style-type: none"> Strengthen research, development, and application of low-carbon technologies, focusing on breakthroughs in core technologies; Build a digital carbon management platform to enable online monitoring and control of carbon emissions; Promote the commercialization of green technologies and establish service models for external clients.
Market change	Brand value enhancement driven by green consumption and investment preferences Development phase: It is necessary to transform the growing preference for green consumption and investment into a brand value opportunity. By systematically developing high-quality green and low-carbon projects, a "sustainable" brand image can be established, attracting both customers and green capital. Operation phase: Through transparent disclosure of project environmental benefits and proactive communication with stakeholders, the green brand image can be reinforced, facilitating access to more favorable green financing terms.	<ul style="list-style-type: none"> Strengthen the green product system, integrate low-carbon concepts, promote low-energy technologies, and acquire differentiated product competitiveness; Innovate green financial instruments, link ESG performance with financing costs, guide tenants to collaborate on carbon reduction, and enhance corporate brand value.
Reputation	Empowering brand warmth and consumer trust Development phase: Conveying a responsible brand image through climate adaptation planning can earn recognition from the government and market for the project's long-term value. Operation phase: By integrating carbon reduction and disaster resilience into green smart O&M, a professional operational image can be shaped, attracting high-value clients focused on sustainability. Service phase: By incorporating full lifecycle climate care, user participation can be transformed into emotional connections, enhancing customer loyalty and word-of-mouth.	<ul style="list-style-type: none"> Conduct climate and environmental assessments at the initial stage and adopt adaptive design to minimize damage to native terrain; Achieve refined energy management through smart O&M systems (IBMS, EMS, etc.) and guide users to participate in sustainable operations.

Risk Management

In 2025, based on scenario analysis data, benchmarking against industry best practices, regulatory guidelines, and references to climate change risk research samples from various academic and professional institutions, Longfor Group systematically identified and compiled a list of key climate-related risks and potential opportunities faced in the development and operation phases across its core business segments.

Longfor Group conducts climate-related risk assessments on a regular basis. We employ a combination of qualitative and quantitative methods to comprehensively evaluate identified climate-related risks and opportunities, assess their risk levels, scope of impact, and likelihood of occurrence, and formulate materiality assessment results accordingly. The Company develops targeted response strategies and continuously monitors their implementation and effectiveness to effectively mitigate the impact of climate-related risks on corporate operations.

Based on the Group's asset distribution and revenue data, we selected cities where our core businesses are concentrated. Leveraging predefined scenarios and timeframes, combined with scenario data and the operating revenue of each city, we conducted a quantitative analysis of the risk exposure of identified physical risks. We also fully considered the irreversibility of risks in the assessment to determine the impact level of each physical risk on the Company's operations. Specifically, heavy rainfall has the highest level of impact, typhoons/tropical cyclones and extreme heat have a moderate level of impact, while other physical risks do not currently pose significant impacts on corporate operations.

Physical Risk Impact Materiality Assessment



Primary Risk	Secondary Risk	Materiality of Impact
Acute	Typhoons/Tropical cyclones	Medium
	Extreme Cold	Low
	Extreme Heat	Medium
	Heavy Rainfall	High
Chronic	Sea Level Rise	Low
	Global Warming	Low

Material Physical Risks Faced by Regions under Medium Temperature Rise Scenario (SSP2-4.5)

Region	Short-term (2030)	Medium-term (2035)	Long-term (2050)
Pan Bohai Rim	Extreme Heat and Extreme Cold	Extreme Heat and Extreme Cold	Extreme Heat and Extreme Cold
Yangtze River Delta	Extreme Heat and Heavy Rainfall	Extreme Heat, Typhoons/Tropical Cyclones and Heavy Rainfall	Extreme Heat, Typhoons/Tropical Cyclones and Heavy Rainfall
Western China	Extreme Heat	Extreme Heat	Extreme Heat
Central China	Extreme Heat	Extreme Heat	Extreme Heat
Southern China	Typhoons/Tropical Cyclones	Typhoons/Tropical Cyclones and Heavy Rainfall	Typhoons/Tropical Cyclones and Heavy Rainfall



Material Physical Risks Faced by Regions under High Temperature Rise Scenario (SSP5-8.5)

Region	Short-term (2030)	Medium-term (2035)	Long-term (2050)
Pan Bohai Rim	Extreme Heat and Extreme Cold	Extreme Heat and Extreme Cold	Extreme Heat and Extreme Cold
Yangtze River Delta	Extreme Heat and Heavy Rainfall	Extreme Heat, Typhoons/Tropical Cyclones and Heavy Rainfall	Extreme Heat, Typhoons/Tropical Cyclones and Heavy Rainfall
Western China	Extreme Heat	Extreme Heat	Extreme Heat
Central China	Extreme Heat	Extreme Heat and Heavy Rainfall	Extreme Heat and Heavy Rainfall
Southern China	Typhoons/Tropical Cyclones and Heavy Rainfall	Typhoons/Tropical Cyclones and Heavy Rainfall	Typhoons/Tropical Cyclones and Heavy Rainfall

We have systematically broken down the identified transition risks to analyze their specific impacts in development and operation phases. By benchmarking against industry regulatory trends and best practices, we have evaluated the materiality of these key transition risks. Specifically, the stricter policies on energy conservation and emission reduction and changes in product regulatory requirements and standards have the highest level of impact. The stricter emission reporting obligations and compliance requirements, greenhouse gas emission pricing, the substitution of existing products and services with low-emission alternatives, investment in the development and adoption of low-emission technologies as well as shift in consumer preferences have a moderate level of impact. Other transition risks have a relatively low impact on the Company's operations at the current stage.

Materiality of Impact of Transition Risks on the Transformation

● Low ● Medium ● High

Primary Risk	Secondary Risk	Materiality of Impact
Policy and compliance	Stricter policies on energy conservation and emission reduction	●
	Stricter emission reporting obligations and compliance requirements	●
	Greenhouse gas emission pricing	●
	Changes in product regulatory requirements and standards	●
Technological innovation	Substitution of existing products and services with low-emission alternatives	●
	Investment in the development and adoption of low-emission technologies	●
Market change	Shift in consumer preferences	●
	Rising raw material costs	●
Reputational impact	Stakeholder scrutiny of negative news	●

Based on the list of identified opportunities, we have conducted an analysis across the specific business scenarios of each segment to determine their impact at various stages of the value chain. By comprehensively assessing the opportunity exposure and the degree of difficulty in seizing each opportunity, we have prioritized these opportunities based on the materiality of impact. Specifically, the development of the green building industry and the innovative expansion of low-carbon technologies and services are identified as opportunities with a high level of impact, while brand value enhancement driven by green consumption and investment preferences, as well as empowering brand warmth and consumer trust, are identified as opportunities with a moderate level of impact.

Materiality of Impact on Opportunities for Longfor Group

● Low ● Medium ● High

Primary Opportunity	Secondary Opportunity	Materiality of Impact
Policy and compliance	Development of the green building industry	●
Technological innovation	Innovative expansion of low-carbon technologies	●
Market change	Brand value enhancement driven by green consumption and investment preferences	●
Reputation	Empowering brand warmth and consumer trust	●

Longfor Group has integrated climate change-related risks into its overall risk management framework. We regularly review risk management approaches, standardize risk management processes, and strengthen risk control capabilities. Furthermore, we systematically integrate climate change risk assessment with risk management practices. Based on assessment results, we continuously optimize and adjust strategies and plans for addressing climate change risks, thereby reducing the climate risks facing the Group's operations and seizing the development opportunities presented by climate change.

Metrics and Targets

In response to the national "Dual Carbon" strategy, Longfor Group has systematically established a climate target and indicator management system, comprehensively advancing carbon emission management and sustainable transformation.

Climate-Related Targets

Longfor Group has established carbon emission intensity targets and decomposed them annually across all business segments to ensure effective transmission and accountability. Relying on the "Dual-Carbon Operation Cockpit" system, we perform dynamic monitoring and full-process management of core indicators, including the standard of energy consumption, the progress of energy-saving/low-carbon projects, and the development of green buildings. This approach ensures that our targets will be achieved in a traceable and assessable manner.

Action Target

By 2030
the Group aims to reduce carbon emission intensity per unit area by **15%**

In addition to the carbon emission intensity target, the Group has established a multi-dimensional low-carbon development framework covering green building and energy usage to systematically advance sustainable transformation. For more details about the targets regarding green buildings and energy management and the progress towards achieving these targets, please refer to the "Green Building" and "Energy Management" sections of this chapter, respectively.

Greenhouse Gas Emissions

In compliance with the disclosure requirements of the HKEX, Longfor Group systematically calculates and monitors GHG emissions across the entire value chain under internationally authoritative frameworks such as the *Greenhouse Gas Protocol*²³ (*GHG Protocol*). We comprehensively identify key priorities for emission reduction, scientifically guide the implementation of carbon reduction actions, and continuously enhance the standardization and transparency of carbon management.

²³ [GHG Protocol](#)



Greenhouse Gas Emissions from 2023 to 2025

	Unit	2023	2024	2025
Scope 1 emissions	Tons of carbon dioxide equivalent	26,221.64	25,105.31	21,257.89
Scope 2 emissions	Tons of carbon dioxide equivalent	612,612.22	501,426.19	563,231.17
Scope 3 emissions	Tons of carbon dioxide equivalent	/	/	96,215.41
Total emissions (Scope1+Scope 2)	Tons of carbon dioxide equivalent	638,833.86	526,531.50	584,489.06
Total emissions (Scope 1+Scope 2+Scope 3) ²⁴	Tons of carbon dioxide equivalent	/	/	680,704.47
Greenhouse gas emission density (Scope 1+Scope 2)	Tons of carbon dioxide equivalent/revenue of RMB 10,000	0.035	0.041	0.060

Longfor Group is systematically conducting the inventory of greenhouse gas emissions and fully clarifying the emission composition and primary sources across Scope 1, Scope 2, and Scope 3, which has laid a solid data foundation for establishing a scientific carbon pricing mechanism. In the future, we will continue to refine our monitoring and assessment mechanisms, ensuring that carbon pricing plays a substantive role in guiding our sustainable development strategy.

Industry Indicators

Indicator	Unit	2023	2024	2025
Total energy consumption	tce	152,602.54	140,919.41	151,616.82
Energy consumption intensity	tce / revenue of RMB 10,000	0.0084	0.0110	0.0156
Purchased green electricity	100 million kWh	0.46	1.77	2.14
New project area with green building certification	thousand square meters	430	951	377
Proportion of project area meeting green building standards	%	100	100	100
Cumulative number of projects meeting green building standards	/	581	590	597

Longfor Group attaches great importance to various climate-related indicators²⁵, systematically advancing the identification, quantification, and management of climate risks and opportunities. Through mechanisms such as regular meetings, management reporting, and ongoing supervision, the Company dynamically evaluates the progress of climate management initiatives, and takes concrete actions to advance the national green development objectives.

²⁴ GHG emissions are reported in line with the *Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard*. Scope 1 includes direct emissions from fuel combustion (gasoline, diesel, natural gas). Scope 2 includes indirect emissions from purchased electricity and energy. Scope 3 includes value chain emissions. In 2025, Longfor progressively quantified and disclosed selected Scope 3 emissions data, covering Category 2 – Capital goods, Category 3 – Fuel and Energy-Related Activities, Category 5 – Waste Generated in Operations, Category 6 – Business Travel, and Category 7 – Employee Commuting.

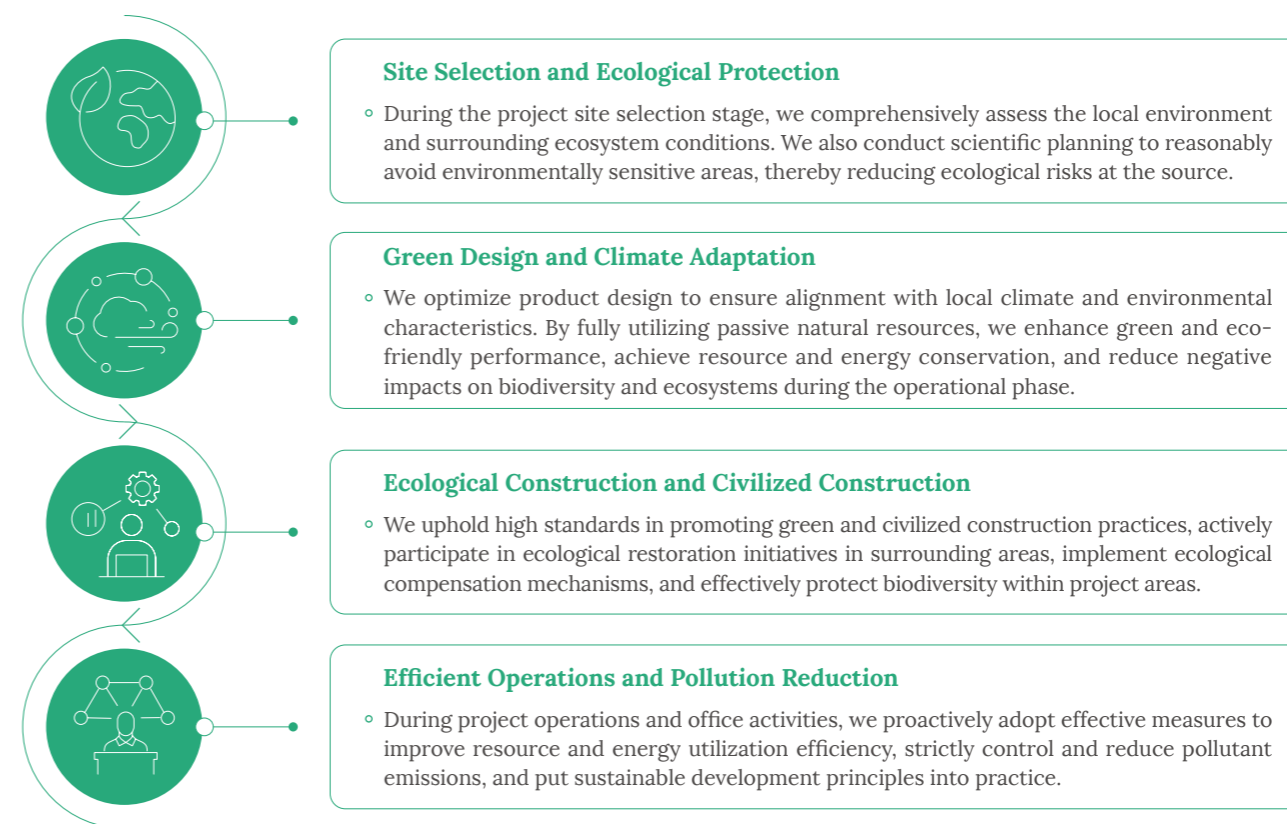
²⁵ Given that the financial impacts of climate change and the cross-industry indicators are currently under assessment and the underlying data remains incomplete, the Company has temporarily not disclosed the cross-industry indicators under the "Reasonable Information Relief" provision stipulated in the *Implementation Guidance for Climate Disclosures under HKEX ESG reporting framework*. It is expected that relevant information will be disclosed in future financial years.

Green Building

Longfor Group is steadfast in its mission to promote the green and low-carbon transformation of the construction industry. By embedding sustainability into the DNA of our buildings, we utilize a full-lifecycle green building system and innovative low-carbon construction technologies to create modern urban spaces where humanity and nature coexist in harmony.

Green Building Philosophy

Upholding the philosophy of harmonious coexistence between humans and nature, Longfor Group integrates green building principles throughout the entire lifecycle of project development and operational management. We are dedicated to building eco-friendly, resource-conserving, and sustainable spaces.



Site Selection and Ecological Protection

- During the project site selection stage, we comprehensively assess the local environment and surrounding ecosystem conditions. We also conduct scientific planning to reasonably avoid environmentally sensitive areas, thereby reducing ecological risks at the source.

Green Design and Climate Adaptation

- We optimize product design to ensure alignment with local climate and environmental characteristics. By fully utilizing passive natural resources, we enhance green and eco-friendly performance, achieve resource and energy conservation, and reduce negative impacts on biodiversity and ecosystems during the operational phase.

Ecological Construction and Civilized Construction

- We uphold high standards in promoting green and civilized construction practices, actively participate in ecological restoration initiatives in surrounding areas, implement ecological compensation mechanisms, and effectively protect biodiversity within project areas.

Efficient Operations and Pollution Reduction

- During project operations and office activities, we proactively adopt effective measures to improve resource and energy utilization efficiency, strictly control and reduce pollutant emissions, and put sustainable development principles into practice.

The Group has established a robust green construction management system and formulated green building-related policies. We are committed to promoting the pilot application of low-carbon and green new technologies while continuously improving the certification levels and coverage of green building labels. Leveraging an industry-academia-research collaboration model, the Group has developed technology research and development (R&D) channels, actively advanced the R&D and application of new materials, new technologies, and innovative low-carbon construction solutions, and systematically accumulated its construction capabilities and systems. Furthermore, we plan to gradually establish a supply chain system tailored to green and ultra-low energy buildings, aiming to control procurement costs for green technologies within a reasonable range and comprehensively drive the green transformation and sustainable development of our construction processes.

The Group actively participates in the development of industry standards. We contributed to the compilation of the *Evaluation Standards for Green, Low-Carbon, and Sustainable Development of Commercial Complexes and Shopping Malls (T/CUCO 8-2024)*. This specification provides a full-cycle, low-carbon roadmap for commercial complexes across five key dimensions: planning, construction, facilities, operations, and innovation, enabling enterprises to achieve precise energy consumption management and resource optimization.



Suzhou Shishan Paradise Walk Awarded Inaugural Platinum Certification, Setting a New Benchmark for Green Transformation of Commercial Complexes



On January 15, 2026, the Shishan Paradise Walk in Suzhou was awarded the Platinum certification under the *Evaluation Standards for Green, Low-Carbon, and Sustainable Development of Commercial Complexes and Shopping Centers* by the China Federation of Urban Commercial Outlets Construction Administration and the National Office for the Evaluation of Green, Low-Carbon, and Sustainable Development of Commercial Complexes. With its outstanding energy and carbon management capabilities and green operational practices, the Shishan Paradise Walk has been included in the industry's first list of demonstration projects, setting a new benchmark for the sustainable development of commercial complexes.



Platinum Certification of Suzhou Shishan Paradise Walk

Green Building Goals and Certification

The Group strictly follows the *Assessment Standard for Green Building (GB/T 50378)* in integrating core requirements such as energy conservation, water conservation, material conservation, and indoor environmental quality throughout the entire project lifecycle. Since 2021, the Group has established clear development targets for green buildings and consistently tracked and disclosed our progress toward achieving these goals.

Green Building Goal



Since 2021, **100%** of the Group's new projects have met national green building standards, and we encourage the attainment of higher-level certifications (including: Two-Star/Three-Star National Green Building, U.S. LEED²⁶ Certification, and WELL²⁷ Certification).

Longfor Group's New Green Buildings in 2025

The number of the Group's new projects with green building certifications

7

The proportion of new projects that meet the national green building standard

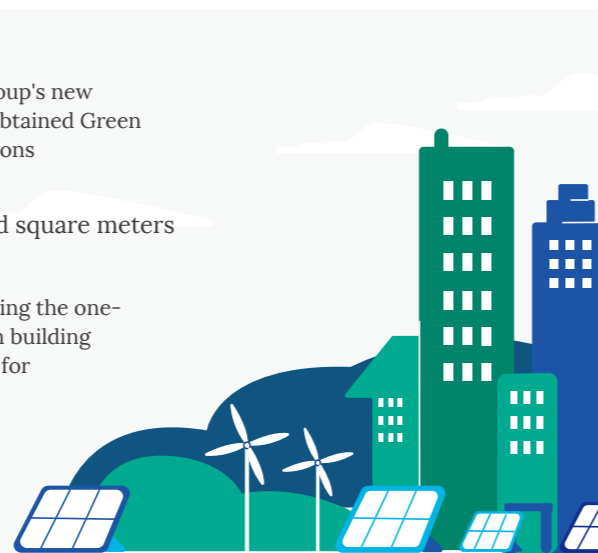
100%

The area of the Group's new projects that had obtained Green Building Certifications

377 thousand square meters

New projects meeting the one-star or above green building standards account for

85.7%



Longfor Group's Green Building as of December 31, 2025

The cumulative number of the Group's projects meeting green building standards

597

The cumulative area of the Group's projects meeting green building standards

130+ million square meters



Green Building System

Longfor Group is committed to driving the full-lifecycle sustainable development of buildings through technological innovation and model transformation. We strive to create high-efficiency, low-emission modern building paradigms, leading the green and intelligent transformation of the industry.

TOD Complex Project

Adhering to the principles of TOD design, the Group integrates green and low-carbon concepts into its core design philosophy. We have established a six-category product line system encompassing "intercity hubs, urban business districts, regional centers, neighborhood hubs, multimodal transit hubs, and new TOD communities". In 2025, the Group opened 5 new TOD projects.

Building on traditional TOD design, we have pioneered the dual-core driven model of "Park-Oriented Development (POD) and Transit-Oriented Development (TOD)". Through multi-level connectivity and ecological integration, we activate regional commercial potential and create a "park-style retail" experience. By integrating green concepts into urban life, we achieve an organic unity of commercial value, urban renewal, and sustainable development.

POD+TOD Project: Hangzhou Shangcheng Paradise Walk



On November 28th, 2025, Shangcheng Paradise Walk in Hangzhou Shangcheng District opened with a floor area of 136,000 square meters. With the opening of Metro Line 18, the project will serve as a core hub connecting the industrial areas such as Qiantang Smart City and Qiaosi. Positioned as a premium commercial complex, the project is dedicated to creating an intelligent, green, healthy, convenient, and comfortable commercial district through digital technology and low-carbon strategies.

In terms of green design and technology, the project innovatively adopts the "POD+TOD" dual-core concept, deeply integrating commerce with nature. It also utilizes panoramic glass curtain walls and vaulted spaces for lake views and natural lighting, thereby reducing energy consumption for lighting. Furthermore, the project implements Grade-2 water-saving fixtures, water-efficient irrigation, and a rainwater collection system spanning 150 cubic meters, effectively contributes to the "Sponge City" construction.

In addition, the project adopts fully digitalized forward BIM (Building Information Modeling) design to reduce carbon emissions. On the operation side, it integrates intelligent technologies including IBMS (Integrated Building Management System), EMS (Energy Management System) and BA²⁸, thereby enabling precise and efficient operation of the electromechanical system and building a smart and energy-saving green TOD complex.



Hangzhou Shangcheng Paradise Walk

²⁶ LEED rating system | U.S. Green Building Council (<https://www.usgbc.org/leed>)

²⁷ International WELL Building Institute (<https://www.wellcertified.com/>)

²⁸ BA: Building Automation, refers to the automatic monitoring and management of electromechanical equipment within a building via intelligent control systems.



TOD Project: Wuhan Xinrong Paradise Walk



On October 17, 2025, Wuhan Xinrong Paradise Walk opened with a floor area of 153,000 square meters. As the 4th Paradise Walk operated by Longfor Commercial in Wuhan, the project redefines the regional high-quality lifestyle paradigm and demonstrates strong capabilities for business agglomeration.

Located at the intersection of Houhu Avenue and Hanhuang Road in Jiang'an District, the project leverages the TOD hub advantage of the interchange of Metro Line 1 and Yangluo Line to build an "underground-ground-air" connectivity system.

The project embraces low-carbon design and adopts fully digitalized forward BIM design to reduce carbon emissions during the construction period. The building features ultra-white ceramic-fritted high-performance curtain walls and glass shading systems, effectively reducing energy demand. The electromechanical system is equipped with high-efficiency chillers and variable frequency control, achieving over 6% energy savings for air conditioning. The project fully applies water-saving fixtures and rainwater recycling systems, and adopts high-efficiency, energy-saving lamps. Through the integration of technologies such as IBMS and EMS to realize precise management of the electromechanical system, it has built a highly energy-efficient green TOD complex.

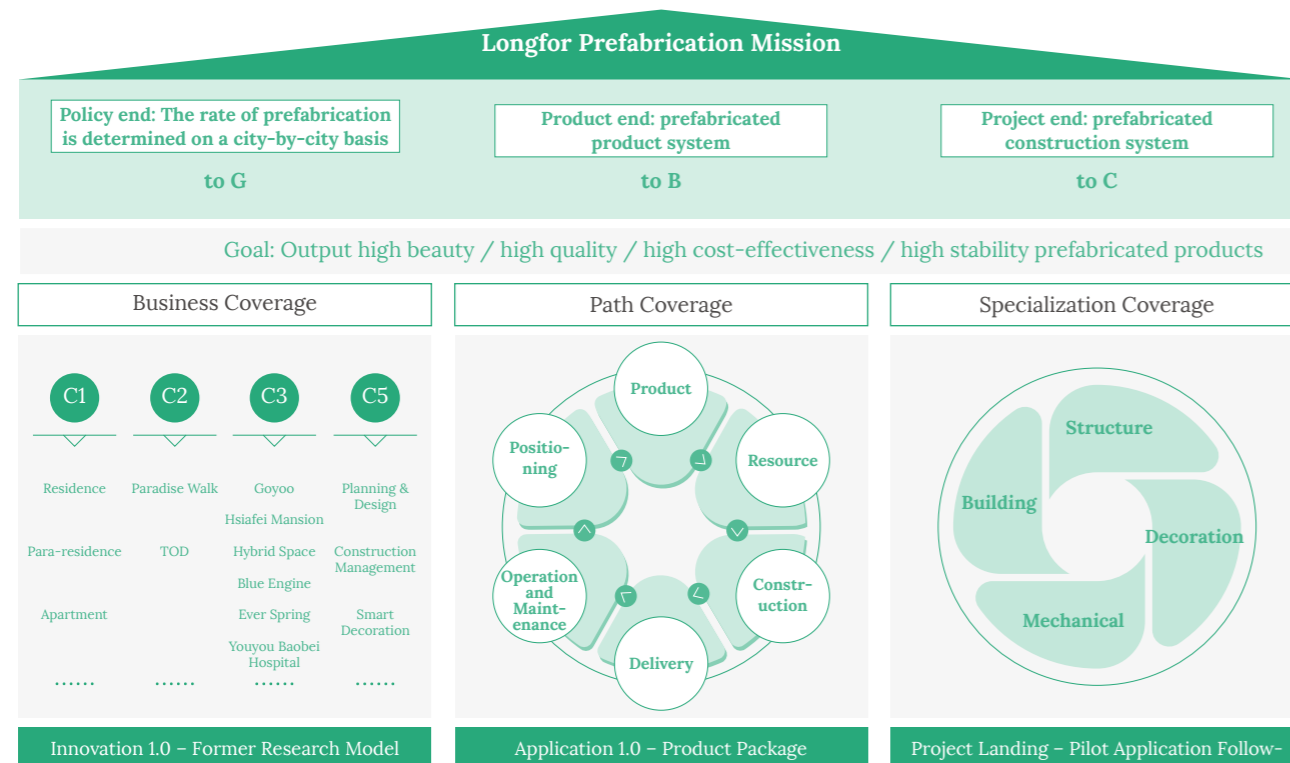


Wuhan Xinrong Paradise Walk

Furthermore, the project introduced the first Xianyu (Goofish) circular store in Wuhan, which advocates green circular consumption concepts through an innovative model integrating consignment, recycling, and retail.

Prefabricated Buildings

Embracing the *Implementation Plan for Carbon Peaking in Urban and Rural Construction*, Longfor Group has been deeply committed to the R&D of prefabricated construction technologies since 2017. By establishing a robust technical framework, the Group is effectively driving the green and low-carbon development of the construction industry through concerted efforts in policy guidance, product innovation, and project implementation.



The Group has established a full-cycle prefabricated construction capability system and achieved integrated management that spans project planning, design, production, assembly, and operation. To date, this prefabricated technology system has been widely applied in diverse business segments, including residential, apartment, office, commercial, and medical/health care facilities.

The Group continuously strengthens R&D and innovation in prefabricated technologies and actively promotes industry standardization. In 2025, the Group filed 61 new patent applications for prefabricated construction, including 11 invention patents and 50 utility model patents, of which 19 patents have already been granted.

Ultra-Low Energy Consumption Buildings

Longfor Group thoroughly implements the development guidance on ultra-low energy consumption buildings set forth in the *14th Five-Year Plan for Building Energy Efficiency and Green Buildings* issued by the Ministry of Housing and Urban-Rural Development of the People's Republic of China. In accordance with the *Technical Standard for Nearly-Zero Energy Consumption Buildings* (GB/T 51350-2019) and taking into account regional climate characteristics and resource endowments, we systematically integrate passive design strategies, active energy-saving technologies, and renewable energy systems to create high-efficiency, low-carbon, and sustainable modern green buildings. Through these efforts, we continuously facilitate the green and low-carbon transformation of the construction industry.

Shanghai Longfor Cloud Palace Ultra-Low Energy Consumption Project



The Shanghai Longfor Cloud Palace Project is located in Jiading District, Shanghai. The project employs a variety of energy-saving design approaches to reduce building energy consumption and set a benchmark for green and low-carbon development.

In terms of building envelope energy efficiency, through software simulations based on local meteorological parameters in Jiading, we analyzed the wind environment to ensure optimal natural ventilation. We further enhanced passive energy efficiency by applying high-performance insulation materials, integrated exterior wall insulation technology, airtightness management, and thermal bridge mitigation measures.

Regarding the energy system, we significantly improved airtightness and thermal bridge control by optimizing building geometry and the building envelope. The project adopts a "water-fluorine" multi-split air conditioning system alongside smart lighting to achieve substantial energy savings and consumption reduction. Furthermore, the project integrates a photovoltaic system for on-site renewable energy consumption, with a total photovoltaic area exceeding 2,500 square meters, an installed capacity of 570 kW, and an annual photovoltaic energy substitution volume exceeding 510,000 kWh.



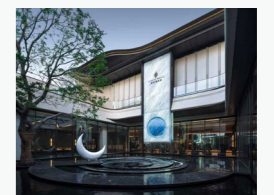
Shanghai Longfor Cloud Palace

The project is expected to save over 5 million kWh of electricity annually, conserve over 620 tons of standard coal, and reduce carbon dioxide emissions by over 2,100 tons.

Shanghai Longfor Glory of Thrones Ultra-Low Energy Consumption Project



Shanghai Longfor Glory of Thrones Ultra-Low Energy Consumption Project was designed and implemented in accordance with the *Relevant Regulations on Strengthening the Management of Ultra-Low Energy Consumption Building Projects*. Tailored to Shanghai's climatic characteristics and residential habits, the project adheres to the principle of "Passive First, Active Optimization". By optimizing building layout and orientation, we have integrated a suite of passive and active technical measures, including high-performance building envelopes, external shading, high-airtightness design, and high-efficiency HVAC and fresh air systems. Furthermore, the project incorporates renewable energy utilization and energy consumption monitoring systems. It aims to substantially lower building energy consumption and ultimately create a high-quality living space that is deeply integrated with the local environment and delivers outstanding energy-saving performance.



Shanghai Longfor Glory of Thrones



Green Construction

Longfor Group actively practices the concept of Green Construction and has formulated the *Green Environment Protection Construction Plan* and the *Safety and Civilization Construction Management Agreement*. We implement strict control over key aspects during construction, including waste disposal, material storage, and dust management, to minimize the negative impact of construction activities on the surrounding environment.

Green Construction Measures

Wastewater Treatment

- Install sedimentation tanks on the construction site and in the living area to treat wastewater for recycling or compliant discharge;
- Set filters in the sewer lines in the cafeteria, shower rooms, and other facilities of the living area and properly connect them to municipal sewage pipelines to prevent blockages.

Waste Gas Treatment

- Require construction vehicles and machinery to comply with national and local emission standards as well as undergo regular maintenance and repairs to control exhaust emissions.

Garbage Treatment

- Implement centralized waste classification to separate domestic waste from construction waste;
- Clear garbage on the construction site promptly and establish a routine inspection mechanism;
- Prohibit the incineration of various wastes on the construction site or in surrounding areas.

Noise Control

- Use fully enclosed cutting workshops to isolate noise;
- Conduct regular noise monitoring to ensure compliance with relevant national and local standards.

Dust Management

- Place automatic vehicle flushing facilities and three-stage sedimentation tanks at the construction site entrances and exits;
- Prohibit muddy, overloaded, or unclosed vehicles on the road, and appoint special personnel to check;
- Cover exposed soil and the area that is temporarily not under construction with dust nets; spray water on surrounding roads regularly to suppress dust;
- Adopt water mist spraying and other measures during earthwork construction;
- Install online dust monitoring systems.

Water and Energy Conservation

- Adopt water-efficient fixtures and energy-saving lighting and equipment;
- Set the sprinklers to be turned on and off at regular intervals;
- Promote the use of centralized low-voltage charging devices.

Recycling

- Apply reusable container dormitories and offices;
- Screen construction debris (rubble/gravel) for reuse as backfill material;
- Process rebar remnants, used formwork, and other waste materials for reuse.

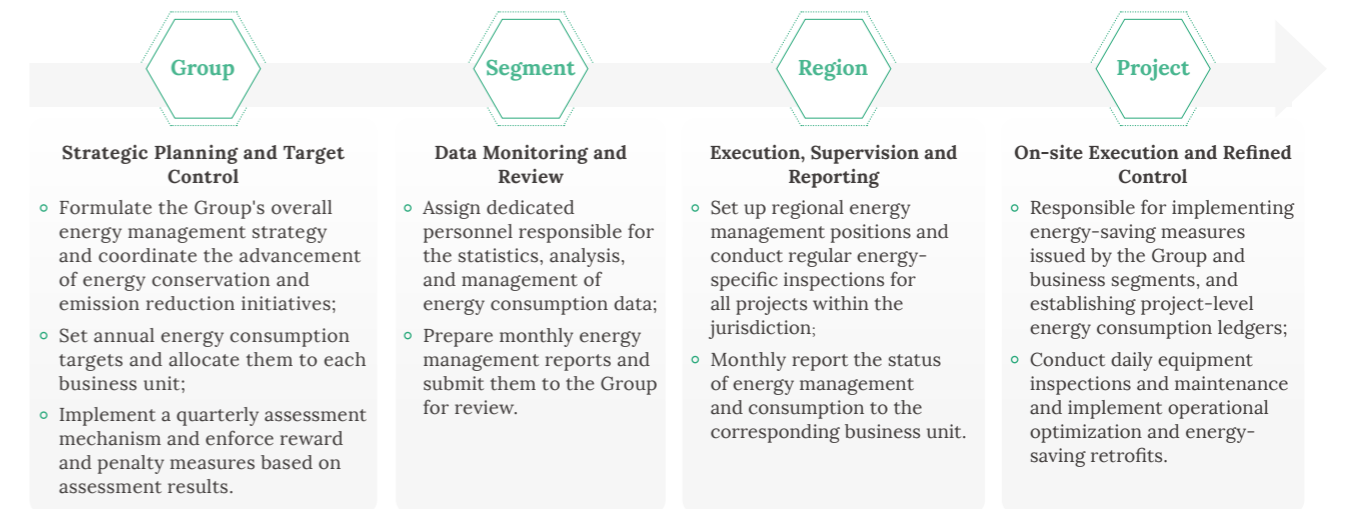
Energy Management

Longfor Group actively responds to the national "Dual Carbon" strategy by establishing a scientific and standardized energy management system. By deepening the application of clean energy, implementing refined energy conservation and consumption reduction measures, and promoting integrated energy management projects, the Group comprehensively improves energy utilization efficiency and drives green low-carbon operations and sustainable development.

Energy Management System

Longfor Group has developed a four-tier energy management framework covering the "group, business segment, region, and project". We achieve closed-loop management of target control, data monitoring and implementation supervision, while promoting efficient collaboration and continuous optimization of energy management.

Energy Management Structure



Longfor Group strictly complies with the *Energy Conservation Law of the People's Republic of China* and has formulated management systems including the *Environmental Policy of Longfor Group*²⁹, the *Energy Consumption Management in Commercial Projects*, and the *Operation Guidance of Energy Consumption Management*. The Group has also established a five-level energy consumption system standard and a utility billing management system. We set clear targets for energy consumption and monitor the progress towards achieving them, thus achieving standardized and refined energy management. In 2025, Longfor Property Management Group obtained the ISO 14001 Environmental Management System Certification.

The Energy Consumption Target and Progress of Commercial Operations in 2025

Target	Based on previous electricity and gas consumption data, we set an annual energy consumption target for public areas of	
	63.37 kWh/m ²	
Progress	During the Reporting Period, the actual energy consumption was	We successfully achieved the energy-saving target, and compared to 2024, the energy intensity decreased by
	61.99 kWh/m ²	2.3 %

²⁹ *Environmental Policy of Longfor Group*



Energy Management Measures

Lighting Management

- Promote the replacement of energy-efficient lighting fixtures, apply dual-intensity or motion-sensor lighting in non-motorized garages, and install limit switches on lighting circuits in equipment rooms;
- Adjust the lighting based on peak hours, off-peak hours, and nighttime hours;
- Effectively reduce lighting brightness and duration to minimize energy waste while ensuring functional needs.

Power System

- Upgrade storage-type tap water pumps in older projects to water supply equipment without non-negative pressure;
- Feed electricity generated during no-load upward operation or full-load downward operation back to the grid to realize energy recycling.

Operation and Maintenance Management

- Promote intelligent energy consumption control systems and implement the energy consumption management strategy in multi-industrial space zones;
- Adopt a refined management model combining human oversight and automated systems;
- Continuously advance digital R&D to improve system operating efficiency through algorithm optimization.

Temperature Control

- Adjust air-conditioning operation in line with seasonal patterns and implement centralized control via the central air-conditioning auxiliary monitoring system;
- Continuously promote low-nitrogen high-efficiency boiler retrofits and physical transformation of high-efficiency cooling stations;
- Engage third-party professional companies to conduct electromechanical system testing and commissioning, and implement systematic energy-saving retrofits for high energy consumption projects;
- Promote the coating process for external sunshade glass of commercial skylights to reduce energy loss during the cooling season;
- Adopt high-efficiency condensing boilers to lower gas consumption for heating and domestic hot water supply.

Energy-Saving Monitoring

- Directly input energy consumption data via QR code and AI automatic reading to improve the accuracy and efficiency of energy monitoring;
- Conduct back-end data verification to ensure data accuracy and enhance the quality of energy consumption data;
- Install a EMS (Energy Management System) to provide an enhanced platform for energy consumption management and analysis.



Longfor Property Services has been promoting integrated energy management projects across multiple business formats in various regions. Technically, starting with precise adjustment of cold source systems, we widely adopt lightweight HALO³⁰ and cold station intelligent control modules. We have also established a data-based operation management mechanism, which has significantly reduced energy costs and effectively cut carbon dioxide emissions.

During the Reporting Period, the Group organized 6 energy management training sessions for all engineering staff at regional and project levels to enhance employees' awareness of energy conservation and emission reduction. The training focused on promoting energy conservation and consumption reduction measures and digital management, aiming to continuously enhance energy management for each project.

Special Training on Energy Consumption Management



In February 2025, the Company organized a special training session on energy consumption management. The training was designed to systematically explain management actions and execution points regarding core modules such as energy consumption budget control, building airtightness management, and refined operation of lighting systems. It strengthened the implementation of project-level energy-saving responsibilities and data closed-loop awareness while effectively putting energy-saving systems into daily practice.

Clean Energy Application

Longfor Group proactively responds to the national "Dual Carbon" strategy. We prioritize renewable energy development as the core path for green commercial operations and scientifically set renewable energy construction targets for new and existing projects. Through these efforts, we strive to create a clean and low-carbon energy system.

The Group has clarified a technical roadmap that embraces Building-Attached Photovoltaic (BAPV)³¹ and Building-Integrated Photovoltaic (BIPV)³² systems tailored to the specific characteristics of building structures. We scientifically apply photovoltaic modules to deepen the integration of renewable energy and building physical space while maintaining the overall performance of the building.

In 2025, the Group made strides in photovoltaic construction, with 5 new projects commissioned and put into operation: Beijing Fangshan Paradise Walk, Shanghai Huajing Paradise Walk, Shanghai Baoshan Paradise Walk, Suzhou Xinghu Paradise Walk and Ningbo Haishu Paradise Walk, adding 3,000 kW of installed capacity. As of the end of the Reporting Period, a total of 12 projects in the business segment had been put into operation, with a total installed capacity exceeding 4,700 kW and an annual power generation of over 3.0 million kWh. 100% of the electricity generated was consumed internally during the shopping mall's operation, effectively improving energy self-sufficiency.



Rooftop Photovoltaic Installation at Suzhou Xinghu Paradise Walk



Rooftop Photovoltaic Installation at Ningbo Haishu Paradise Walk

In 2026, the Group has steadily advanced 15 rooftop photovoltaic projects including Jinan Xicheng Paradise Walk and Hangzhou Shangcheng Paradise Walk, with a total installed capacity of 6,997 kW, which will provide strong support for future energy supply.

In addition to the increase in clean energy utilization, we have continuously expanded the procurement of green electricity. As of the end of the Reporting Period, the Group purchased green electricity for 12 ongoing commercial projects, with a total annual procurement volume of 214 million kWh, of which 7 projects achieved 100% operation on green electricity.

The Use of Clean Energy in New Projects of Longfor Group in 2025

Number of air-source heat pump projects

1

14.3% of the total

Number of solar hot water projects

1

14.3% of the total

Number of solar photovoltaic projects

5

71.4% of the total



³⁰ HALO: Smart Space Service Platform

³¹ BAPV: Building-Attached Photovoltaic, refers to a solar photovoltaic power generation system installed on existing buildings.

³² BIPV: Building-Integrated Photovoltaic, refers to the technology that incorporates solar PV products into buildings.



Resource Conservation and Recycling

Longfor Group adheres to the philosophy of green and sustainable development. We have established a comprehensive system for water resource management, waste governance, and low-carbon office, while systematically advancing energy conservation, emission reduction, and resource recycling to enhance our overall environmental management performance.

Water Usage Management

Longfor Group strictly complies with national standards including the *Reuse of Urban Recycling Water-Water Quality Standard for Urban Miscellaneous Use* (GB/T 18920) and the *Reuse of Urban Recycling Water-Water Quality Standard for Scenic Environment Use* (GB/T 18921). We have incorporated water conservation requirements into the *Green Office Management System* to continuously improve our water management standards.

At Longfor Group, water sustainability is integrated into the core green operation strategy. By strengthening water usage control and promoting water-saving equipment and technologies, we continuously optimize water efficiency with the goal of progressively reducing our total water consumption.

Water-Saving Measures

- Water-saving Management**
 - Post water-saving reminders in restrooms and pantry areas, advocate turning off taps after use, standardize cleaning procedures, eliminate continuous running water, and promote the use of containers for washing.
 - Strengthen inspections of water-using equipment and promptly repair leaks and drips.
 - Advance secondary utilization and recycling of water resources to improve reuse rates.
 - Establish a monthly water consumption tracking and assessment mechanism, with engineering personnel regularly verifying and evaluating water-saving performance.
- Water-saving Devices**
 - Use high-efficiency constant-flow and constant-pressure water-saving devices to improve water use efficiency.
 - Install float-ball automatic water replenishment valves to precisely control water level and prevent overflow.
 - Optimize the installation angle and layout of sensor-activated water outlets to ensure responsive detection and efficient water saving.
 - Deploy temporary leak monitoring systems to identify irrigation pipeline seepage in real time and enable rapid response.
 - Promote micro-sprinklers and low-flow water-saving heads to achieve precision irrigation and reduce water consumption during irrigation.
- Water-saving Technologies**
 - Develop reclaimed water reuse systems, with reclaimed water used for irrigation.
 - Build rainwater storage and regulation facilities to collect rainwater for toilet flushing, road cleaning, and landscape irrigation.
 - Regularly aerate and punch green spaces to enhance soil permeability, improve natural water retention capacity, and reduce irrigation frequency.

Scientific Water-Saving Management for Residential Landscaping by Longfor Intelligent Living



Longfor Intelligent Living has fully implemented three water-saving measures for its residential projects, significantly enhancing water use efficiency. We aerate and punch green spaces twice a year to facilitate moisture infiltration and rainwater retention, which will reduce surface runoff and irrigation frequency.

In addition, the Company has deployed "moisturizing" irrigation with micro-sprinklers and water-saving spray heads in designated areas. By precisely controlling water output, we eliminate the need for over-watering, ensuring scientific and efficient water management for landscaping.



Soil Aeration and Punching



Use of Micro-Sprinklers




Use of Water-Saving Spray Heads





Waste Management

Longfor Group strictly complies with relevant laws and regulations including the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, and the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*. We have established and continuously improved management and control systems for wastewater, waste gas, and solid waste to fully ensure compliant emissions.

Waste Management Measures

- 
Wastewater
 - Domestic sewage is collected, connected to the municipal sewage pipe network, and transported to the urban sewage plant for centralized harmless treatment.

- 
Waste Gas
 - Two-stage fume purifiers are equipped to effectively reduce the emission concentration of waste gas pollutants.

- 
Solid Waste
 - Efforts are made to strictly implement the garbage classification and designated disposal system, formulate the *Garbage Classification Guidelines* to clarify the responsible entities, unify the implementation standards, and strengthen personnel training.
 - Recyclables such as paper and metals are reused.
 - Special classification and compliant recycling procedures are conducted for hazardous waste such as batteries and fluorescent tubes, as well as electronic waste.


Domestic Waste Management System


Management Standard	Capacity Building	Supervisory Execution
<ul style="list-style-type: none"> ◦ We strictly comply with the <i>Regulations on the Domestic Waste Classification Management</i> and relevant local regulations, with clear responsibilities. ◦ In accordance with the <i>Garbage Classification Guidelines</i>, centralized waste collection points have been established to ensure full implementation of waste sorting across all operating sites. 	<ul style="list-style-type: none"> ◦ Three dedicated teams (promoters, guides and supervisors) are set up within each project, along with systematic training plans. ◦ Special training sessions are conducted regularly, covering classification standards, operation protocols, etc., to ensure that all employees and stakeholders undergo technical training on waste management. ◦ Waste classification requirements are incorporated into contractor management (e.g., waste collection units, outsourced cleaning services), to ensure that all contractor staff receive corresponding training through methods such as contract clauses, on-site supervision and account checking. 	<ul style="list-style-type: none"> ◦ Classification accounts are maintained to track waste types and disposal destinations. ◦ We actively cooperate with government departments in conducting publicity and inspection initiatives to strengthen promotional effectiveness. ◦ For the collection and transportation, we strictly enforce the rule of "rejecting unqualified classified waste" to advance waste reduction and resource utilization goals.

Low-Carbon Office

Longfor Group actively practices the concept of green office, and has formulated systems including the *Environmental Management System*, the *Energy Management System* and *Green Office Management System* to systematically promote energy conservation, emission reduction, and resource recycling in office operations.

Energy-Saving Measures

- 
Electricity Consumption for Office Use
 - **Intelligent lighting control:** Install time-controlled or light-controlled devices, implement zoned control for holidays, workdays and cleaning lighting, and conduct regular inspections.
 - **Behavioral guidance:** Post signage in meeting rooms and other areas to encourage employees to turn off lights when not in use.
 - **Energy efficiency improvement:** Prioritize procurement of high-energy-efficiency equipment and promote the use of power-saving modes for office devices such as computers and printers.

- 
Elevator System
 - **Intelligent scheduling:** Adopt parallel control mode for passenger elevators to optimize scheduling logic.
 - **Operation optimization:** Turn off some passenger elevators on non-workdays to reduce no-load energy consumption.

- 
Ventilation and Air Conditioning
 - **Scientific scheduling:** Set a different runtime for the main air conditioning unit for workdays and holidays; dynamically adjust chiller water temperature based on outdoor temperature.
 - **Operation and maintenance:** Regularly inspect and maintain air conditioners to ensure efficient operation.
 - **Energy-saving operation:** Where conditions permit, prioritize natural ventilation and maintain indoor temperature within the energy-efficient range.

Office Supplies Management

<h4>Recycling</h4> <ul style="list-style-type: none"> ◦ Paper management: Promote double-sided printing and reuse of single-sided used paper. ◦ Consumable reduction: Promote the use of durable items such as ceramic cups and cloth rags to reduce consumption of disposable cups and tissues. ◦ Green procurement: Prioritize the use of recycled paper, refillable pens, rechargeable batteries and recyclable office supplies. 	<h4>Daily Management</h4> <ul style="list-style-type: none"> ◦ Dedicated personnel: Designate a person to manage the purchase and distribution of office supplies to strictly control consumable usage. ◦ Maintenance: Regularly maintain office equipment to extend service life and improve resource efficiency. ◦ Recycling system: Set up a waste recycling station to promote the reuse of used items and unified resource recycling.
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Biodiversity

Longfor Group strictly complies with the requirements of laws and regulations including the *Law of the People's Republic of China on Environmental Impact Assessment*, the *Regulations of the People's Republic of China on Nature Reserves*, and the *Regulations on Environmental Protection Management of Construction Projects*, and has established a sound biodiversity conservation management system.

The Group has formulated and implemented the *Biodiversity Framework and Zero Deforestation Commitment*³³, which deeply integrates the concept of protecting the ecological environment into the full-lifecycle management of projects and covers aspects such as planning, design, construction and operation. Through establishing a regular environmental impact assessment mechanism, the Group actively carries out ecological governance and biodiversity conservation practices, and is committed to promoting harmonious coexistence between humans and nature. In 2025, Longfor Group had no general or major environmental incidents.

Commitments to Ecological Protection



Greenfield Development

Longfor Group strictly adheres to its commitments to greenfield development. We pledge not to carry out construction or greenfield development (including agricultural land, green space, farmland, etc.) in national nature reserves located on the World Heritage list and International Union for Conservation of Nature (IUCN) Inventory categories I-IV protected areas. If development on greenfield sites is necessary, we commit to developing only green-certified properties, ensuring full compliance with green building standards, and adopt effective measures to minimize negative ecological impacts to the greatest extent possible.

Prior to the launch of the project, we strictly comply with relevant laws and regulations, comprehensively conduct risk assessments and biodiversity surveys, and avoid occupying farmland and green spaces. After obtaining approval from relevant authorities, we strictly implement construction in accordance with green building standards and minimize impacts on the green space and surrounding ecosystems throughout the development process. Meanwhile, we actively adopt ecological restoration and optimization measures to effectively improve and rectify environmental issues on the project site and earnestly fulfill our responsibilities for ecological protection.



Deforestation-Free Commitment

Longfor Group adheres strictly to the deforestation-free commitment, prohibits all business activities that harm forest ecosystems, and contributes to the global conservation of forest biodiversity.



Ecological Impact Assessment

Longfor Group has established a scientifically rigorous environmental impact assessment system, which is deeply integrated into the cross-departmental comprehensive risk management processes. Referring to the *Technical Guidelines for Environmental Impact Assessment* issued by the Ministry of Ecology and Environment, we implement differentiated assessments based on the geographical characteristics of each project, with a particular focus on ecologically sensitive areas.

The environmental impact assessment comprehensively covers both dependency and impact-related risks. On one hand, we perform in-depth analysis on the support provided by natural ecosystem services, such as water regulation and climate protection, to the sustainable operation of our projects. On the other hand, we strictly scrutinize the negative impacts of our operational activities on ecosystems, including construction dust, habitat fragmentation, and water pollution.

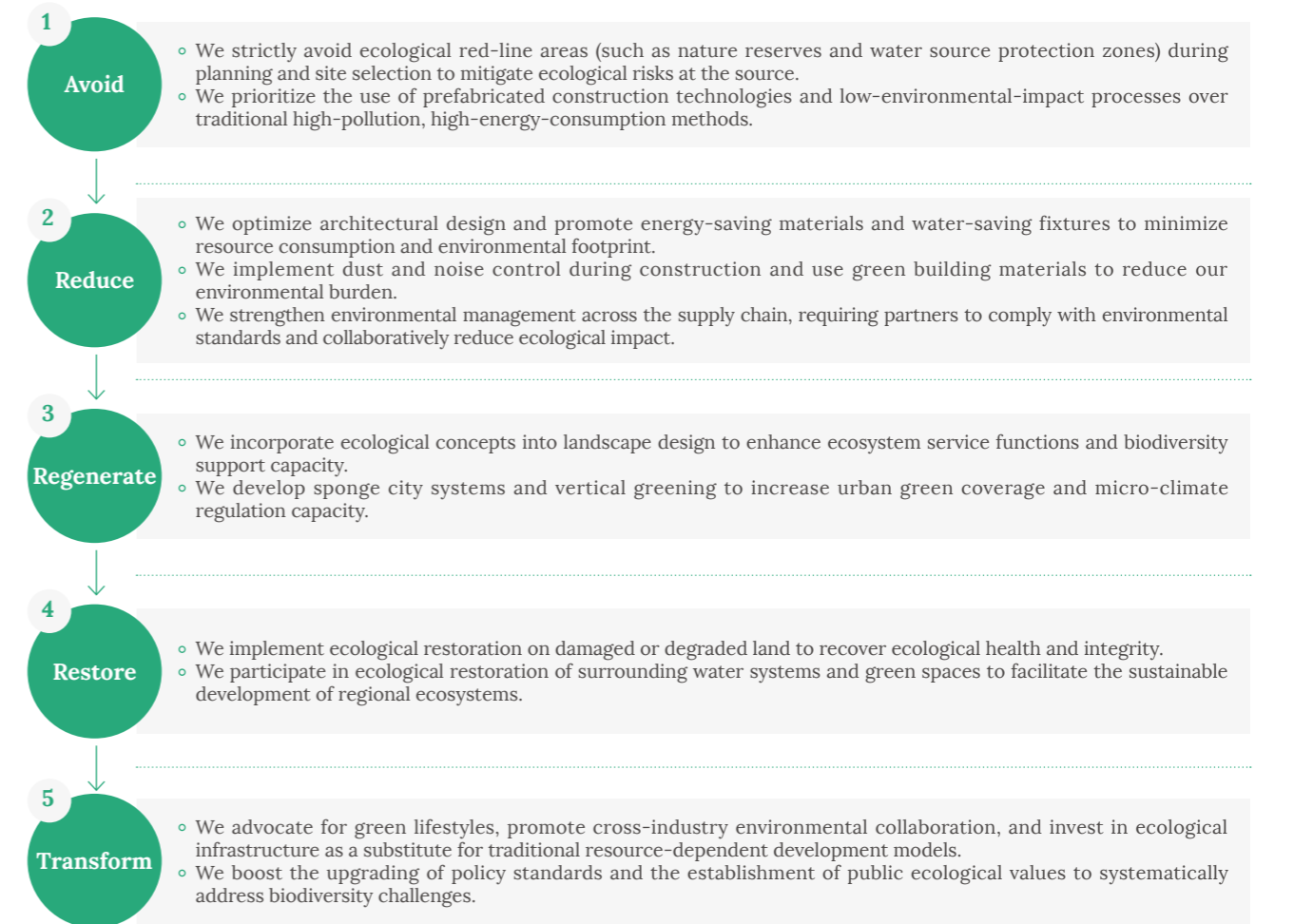
By fostering a collaborative mechanism across R&D, engineering, and other relevant departments, we integrate ecological risk control throughout the entire project lifecycle from investment and planning to operations. This approach ensures that we accurately identify location-specific ecological dependencies and effectively mitigate potential environmental damage.

³³ [Biodiversity Framework and Zero Deforestation Commitment](#)

Ecological Protection System

We follow the systematic ecological protection pathway of "Avoid, Reduce, Regenerate, Restore, and Transform", aiming to deeply integrate biodiversity conservation efforts into the full lifecycle management of projects. We are committed to maintaining the integrity, resilience, and service functions of ecosystems, alongside our efforts to achieve business development.

Ecological Protection System and Measures



Ecological Restoration of Chongqing Longtanghu Park

Longfor Group implemented ecological restoration of Longtanghu Park adjacent to Longfor Lijia Paradise Walk, with the aim of maintaining the stability of the urban ecological environment. Before restoration, the park faced numerous challenges including hardened revetments, deteriorating infrastructure, and poor waterfront accessibility. In response, we conducted an overall ecological planning and design for Longtanghu Park. Furthermore, we carried out protective renewal of the original vegetation and built ecological revetments to maintain ecological environment stability. Meanwhile, we added public leisure and entertainment functions to enhance the connection between humans and nature without causing environmental damage. Through these efforts, we strive to achieve the vision of harmonious coexistence between humans and nature.



ESG Material Topic(s) Responded in This Chapter:

Protection of Employees' Rights and Interests
Occupational Safety and Health
Employee Career Development

SDGs Responded in This Chapter:



People Orientation and Healthy Workplace

Longfor Group upholds the employer value proposition of "Intelligent Longfor, Infinite Future" and continuously improves its employee recruitment and compliance employment system. We optimize the compensation and incentive mechanisms to comprehensively protect employees' rights and interests. We are committed to nurturing high-potential talent to empower long-term career growth. We also prioritize the physical and mental well-being of our employees, consistently enhancing occupational health and safety management. By cultivating a diverse, equal, and inclusive workplace ecosystem, we strive to achieve mutual growth for both the company and our employees.





Employment and Labor Rights and Benefits

Longfor Group consistently regards compliance employment and the protection of rights and interests as the cornerstone of its human resources management. We strictly adhere to regulations and ensure fairness in the hiring process. Through a competitive compensation and benefits system, along with comprehensive care initiatives, we provide solid support for employees' career development and quality of life.

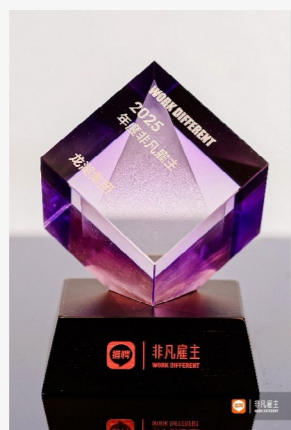
Compliance Employment

Longfor Group strictly adheres to the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and other pertinent laws and regulations. In addition, we have established a standardized and regulated talent recruitment system relying on internal regulations, such as the *Group Talent Recommendation Management Measures*, the *Group Recruitment Channel Management Guidelines*, and the *Recruitment Manual*.

The Group complies with internationally recognized human rights policies as outlined in the core conventions of the *International Labor Organization*, upholding principles of fairness and impartiality throughout the entire employment lifecycle. We are committed to eliminating bias and ensuring equal opportunities for competition and promotion. All forms of discrimination and harassment are strictly prohibited, and employees encountering such incidents can seek help and support through multiple communication channels. We have established comprehensive reporting channels, including hotlines, email, and other online platforms, to safeguard employee rights.

We strictly observe the *Universal Declaration of Human Rights*, the *Convention on the Rights of the Child*, and the State Council's *Provisions on Prohibition of Child Labor*, and other relevant policies and regulations, by resolutely prohibiting the employment of child labor and forced labor in any form. Through the release of the *Longfor Group Human Rights Policy*³⁴, we strictly prohibit any discrimination in terms of gender, ethnicity, region, religion, sexual orientation, while firmly upholding workforce diversity and safeguarding employees' freedom of association. To systematically manage human rights-related risks, we have established a comprehensive risk mitigation and remediation mechanism, including preventive training, grievance investigation, and psychological support. At the same time, the company monitors the effective implementation of the human rights policy through regular internal audits. In 2025, Longfor Group reported no child labor, forced labor, or discrimination violations.

Longfor Group's Awards in Employment



2025 Extraordinary Employer by Liepin



2025 Outstanding Employer by 51Job

Employee Rights and Benefits

Longfor Group has established a "Comprehensive Reward, Compensation and Incentive System", leveraging regular industry salary benchmark surveys to ensure that employee compensation remains competitive in the market. On this basis, we have strengthened the employee rights protection system and built a diversified benefits network, covering annual medical checkups, commercial insurance, access to an exclusive online doctor and a work-life coaching program (EAP). Meanwhile, we have introduced various characteristic policies, such as special subsidies and preferential housing purchase for employees, to protect employee rights and benefits through multiple measures.

▶ Extensive Employee Benefits

Commercial Insurance

- We have developed a commercial insurance plan and health management system tailored to market conditions and organizational characteristics. In addition to providing risk insurance for employees, we have introduced a medical reimbursement insurance plan, in order to offer every dedicated employee comprehensive medical support from daily medical reimbursement to the protection of major risks.
- Risk-based insurance: It covers accidental injuries during work hours, commuting, and daily life scenarios, further strengthening employees' resilience against various unexpected risks.
- Medical care insurance: It covers key medical scenarios including outpatient visits and hospitalization, precisely matching employees' needs in various medical scenarios.
- Continuously optimizing and enhancing the commercial insurance self-chosen options: Employees can purchase coverage for themselves, spouses, children, and parents to meet the daily medical needs of their families.

Annual Physical Examination

- We offer employees a range of diversified health assessment programs including more than 40 core screening items and one-stop health management services covering 165 cities across the country.
- Supported by a professional online doctor team, we assist employees with one-on-one interpretation of health assessment reports and provide targeted preventive recommendations and health guidance through comparison and trend analysis of health indicators over the years.
- Employees' family members can have access to convenient appointment scheduling and professional health management services with preferential rates and discounts.

Longfor's Exclusive Health Consultation Service Platform

- The Group has established the exclusive health consultation platform, Dr. Xiaohu, to provide employees with online consultation services and achieve system integration. Employees can have access to professional health advice without taking leave or visiting hospitals.
- As of the end of the Reporting Period, Dr. Xiaohu had delivered a total of 2,925 consultations for employees. Every month, we conduct offline and online consultation activities in workplaces across Shanghai, Shenzhen, Guangzhou, Chengdu, Chongqing, and Hangzhou, and offer services such as guidance on health assessment reports and health consultations.

Safety and Protective Equipment

- The workplace in Beijing is equipped with a health hut staffed with one full-time general practitioner. The health hut is stocked with daily health monitoring equipment such as blood pressure monitors and body fat scales, and over-the-counter (OTC) medicines.
- The workplace in Beijing is equipped with first aid equipment including automated external defibrillator (AED), which undergoes regular equipment checks, battery replacements, and other maintenance by the health hut doctor.

EAP (Work Life Coaching Program) Employee Assistance Program

- Longfor Group places significant emphasis on the mental health of employees. We provide telephone or face-to-face counseling services for employees and their families through counselors from third-party professional organizations to promote their psychological well-being. In 2025, the EAP services provided a total of 239 counseling sessions, with topics focusing on emotional and family issues (42.67%), personal growth (15.06%), and children's education (10.88%).

Long-Term Service Award

- Adhering to a long-term culture, we grant special incentives and honors to employees who have worked for more than ten and twenty years and motivate them for their unwavering commitment.

Other Benefits

- We continue our diversified welfare policies from previous years, including holiday greetings, special subsidies, green channels for critical illnesses, and preferential housing purchases. Additionally, we provide daily convenience facilities such as nursing rooms in major workplaces to offer comprehensive support for employee needs, further enriching welfare options and granting employees greater autonomy in their choices.

³⁴ Longfor Group Human Rights Policy

Diversity and Inclusion

Longfor Group integrates diversity and inclusion into the core of its corporate culture. By building a comprehensive employee care network and expanding democratic communication channels, the Group systematically advances people-centered management practices. We are committed to fostering an organizational environment that is equal, respectful, and harmonious. While safeguarding employee well-being and development, we continuously enhance organizational cohesion and innovation, laying a talent and cultural foundation for sustainable corporate growth.

We fully respect and embrace differences in gender, cultural background, and industry experience, constructing a diversified talent matrix to strengthen workplace inclusivity. As of the end of the Reporting Period, the total number of employees in Longfor Group is 31,653, with ethnic minority employees accounting for 4.64%, female employees accounting for 42.08%, and women in management positions accounting for 34.66%. The remuneration ratio of male and female employees at the same rank is 1:1.

As of the end of the Reporting Period

The total number of employees	Percentage of ethnic minority employees	Percentage of female employees	Percentage of women in management positions	The remuneration ratio of male and female employees at the same rank
31,653	4.64 %	42.08 %	34.66 %	1:1

Employee Care

Longfor Group actively organizes a variety of creative employee care activities, covering traditional festival celebrations, health check-ups and consultations, creating a vibrant and warm workplace atmosphere.

"Blooming Beauty, Healthy Together" Women's Day Wellness Market Event

On March 7, 2025, the company hosted a large-scale offline Health Day event. The event featured interactive activities such as flower arrangement and ring-toss games with prizes. In addition, five health-themed booths were set up, covering traditional Chinese medicine consultations, shoulder and neck massages, rehabilitation therapist consultations, general health consultations, and dental screening. Professional doctors and therapists were invited to the office to provide employees with meticulous and attentive health services.



Wellness Market Event on International Women's Day

"Summer Wellness, Healthy Summer" Midsummer Wellness Market Event

During the first period of the Dog Days of Summer in 2025, we organized an offline Health Day event themed "Summer Wellness, Healthy Summer". The event featured interactive activities such as making eighteen-bead bracelets and a prize wheel, alongside multiple health booths centered on the concept of "treating winter illnesses in summer". Doctors from Guang'anmen Traditional Chinese Medicine Hospital were invited to provide professional topical treatments and TCM wellness services to employees.



On-site at the "Summer Wellness, Healthy Summer" Wellness Market Event



Employee Communication

Longfor Group has established multiple communication channels to ensure that employee concerns receive timely responses and effective feedback. At the same time, we have developed "Longfor BBS" internal forum as a platform for open communication, encouraging employees to express their work-related suggestions, thereby stimulating engagement and participation.

In 2025, the Group expanded the application of smart office communities, promoting the deep accumulation and sharing of professional knowledge. Additionally, through the regular implementation of mechanisms such as 1v1, 360-degree feedback, management frank talks sessions, and other mechanisms, we further broadened cross-hierarchical communication boundaries, achieving transparent information flow.

We continuously promote cross-functional collaboration, empowering organizational vitality through cultural core values. In 2025, we systematically advanced cultural integration through the "Power of Role Models" initiative, establishing customer service role models such as "101 Small Acts" and "Ordinary Glimmers", as well as employee growth role models including "At Longfor" "Respect Yourself as Management Trainee", and "Hundred Mentors Forum". Through storytelling and honor-based recognition, values were transformed into tangible, learnable exemplars, effectively motivating intrinsic employee drive.

Furthermore, we conduct a series of activities including strategy alignment meetings, general manager's forums, and case co-learning sessions, to bridge the gap between management and frontline employees and strengthen employee recognition and belonging.

Talent Attraction and Retention

Longfor Group firmly believes that talent is the core engine of corporate development. Based on diverse business scenarios and job grade systems, the Group has established comprehensive career development pathways, supported by differentiated incentive schemes, to create a workplace environment that enables continuous employee growth.

Relying on institutional frameworks such as the *Employee Occupational Sequence and Occupational Level Management Measure*, the *Group Running Water Plan Rules*, and the *Measures for the Administration of Cross-location Transfers of Employees on the Empowerment Platform*, the Group continuously improves promotion pathways. At the same time, the Company has also established a scientific employee evaluation system that employs comprehensive and multi-dimensional assessment methods to provide objective and transparent employee assessments, fostering an open and fair environment for healthy competition.

The Company provides diverse career development opportunities for employees through mechanisms such as the Cross-channel Business Training Camp and the Three-cross Talent Running Water Program. These initiatives have stimulated employee enthusiasm and creativity while also optimizing the internal talent allocation within the Company. In 2025, the Group's internal talent mobility program covered more than 1,100 participants, with 53% of vacancies filled by internal candidates.

Meanwhile, we conduct regular in-depth performance evaluations every six months, integrating a wide range of approaches, including self-assessments, supervisor evaluations, and HR review meetings, to provide a 360-degree feedback mechanism and comprehensive performance assessments. During one-on-one communication sessions, we listen extensively to employee voices and provide timely feedback on evaluation results. We also engage in in-depth discussions regarding work performance and annual incentives, ensuring that the appraisal results authentically reflect each employee's contributions.

Telling the Longfor Story, Spreading Longfor's Warmth

In 2025, Longfor Group continued to carry out short video communication initiatives such as "101 Small Acts" and "Ordinary Glimmers", while simultaneously advancing the implementation of the "Public Feedback to Work Order" mechanism, systematically promoting brand reputation management and the visibility of service value.

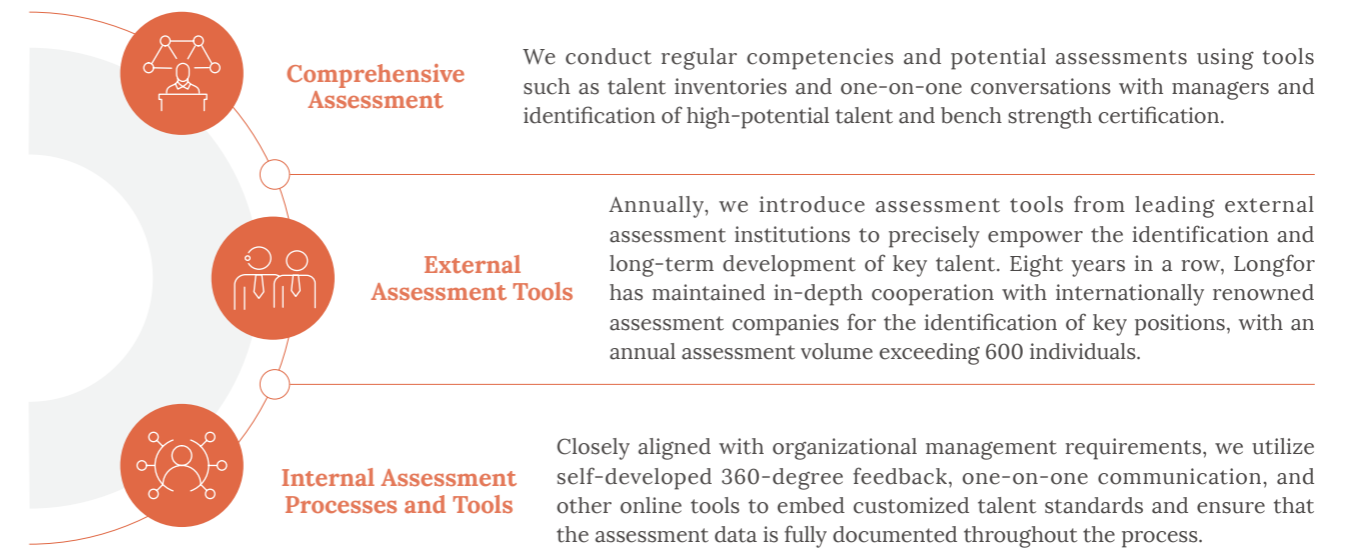
The "101 Small Acts" and "Ordinary Glimmers" series deeply explore and disseminate authentic service moments of frontline employees, achieving over 3 million video views and 160,000 reads of graphic content throughout the year. The "Public Opinion to Work Order" mechanism converts customer feedback from public platforms into internal rectification work orders, facilitating timely internal rectification and completing the closed loop.



Longfor "101 Small Acts"

The Group conducts regular annual employee satisfaction and engagement surveys to actively listen to employee voices and precisely respond to their core demands, continuously enhancing employee satisfaction. In 2025, Longfor Group conducted an employee satisfaction and engagement survey addressing job satisfaction, sense of purpose and well-being, achieved 100% coverage of all employees. The survey results show that the employee engagement score was 81%, while the employee satisfaction score remained at 84%.

Multi-dimensional Employee Performance Assessment Tools



Additionally, we continuously optimize talent incentive policies and related initiatives by tying employee performance to salary and providing bonus incentives to exceptional employees in order to enhance their enthusiasm and motivation at work.

Employee Training and Development

Longfor Group continuously deepens its diversified training system. By developing high-quality course systems, dynamically updating content, strengthening the instructor pool, and consolidating benchmark cases, we provide tailored training solutions precisely matched to various business lines. We implement specialized development programs based on the growth characteristics of different job levels, supporting employees' development and improvement throughout their full career lifecycle. In 2025, the total number of training participants reached 27,628. The cumulative annual training hours across all business lines totaled 1.58 million hours, with an average of 49.92 hours per employee.

We make unremitting efforts to implement diverse training programs, including mentorship programs for new employees, job-specific training camps tailored to various levels, and specialized leadership development workshops for management, comprehensively accelerating the pace of talent development.

Diverse Training Programs



Focusing on Generation Z Employee Management to Ignite Youth Vitality

In 2025, Longfor Group implemented a customized *Managing Generation Z* course for service-oriented business lines. Through scenario simulations and case discussions, the program systematically guided mid- and junior-level managers to reshape employee-centric leadership approaches, effectively enhancing young employees' sense of belonging and innovation vitality.



On-site Training of the *Managing Generation Z*

AI Capability Empowerment Program-Building a Tiered Digital Intelligence Development System

In 2025, Longfor Group systematically advanced the "AI Evolution Empowerment Program", with a total of 2,468 participants taking up AI-related courses, aiming to provide essential support for employees' career growth amid digital transformation. Through non-business activities such as AI task design in the All-Staff AI Training Camp and the Business Segment Marketing AI Innovation Competition, 298 AI innovation scenarios were identified and 73 excellent cases for AI application were recorded. A group of AI pioneer talents emerged, helping to foster a future-oriented innovative talent team.



Training session of the "AI Evolutionary Empowerment Program"

Open Ecosystem and Cross-sector Leadership-"Bringing In" and "Going Out" for Leadership Development

To stimulate organizational innovation, Longfor Group systematically built an open leadership development ecosystem in 2025, promoting dual empowerment through "bringing in" and "going out". We invited suppliers, B2B clients, and external corporate executives to internal sessions to share industry insights and practical experience. At the same time, focusing on themes such as "customer-centricity" and "operational innovation", we organized executives and core teams to conduct field visits to Aranya, Pangdonglai and leading commercial projects in Shenzhen and Shanghai for benchmarking and learning. Through continuous cross-sector exchanges and scenario-based research, core teams effectively expanded their cognitive boundaries and actively explored pathways for business innovation and breakthroughs.



Leadership Development Study Visits

Health and Safety

Longfor Group adheres to the principle of "safety first, prevention as priority" and promotes a "health and safety" value system to safeguard the well-being and safety of its employees. We are committed to continuously optimizing our safety management systems and framework, establish clear safety control objectives, and effectively fulfill safety management responsibilities. We conduct various safety awareness training activities regularly to establish a healthier and safer work environment for our employees.

Safety Management Guidelines

Longfor Group rigorously complies with laws and regulations such as the *Work Safety Law of the People's Republic of China*, the *Construction Law of the People's Republic of China*, the *Regulations on the Administration of Workplace Safety in Construction*, the *Regulations on the Reporting and Investigation of Workplace Safety Accidents*, as well as the *Standards for Safety Inspection of Construction Supervision*, among others. Internally, the Company has established systems including the *Workplace Safety Management System*, the *Longfor Group Construction Safety Management Measures for Projects Under Construction*, the *Longfor Group Safe and Civilized Construction Management Standardized Atlas*, and the *Longfor Group Engineering Safety Management System*, which delineate the responsibilities of management personnel at all levels and proactively prevent and eliminate potential safety hazards in the production process through a proactive and forward-looking control approach.

The *Health and Safety Management Policy*³⁵ released by the Group covering all business segments, and clearly required all suppliers and contractors to comply with the policy. When selecting and evaluating suppliers, we also regard their assignment of safety management personnel as one of the crucial assessment criteria. We also established a safety system of defense for the entire industry chain in collaboration with employees, tenants and customers, suppliers and contractors, partners, and other stakeholders. There were no serious injuries or fatal safety accidents reported across the Group in 2025.

The Group establishes its core policy of "safety first, prevention as priority" and a comprehensive accountability framework based on the *Workplace Safety Management System*, which covers the entire process. It further defines a series of specific procedures, ranging from safety funding assurance, education and training, inspection and rectification, to accident reporting, rewards and penalties, and accountability mechanisms. Among these, the safety reward and penalty system serves as a key component, setting quantified incentive and restraint standards. For example, it specifies clear reward and penalty rules for individual safety behavior, on-site protective measures, and accident responsibilities, and directly links assessment results to departmental and individual performance evaluations and excellence appraisals. Through clearly defined rights and responsibilities, measurable assessment criteria, and stringent accountability provisions, the system provides rigid constraints and clear guidance for all employees' safety-related conduct, forming the institutional foundation of the Company's safety culture.

At the same time, the Group requires all regions to sign the *Project Safety Target Responsibility Agreement* with subcontractors, thereby clarifying the responsibilities and obligations of both parties regarding production safety from the outset of the project. Meanwhile, prior to the subcontractors' entry to the site, the Group updated the safety clauses in the technical requirements of the bidding documents. In conjunction with the responsibility agreement, specific requirements have been set out at the contract execution stage concerning key aspects such as safety management targets, standards for safety personnel allocation, on-site safety and civility standards, major risk management, safety education and training, safety assessments, and emergency and incident response. This ensures that safety risks are effectively controlled throughout the entire project lifecycle.

Regarding occupational health protection, we strictly comply with laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and the *Occupational Health Safety Management System Certification*. We continuously improve our internal occupational health and safety management system, enhancing regular inspections and supervision. Regular monitoring of basic physiological indicators, such as blood pressure and body temperature, is conducted on-site to provide ongoing health tracking and risk prevention for employees. Additionally, we organize various physical and mental health activities tailored to employees' needs. As of the end of the Reporting Period, Longfor Group has obtained ISO 45001 occupational health and safety management system certification.

³⁵ [Health and Safety Management Policy](#)

Safety Targets and Progress

We have set clear workplace safety management targets, and we continuously conduct regular reviews of their attainment to ensure the effective implementation of safety management practices. The annual work safety targets for 2025 have been achieved.



Safety Management System

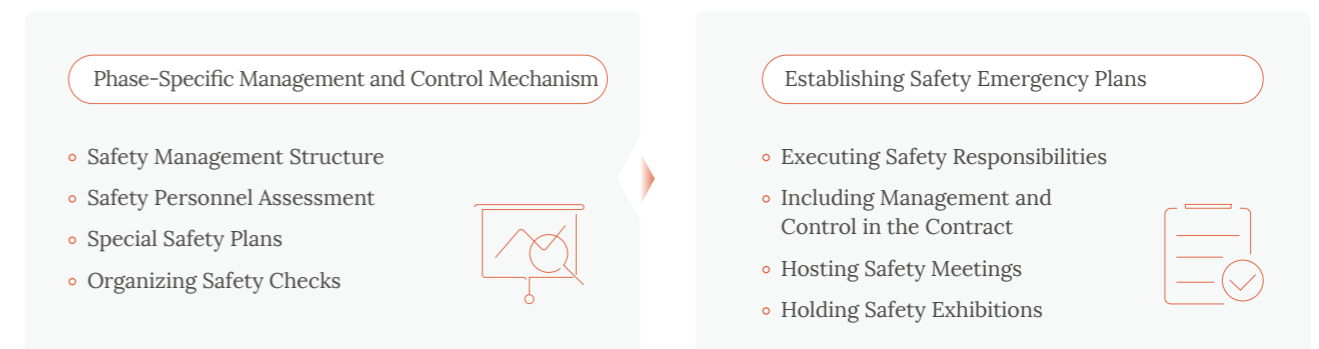
The Company implements a three-tier safety management structure encompassing the Property Development Headquarters, regional companies, and projects, clearly defining the roles and responsibilities at each level for health and workplace safety management and comprehensively implementing the work safety responsibility system. The Board of Directors of the Group is accountable for reviewing the Group's health and safety strategy and performance while the ESG Committee oversees the implementation of health and safety-related strategy, as well as the progress of performance indicators and targets within the Group.

We strictly enforce the accountability system for safety accidents, which links safety performance, such as major safety accidents, casualties, and fire incidents, to the remuneration and bonuses of executives and employees across all business units and subsidiaries of the Group.

Three-tier Safety Management System

Management Level	Main Responsibility
Property Development Headquarters Safety Management	The Property Development Headquarters is responsible for risk assessment, knowledge training, specialized inspection, and assessment evaluation.
Regional Safety Management	The General Manager of each regional company serves as the overall person in charge of health and safety matters within the region, responsible for the comprehensive coordination of related work.
Project Safety Management	The Project Engineering Manager is primarily responsible for the health and workplace safety, directly ensuring the safety of on-site personnel.

Daily Safety Management Mechanism



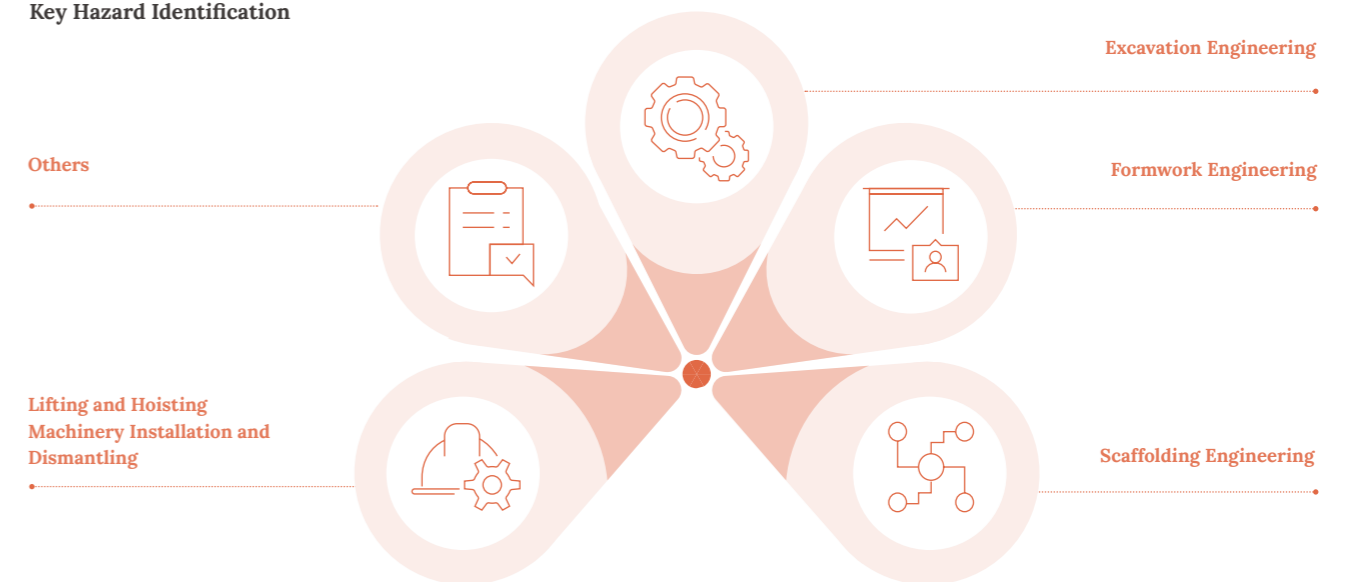
Safety Management Process



The Group has established strict safety assessment and reward and punishment rules. Relying on internal policies such as the *Property Development Headquarters Engineering Management Reward and Penalty Regulations* and the *Bottom-Line Management Mechanism for Engineering Quality and Safety at the Property Development Headquarters*, the Group links the results of safety and compliance inspections with the performance evaluations of safety officers and project managers, driving continuous optimization and improvement of on-site safety standards.

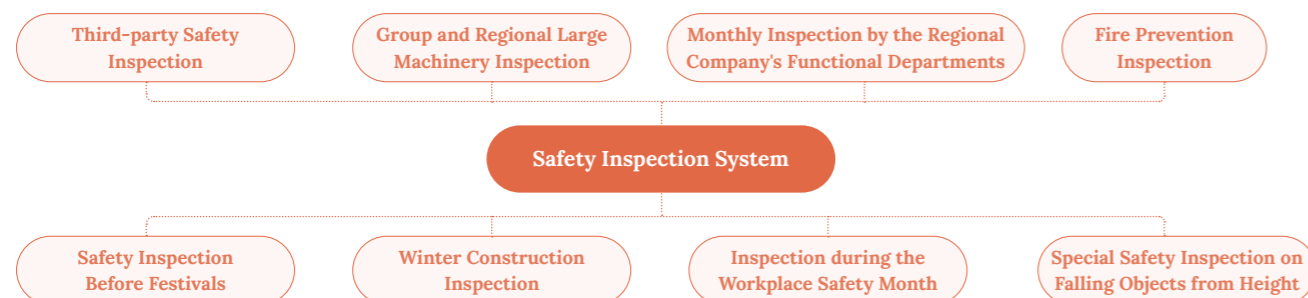
At the project planning stage, the Group sets clear control objectives, including "eliminating general and above safety accidents, major safety-related public opinion incidents, fire accidents, and red-line issues identified in higher-level inspections, while ensuring compliance with the Group's third-party inspection ranking requirements". Based on these objectives, the Group systematically conducts the identification and assessment of major hazard sources. For high-risk subprojects, such as scaffolding works and the installation of prefabricated concrete components in modular construction, the Group organizes joint reviews and technical evaluations involving both internal and external experts. Taking into account the geographical conditions and specific engineering characteristics of each project, key challenges and critical risk points in construction are accurately identified. On this basis, responsibilities are clearly assigned to relevant parties, and targeted control measures and key supervisory actions are formulated for each identified risk. This enables rigorous, end-to-end management of on-site safety risks, providing both technical and managerial support for the achievement of overall safety objectives.

Key Hazard Identification



Workplace Safety Inspection

Longfor Group strictly complies with the *Labor Law of the People's Republic of China* and other relevant regulations. The Company has established the *Property Development Headquarters Engineering Safety Management System* and the *Property Development Headquarters Engineering Third-Party Inspection Management System* to regularly conduct internal safety inspections as well as supplier checks, thereby ensuring safety control throughout the entire construction process. The Group has built a comprehensive safety inspection system with varying frequencies and types, and irregularly engages third-party organizations to conduct independent spot checks. The multi-dimensional safety inspections allow us to effectively prevent and mitigate potential hazards, ensuring protection for workers' safety.



Mobile Platform Enhancing Precision Management of Large-Scale Machinery

Longfor Group has established a comprehensive inspection system for large-scale machinery, enhancing the professionalism and thoroughness of safety management through project self-inspections, regional third-party inspections, and group-level audits. Additionally, the Group has introduced a Large-Scale Machinery Management module on its mobile work platform, enabling full-coverage monitoring and ensuring closed-loop management of standard operating procedures. This initiative strengthens safety assurance for large-scale machinery and effectively mitigates major risks.

Training on Workplace Safety

Longfor Group conducted regular workplace safety training for all employees and contractors. The topics covered included electricity safety, fire safety, and interior fit-out works. We delivered targeted training on key aspects, including the correct use of personal protective equipment, standardized dress code requirements, identification of potential work safety hazards, and key safety precautions during construction in forms of briefings, morning meetings and diversified approaches. In addition, we organized themed initiatives such as Workplace Safety Month to comprehensively strengthen the safety responsibility awareness of frontline construction personnel.

Contractor Education and Training Content

- Entry Safety Training (Work resumption safety, accident case studies)
- Job Transfer & Reinstatement Safety Training
- Specialized Safety Training (Major hazard identification, fall prevention, lifting operations, formwork and scaffolding, fire safety and temporary electricity)
- Holiday Safety Training
- Seasonal Safety Training (Summer heat prevention, typhoon and flood control, winter construction)
- Pre-shift Safety Training (Safety Morning Meetings, Self-Inspection Drills, Job-specific practical training, emergency training)

In addition, we carry out a variety of fire safety awareness and warning education programs, as well as practical emergency response drills, to enhance employees' safety awareness and emergency handling capabilities. In 2025, the Group organized 107 specialized safety production training sessions for employees and contractors, achieving a 100% pass rate.

Longfor Property Management "Learning & Assessment + Physical Protection" Dual-track Safety Capability Building Practice

Longfor Property Management has systematically enhanced safety performance capabilities across all roles through a "monthly learning & assessment, quarterly in-depth training" mechanism. Personnel at the project supervisor level and above participate in monthly learning and examinations, with the pass rate of safety-themed tests consistently maintained above 95%. Senior executives, including general managers, attend quarterly offline specialized training to further reinforce leadership accountability. In terms of physical protection, full coverage of micro fire stations has been achieved. Volunteer fire brigades have been established and equipped with adequate emergency supplies. A total of 30 categories of emergency response plans have been developed, covering scenarios such as residential and commercial properties, alongside the organization of regular drills. Since the implementation of this mechanism, more than 100 theft incidents have been successfully prevented, and over 400 early-stage fire incidents have been effectively extinguished, forming a safety management system that integrates both "human defense + physical protection".

Construction Site Safety Training



Safety Production Morning Meeting Training



Safety Briefing Training

Workplace Safety Activities



Safety Training Sessions



Safety Enhancement Campaign





Appendix

Index of the HKEX ESG Reporting Code

Indicator	Description	Location
	Board Statement	P8-9
	Materiality	P6-7
Mandatory Disclosure	Quantitative	P6-7
	Balance	P6-7
	Consistency	P6-7
	Reporting Boundary	P6-7
A Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P69- P90
A1.1	The types of emissions and respective emissions data.	P122
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P122
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P122
A1.5	Description of emission target(s) set and steps taken to achieve them.	P68-78
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.	P90-91
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	P85-89
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).	P122
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	P122
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	P85-89
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.	P88-89
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Packaging material generation is not a material issue for the Group's business.

Indicator	Description	Location
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	P96- P92-93
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P92-93
B Social		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P96- P101
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group, and geographical region.	P123
B1.2	Employee turnover rate by gender, age group, and geographical region.	P124
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P104
B2.1	Number and rate of work-related fatalities occurred in each of the past three years, including the reporting year.	P125
B2.2	Lost days due to work injury.	P125
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P104-109
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P102
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P125
B3.2	The average training hours completed per employee by gender and employee category.	P124
Aspect B4: Labor Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	P96



Indicator	Description	Location
B4.1	Description of measures to review employment practices to avoid child and forced labor.	P96
B4.2	Description of steps taken to eliminate such practices when discovered.	P96
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	P54
B5.1	Number of suppliers by geographical region.	P126
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.	P54-56
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P54-56
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P54-56
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	P28、 P32、 P38
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	NA
B6.2	Number of products and service related complaints received and how they are dealt with.	P33
B6.3	Description of practices relating to observing and protecting intellectual property rights.	P57
B6.4	Description of quality assurance process and recall procedures.	P28-31
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	P39-41
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	P24
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.	P25
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	P24-25
B7.3	Description of anti-corruption training provided to directors and staff.	P25
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	P44
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	P44-51
B8.2	Resources contributed (e.g. money or time) to the focus area.	P50-51

Part D: Climate-related Disclosures	Location
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Approach and Frequency	P68
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Role and Responsibilities of Management	P68
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Industry-specific Metrics	P77-78
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GRI Indicator Index

Statement of Use	Longfor Group has reported the information cited in this GRI content index for the period from January 1, 2025 to December 31, 2025 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

Disclosure Issues/ Disclosure Items	Disclosure	Location
GRI 2: General Disclosures 2021		
The organization and its reporting practices		
2-1	Organizational details	P10-13
2-2	Entities included in the organization's sustainability reporting	P6-7
2-3	Reporting period, frequency and contact point	P6-7
2-7	Employees	P96
2-8	Workers who are not employees	P104
2-9	Governance structure and composition	P18-19
2-10	Nomination and selection of the highest governance body	P18-19
2-11	Chair of the highest governance body	P18
2-12	Role of the highest governance body in overseeing the management of impacts	P18-19
2-13	Delegation of responsibility for managing impacts	P18-19
2-14	Role of the highest governance body in sustainability reporting	P20
2-19	Remuneration policies	P19
2-22	Statement on sustainable development strategy	P8-9
2-29	Approach to stakeholder engagement	P14-15
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	P14-15
3-2	List of material topics	P15
3-3	Management of material topics	P14-15

Disclosure Issues/ Disclosure Items	Disclosure	Location
GRI 201: Economic Performance 2016		
201-2	Financial implications and other risks and opportunities due to climate change	P70-74
201-3	Defined benefit plan obligations and other retirement plans	P96-98
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	P24
205-2	Communication and training about anti-corruption policies and procedures	P25
205-3	Confirmed incidents of corruption and actions taken	P24-25
GRI 302: Energy 2016		
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302-2	Energy consumption outside of the organization	P122
302-3	Energy intensity	P122
302-4	Reduction of energy consumption	P85
302-5	Reductions in energy requirements of products and services	P85
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	P88-89
303-2	Management of water discharge-related impacts	P88-89
303-3	Water withdrawal	P122
303-4	Water discharge	P122
303-5	Water consumption	P122



Disclosure Issues/ Disclosure Items	Disclosure	Location
GRI 305: Emissions 2016		
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305-4	GHG emissions intensity	P78
305-5	Reduction of GHG emissions	P78
GRI 306: Waste 2020		
306-2	Management of significant waste-related impacts	P90
306-3	Waste generated	P90
306-4	Waste diverted from disposal	P122
306-5	Waste directed to disposal	P122
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	P56
308-2	Negative environmental impacts in the supply chain and actions taken	P56
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	P124
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	P97-99
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	P104
403-2	Hazard identification, risk assessment, and incident investigation	P106-107
403-3	Occupational health services	P108-109
403-4	Worker participation, consultation, and communication on occupational health and safety	P105-107
403-5	Worker training on occupational health and safety	P108-109
403-6	Promotion of worker health	P104-107
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P104-107

Disclosure Issues/ Disclosure Items	Disclosure	Location
403-9	Work-related injuries	P125
403-10	Work-related ill health	P104
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	P124-125
404-2	Programs for upgrading employee skills and transition assistance programs	P102-103
404-3	Percentage of employees receiving regular performance and career development reviews	P101
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	P98
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	P96
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	P54
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	P54
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	P44-51
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	P54
414-2	Negative social impacts in the supply chain and actions taken	P54
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	P28-30
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	P33



List of Internal Policies and Laws & Regulations

ESG Indicator	Internal Policies	Laws & Regulations
A1 Emissions	Green Environmental Protection Construction Plan	<p>Law of the People's Republic of China on the Prevention and Control of Environment Pollution by Solid Wastes</p> <p>Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution</p> <p>The Reuse of Urban Recycling Water-Water Quality Standard for Urban Miscellaneous Use (GB/T 18920)</p> <p>The Reuse of Urban Recycling Water-Water Quality Standard for Scenic Environment Use (GB/T 18921)</p>
A2 Use of Resources	<p>Energy Consumption Management in Commercial Projects</p> <p>Operation Guidance of Energy Operation Strategy (Property Management Department)</p>	Energy Conservation Law of the People's Republic of China
A3 Environment	<p>Longfor Environmental Policy</p> <p>Climate Change Policy</p> <p>Biodiversity Framework and Zero Deforestation Commitment</p>	<p>Law of the People's Republic of China on Evaluation of Environmental Effects</p> <p>Assessment Standard for Green Building</p> <p>Regulations of the People's Republic of China on Nature Reserves</p> <p>Regulations on the Administration of Environmental Protection of Construction Project</p>
B1 Employment	<p>Group Talent Recommendation Management Measures</p> <p>Group Recruitment Channel Management Guidelines</p> <p>Recruitment Manual</p> <p>Longfor Group Human Rights Policy</p> <p>Longfor Group Running Water Plan Rules</p>	<p>Labor Law of the People's Republic of China</p> <p>Labor Contract Law of the People's Republic of China</p>
B2 Health and Safety	<p>Workplace Safety Management System</p> <p>Longfor Group Construction Safety Management Measures for Projects Under Construction</p> <p>Longfor Group Safe and Civilized Construction Management Standardized Atlas</p> <p>Longfor Group Engineering Safety Management System</p> <p>Health and Safety Management Policy</p> <p>Project Safety Target Responsibility Agreement</p> <p>Property Development Headquarters Engineering Safety Management System</p> <p>Property Development Headquarters Engineering Third-Party Inspection Management System</p> <p>Property Development Headquarters Engineering Management Reward and Penalty Regulations</p> <p>Bottom-Line Management Mechanism for Engineering Quality and Safety at the Property Development Headquarters</p>	<p>Labor Law of the People's Republic of China</p> <p>Law of the People's Republic of China on the Prevention and Control of Occupational Diseases</p> <p>Occupational Health Safety Management System Certification</p> <p>Work Safety Law of the People's Republic of China</p> <p>Construction Law of the People's Republic of China</p> <p>Regulations on the Administration of Workplace Safety in Construction</p> <p>Regulations on the Reporting and Investigation of Workplace Safety Accidents</p> <p>Standards for Safety Inspection of Construction Supervision</p>

ESG Indicator	Internal Policies	Laws & Regulations
B3 Development and Training	<p>Employee Occupational Sequence and Occupational Level Management Measure</p> <p>Longfor Group Running Water Plan Rules</p> <p>Measures for the Administration of Cross-location Transfers of Employees on the Empowerment Platform</p>	/
B4 Labor Standard	Longfor Group Human Rights Policy	<p>Universal Declaration of Human Rights</p> <p>Convention on the Rights of the Child</p> <p>Provisions on Prohibition of Child Labor</p>
B5 Supply Chain Management	<p>Longfor Supplier Code of Conduct</p> <p>Longfor Group Supply Chain Function Assessment Methods</p> <p>Property Development Headquarters Construction Resource Management System</p> <p>Integrity Cooperation Commitment</p> <p>Green Procurement Policy</p>	<p>Government Procurement Law of the People's Republic of China</p> <p>Bidding Law of the People's Republic of China</p>



Table of ESG Data Indicator Performance

Economic Indicators

	Unit	2025	2024	2023
Total Assets	RMB billion	595.9	665.6	700.4
Net Assets	RMB billion	237.0	245.5	236.5
Revenues	RMB billion	97.3	127.5	180.7
Tax Paid	RMB billion	10.8	14.3	20.0

Governance Indicators

		Unit	2025	2024	2023
Annual Risk Identification and Assessment	Number of audit activities	/	15+	20+	20+
	Number of audit findings	/	50+	60+	100+
	Rectification completion rate	%	100	100	100
Business Ethics	Number of employees that participated in the business code of conduct training and examinations	ten thousand people	8.0+	6.9	6.5
	Passing rate of the examinations	%	100	100	100
Complaints and Reports	Proportion of suppliers required to sign the Agreement on Integrity in Cooperation	%	100	100	100
	Number of complaint calls received	/	1,900+	1,300+	556
Anti-corruption	Valid complaints	/	1,178	345	446
	Risk of systematic corruption	/	0	0	0

Environment Indicators

Green Building

	Unit	2025	2024	2023
The number of new green building-certified projects	/	7	9	4
The area of new green building-certified projects	thousand square meters	377	951	430
The proportion of the Group's new project area that meets green building standards	%	100	100	100
The cumulative number of the Group's projects that meet national green building standards	/	597	590	581
The cumulative area of the Group's projects that meet national green building standards	million square meters	130+	130+	130+

ESG Indicator	Internal Policies	Laws & Regulations
B6 Product Responsibility	Longfor Engineering Quality Management System	
	Longfor Rework Management System for Completed Housing Projects	
	Longfor Property Unit-Specific Inspection Management System	
	Longfor Regulations on Concrete Quality Management	
	Property Development Headquarters Engineering Third-Party Inspection Management System	
	Property Development Headquarters Technical Quality Management System	
	Property Development Headquarters Management System for Customer Satisfaction	Construction Law of the People's Republic of China
	Property Development Headquarters Management Measures for House Delivery Evaluation	Product Quality Law of the People's Republic of China
	Property Development Headquarters Customer Complaint Management System	Regulations on Construction Project Quality Management
	Longfor Property Management Complaint Management Procedures	Unified Standard for Constructional Quality Acceptance of Building Engineering (GB 50300-2013)
	Longfor Group Responsible Marketing Policy	Advertising Law of the People's Republic of China
	Marketing Red Line Commitment Letter	Anti-Unfair Competition Law of the People's Republic of China
	Property Development Headquarters Mystery Shopper Inspection System	Cybersecurity Law of the People's Republic of China
	Property Development Headquarters Marketing and Planning Guidelines	Data Security Law of the People's Republic of China
	Group Guidelines for Patent Classification	Personal Information Protection Law of the People's Republic of China
	Group Guidelines for Patent Agent Assessment	Trademark Law of the People's Republic of China
	Group Data Security Management System	Copyright Law of the People's Republic of China
	Group Staff Information Security Code of Conduct	Patent Law of the People's Republic of China
	Personal Information Protection and Management System	
Platform Empowerment Employee Information Security Guidelines		
Data Security Management Implementation Guidelines		
Longfor U Xiangjia Privacy Policy		
Privacy Protection Management Measures for Elderly Care Institutions		
B7 Anti-corruption	Longfor Group Code of Ethics and Business Compliance	Supervision Law of the People's Republic of China
	Code of Longfor Business Conduct	Anti Money Laundering Law of the People's Republic of China
	Longfor Group Whistleblower Protection System	Prevention of Bribery Regulations
	Anti-Bribery and Anti-Corruption Rules	Law of the People's Republic of China against Unfair Competition
B8 Community Investment		Charity Law of the People's Republic of China
	Shenzhen Longfor Foundation Donation Management System	Regulation on The Administration of Foundations
		Opinions on Further Deepening Rural Reforms and Advancing All-Round Rural Revitalization
		Opinions of the Central Committee of the Communist Party of China and the State Council on Comprehensively Deepening the Reform of Teacher Team Building in the New Era



Energy Consumption³⁶

	Unit	2025	2024	2023
Petrol	L	13,549.00	14,035.00	14,856.00
Diesel	L	75,631.00	75,197.00	82,197.00
Natural gas	m ³	9,618,374.75	11,378,780.66	11,880,126.35
Purchased electricity ³⁷	kWh	1,137,705,645.15	1,033,260,577.62	1,123,289,886.81
Comprehensive energy consumption ³⁸	tce	151,616.82	140,919.41	152,602.54
Comprehensive energy consumption density	tce / revenue of RMB 10,000	0.0156	0.0110	0.0084
Water consumption	m ³	16,460,213.82	15,957,087.36	18,815,738.32
Water consumption density	m ³ / revenue of RMB 10,000	1.69	1.25	1.04

Greenhouse Gas Emission

	Unit	2025	2024	2023
Scope 1 emissions	tCO ₂ e	21,257.89	25,105.31	26,221.64
Scope 2 emissions	tCO ₂ e	563,231.17	501,426.19	612,612.22
Scope 3 emissions	tCO ₂ e	96,215.41	/	/
Includes: Capital Goods	tCO ₂ e	2,232.65	/	/
Fuel- and Energy-Related Activities	tCO ₂ e	60,747.19	/	/
Waste Generated in Operations	tCO ₂ e	18,201.39	/	/
Business Travel	tCO ₂ e	5,854.81	/	/
Employee Commuting	tCO ₂ e	9,179.37	/	/
Total emissions (Scope1+Scope 2)	tCO ₂ e	584,489.06	526,531.50	638,833.86
Total emissions (Scope 1+Scope 2+Scope 3)	tCO ₂ e	680,704.47	/	/
Greenhouse gas emission density (Scope 1+Scope 2)	tCO ₂ e / revenue of RMB 10,000	0.060	0.041	0.035

Waste³⁹

	Unit	2025	2024	2023	
Non-hazardous Waste	Total non-hazardous waste	ton	2,309.71	2,653.07	3,471.94
	Non-hazardous waste intensity	ton / revenue of RMB 10,000	0.00024	0.00021	0.00019
Hazardous Waste	Total hazardous waste	ton	24.35	27.21	34.01
	hazardous waste intensity	ton / revenue of RMB 10,000	0.0000025	0.0000021	0.0000019

³⁶ Longfor Group's energy consumption statistics cover administrative offices, property development, commercial investment, asset management, management for the owned and developed property, and smart construction.

³⁷ In 2023, 2024 and 2025, Longfor Group purchases 46 million kWh, 177 million kWh and 214 million kWh of green power, respectively, which is included in purchased power.

³⁸ The comprehensive energy consumption is calculated according to the conversions of various energy into standard coal following GB/T2589-2020 *General Rules for Calculation of the Comprehensive Energy Consumption*.

³⁹ Longfor Group's waste statistics cover administrative offices, property development, commercial investment, asset management, management for the owned and developed property, and smart construction. Non-hazardous waste mainly includes office paper, household waste, construction waste, office furniture, and batteries. Hazardous waste mainly includes discarded lamps, toner cartridges and magical boxes, and discarded computers.

Community Public Welfare

	Unit	2025	2024	2023
Charitable Donation	RMB million	55	106	96

Products and Services

	Unit	2025	2024	2023
Customer Satisfaction	%	90.0	90.0	91.2

Employees

	Unit	2025	2024	2023	
Total number of employees	/	31,653	29,738	29,116	
Divided by gender	Male	/	18,333	16,487	16,226
	Female	/	13,320	13,251	12,890
Divided by employee type	Senior management	/	62	66	72
	Middle management	/	866	924	908
	Entry-level manager	/	2,788	2,836	2,915
Divided by age	Employees	/	27,937	25,912	25,221
	Under 30	/	9,487	9,849	10,457
	30 (inclusive) to 50 (exclusive)	/	20,804	18,634	17,436
Divided by region	Above 50 (inclusive)	/	1,362	1,255	1,223
	Chinese Mainland	/	31,649	29,734	29,109
	Hong Kong SAR Macao SAR and Taiwan of China and Overseas	/	4	4	7
Divided by employment type	Part-time employees	/	-	-	-
	Full-time employees	/	31,653	29,738	29,116
Divided by educational background	Junior college and below	/	15,415	13,695	13,361
	Undergraduate	/	13,300	13,044	12,696
	Postgraduate	/	2,914	2,972	3,025
Divided by ethnic background	Doctor	/	24	27	34
	Employees from ethnic minorities	/	1,469	1,326	1,258



		Unit	2025	2024	2023
Divided by female proportion	Proportion of female employees in management	%	34.66	34.79	/
	Proportion of female employees in frontline management	%	37.66	38.15	/
	Proportion of female employees in middle management	%	26.67	26.08	/
	Proportion of female employees in senior management	%	12.12	13.51	13.43
	Proportion of female employees in revenue-generating management	%	33.37	/	/
	Proportion of female employees in STEM-related functions (Science, Technology, Engineering and Mathematics)	%	28.80	/	/
Employee turnover rate					
Divided by gender	Male	%	19.08	18.69	24.32
	Female	%	16.68	19.04	22.97
Divided by age	Under 30	%	23.00	23.95	29.56
	30 (inclusive) to 50 (exclusive)	%	16.45	18.20	22.58
	Above 50 (inclusive)	%	1.66	6.59	9.11
Divided by line of business	Turnover rate of property development division	%	11.90	13.61	18.86
	Turnover rate of non-property development	%	19.40	19.96	23.76
Divided by region	Chinese Mainland	%	18.07	18.84	23.76
	Hong Kong SAR Macao SAR and Taiwan of China and Overseas	%	0.00	0.00	32.00

Employee Training

		Unit	2025	2024	2023
Total input in employee training		RMB 10,000	500+	500+	/
Total enrollments of employee training		/	27,628	39,931	37,533
Online training					
Total online training duration		hour	1,446,152.8	1,920,871.5	1,520,838.0
Divided by gender	Male	hour	48.8	49.5	36.8
	Female	hour	40.7	46.4	45.2
Training hours per person	Senior management	hour	5.4	6.3	4.9
	Middle management	hour	23.4	20.7	26.1
	General employees	hour	46.1	48.9	41.0

		Unit	2025	2024	2023	
Training percentage per category	Divided by gender	Male	%	57.85	54.87	55.38
		Female	%	42.15	45.13	44.62
	Divided by employee type	Senior management	%	0.15	0.16	0.20
		Middle management	%	2.88	2.58	2.70
		General employees	%	96.97	97.26	97.10
Offline training						
Total offline training duration		hour	134,280.6	121,522.3	229,459.7	
Training hours per person	Divided by gender	Male	hour	3.7	2.8	5.7
		Female	hour	4.9	3.3	6.7
	Divided by employee type	Senior management	hour	18.0	7.5	34.3
		Middle management	hour	15.2	7.5	13.8
		General employees	hour	3.9	2.9	5.9
Training percentage per category	Divided by gender	Male	%	52.41	48.95	55.38
		Female	%	47.59	51.05	44.62
	Divided by employee type	Senior management	%	0.39	0.49	0.20
		Middle management	%	6.20	5.85	2.70
		General employees	%	93.41	93.66	97.10

Care for Employees

	Unit	2025	2024	2023
Proportion of employees covered by the Group's engagement survey and satisfaction survey	%	100	100	100
Employee engagement score	%	81	84	86
Employee satisfaction score	%	84	84	84

Production Safety

	Unit	2025	2024	2023
Number of work-related fatalities	/	0	0	0
Rate of work-related fatalities occurred	%	0	0	0
Lost days due to work injury	days	0	0	0

Supplier Management

	Unit	As of the end of 2025	As of the end of 2024	As of the end of 2023
Number of suppliers	/	285,496	265,451	200,812
Number of suppliers by region	Chinese Mainland	/	284,351	199,899
	Hong Kong SAR Macao SAR and Taiwan of China	/	78	58
	Overseas	/	1,067	855
Number of suppliers by type ⁴⁰	Suppliers contracted for material and equipment procurement	/	1,261	462
	Number of Tier 1 suppliers	/	168,442	/
	Number of important Tier 1 suppliers ⁴¹	/	64,810	/

Innovation Management

	Unit	2025	2024	2023
Number of software copyright applications	/	11	14	13
Number of software copyright grants	/	11	14	13
Number of patent applications	/	235	321	305
Number of patent grants	/	90	200	93
		As of the end of 2025	As of the end of 2024	As of the end of 2023
Total number of software copyright grants	/	232	211	197
Total number of patent grants	/	801	683	483

⁴⁰ The data classified by type is not a comprehensive statistical figure. It only covers specific categories and does not include all items.

⁴¹ Important Tier 1 suppliers are those Tier 1 suppliers identified as having a material business relationship with the Group.

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