

2024

Environmental, Social, and Governance Report



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Report Preface

About This Report

Introduction

This report is the 16th Environmental, Social, and Governance (ESG)/Corporate Social Responsibility (CSR) report released by Zhejiang China Commodities City Group Co., Ltd. (hereafter referred to as the "Company"). Based on the principles of objectivity, standardization, transparency, and comprehensiveness, this report details the practical measures and achievements of Yiwu CCC and its subsidiaries, branches, and partially owned companies in environmental, social, and corporate governance (ESG) during 2024.

Report Scope

Time Scope

The reporting period covers January 1 to December 31, 2024 (referred to as the "Reporting Period"). To enhance comparability and completeness, some content includes retrospective data from previous years or forward-looking statements.

Organizational Scope

This report focuses on "Zhejiang China Commodities City Group Co., Ltd.," including its subsidiaries, branches, and partially owned companies. Unless otherwise specified, the scope of this report aligns with the Company's annual report.

Release Cycle

This report is an annual publication, released once a year in alignment with the fiscal year.

Preparation Basis

This report is prepared in accordance with the Shanghai Stock Exchange's "Guideline No. 14 for Self-Regulation of Listed Companies – Sustainability Reporting (Trial)" and "Guideline No. 1 for Self-Regulation of Listed Companies – Standardized Operations." Additionally, this report references the State-owned Assets Supervision and Administration Commission's "Research on ESG Special Reporting for Central Enterprise-Controlled Listed Companies," the Global Reporting Initiative (GRI) "Sustainability Reporting Standards (2021 Edition)" (referred to as "GRI Standards"), and the United Nations Sustainable Development Goals (SDGs).

Data Source

The data in this report is sourced from Yiwu CCC's internal records, company documents, auditor's reports, and other materials, with some financial data derived from the Company's 2024 Annual Report. Unless otherwise specified, all monetary amounts in this report are denominated in RMB.



Title Description

For ease of expression and reading, "Yiwu CCC," "CCC Group," the "Group," the "Company," and "we" all refer to Zhejiang China Commodities City Group Co., Ltd. For details on subsidiary designations, please refer to the Definitions section.

Term	Meaning
Market Operations Company	Zhejiang China Commodities City Group Co., Ltd. Market Operations Branch
First District Branch/First District Market	Zhejiang China Commodities City Group Co., Ltd. International Trade City First Branch
Second District Branch/Second District Market	Zhejiang China Commodities City Group Co., Ltd. International Trade City Second Branch
Third District Branch/Third District Market	Zhejiang China Commodities City Group Co., Ltd. International Trade City Third Branch
Forth District Branch/Forth District Market	Zhejiang China Commodities City Group Co., Ltd. International Trade City Fourth Branch
Fifth District Branch/Fifth District Market	Zhejiang China Commodities City Group Co., Ltd. International Trade City Fifth Branch
Huangyuan Branch/Huangyuan Market	Zhejiang China Commodities City Group Co., Ltd. Huangyuan Branch
Binwang Branch/Binwang Market	Zhejiang China Commodities City Group Co., Ltd. Binwang Market Branch
Yixi Branch/Yixi Market	Zhejiang China Commodities City Group Co., Ltd. International Production Materials Market Branch
CCC Exhibition	Yiwu China Commodities City Exhibition Co., Ltd.
Big Data Company	Zhejiang China Commodities City Big Data Co., Ltd.
Yiwugou	Zhejiang Yiwugou E-commerce Co., Ltd.
CCC Credit	Zhejiang China Commodities City Credit Investigation Co., Ltd.
Supply Chain Company	Zhejiang China Commodities City Supply Chain Management Co., Ltd.
Import and Export Company	Zhejiang China Commodities City Import and Export Co., Ltd.
Comprehensive Bonded Zone	Yiwu Comprehensive Bonded Zone Operation and Management Co., Ltd.

Hotel Management Company	Zhejiang Yandoo Hotel Management Co., Ltd.
Yiwu International Expo Center Hotel	Zhejiang China Commodities City Group Co., Ltd. Yiwu International Expo Center Hotel
Ocean Hotel	Zhejiang China Commodities City Group Co., Ltd. Ocean Hotel
Yandoo Hotel	Zhejiang China Commodities City Group Co., Ltd. Yandoo Hotel
Yayue Hotel	Zhejiang China Commodities City Group Co., Ltd. Yandoo Yayue Hotel
CCC Hotel	Zhejiang China Commodities City Group Co., Ltd. CCC Hotel
Tourism Company	Zhejiang China Commodities City Tourism Development Co., Ltd.
Kuaijietong	Kuaijietong Payment Service Co., Ltd.

Report Acquisition and Feedback

This report can be accessed and downloaded from the Shanghai Stock Exchange website (www.sse.com.cn). If any questions or suggestions regarding the report, please send them to 600415@cccgroup.com.cn.



Chairman's Message



2024 marks a pivotal year for realizing the objectives of the 14th Five-Year Plan, and also serves as the inaugural, breakthrough, and progressive year for Yiwu city's mission to "Forge New Paradigms and Reinvigorate Prosperity." Yiwu CCC always keeps in mind the instructions of General Secretary Xi Jinping, anchoring itself with responsibility and sailing with mission, seizing new reform opportunities, recreating market glory, and advancing steadily amid global economic waves.

To better advance the Company's ESG management, we established an ESG governance framework comprising the Board of Directors, the Board Strategy and ESG Committee, and the ESG Working Group. This effectively promotes the deep integration of ESG into every link of the Company's value chain, continuously striving for more significant achievements in environmental, social, and governance aspects, and writing a chapter full of warmth and strength on the journey of high-quality and sustainable development.

Steering by the Party's Guidance: Cultivating the Ethos of Enterprise Growth

The "red gene" has always been the spiritual foundation of Yiwu CCC. We bear in mind General Secretary Xi Jinping's encouragement and instructions for Yiwu Market to serve as a national leading market, setting examples in both Party building and development. Focusing on our main responsibilities and staying true to our original mission, we have forged the Party building brand of "Gathering Markets to Build Cities, Serving Trade to Prosper Commerce," making Party construction a red engine driving the sustained prosperity of Yiwu Market. We deepened the Party building demonstration zone, strengthened the service community, and expanded the red intelligent governance network, further burnishing the honor of "National Advanced Primary-level Party Organization."

Refined Governance: Amplifying the Momentum of Resilient Growth

We always keep in mind the responsibilities and missions of state-owned enterprises, guided by Xi Jinping's Thoughts on Socialism with Chinese Characteristics for a New Era, continuously advancing the modernization of governance systems and capabilities. By optimizing governance structures, strengthening risk management systems, adhering to compliant operations, and standardizing business practices, we lay a solid foundation for the Company's long-term sustainable development.

Green Transformation: Painting the Scroll of Sustainable Development

We thoroughly implement the decisions and deployments of the National Development and Reform Commission, with the "dual-carbon" goals as our strategic direction, fully embracing green development concepts, continuously advancing the construction of a green and low-carbon system, accelerating the clean energy transition, integrating environmental measures into daily operations, and striving to build green exhibitions, green operations, green buildings, and green trade, creating a resource-efficient and environmentally friendly modern enterprise.

Innovation-Driven: Forging a New Ecosystem for Market Trade

With digital reform as our spear, we support the innovative development of Yiwu Market, accelerating the iteration of physical markets, expanding overseas markets, and upgrading online markets, continuously leading new global trade trends. We are fully committed to building the Global Digital Trade Center, creating a new-generation market complex centered on digital trade and leading global trends in small commodity trade. We iteratively optimized the Chinagoods platform to provide global traders with a one-stop service encompassing "exhibition and trade + customs, foreign exchange, tax, logistics, warehousing, and financing." We are accelerating the enhancement of the "Yiwu Pay" global payment platform to provide compliant, secure, and efficient integrated payment solutions for trade entities in Yiwu Market.

People-Oriented: Jointly Constructing a Harmonious and Happy Society

We value our employees' contributions, uphold their rights equally, safeguard their physical and mental health, and create a diverse, inclusive, and dynamic work environment where employees and the Company grow together. We never forget to give back to society, actively responding to national and local policy directions and strategic plans, supporting rural revitalization, promoting local economic development, and driving common prosperity. We actively engage in social welfare initiatives and charitable causes, conveying warmth and compassion through concrete actions to contribute to social harmony and progress.

Looking ahead, we will remain steadfast in our mission of "Century Market, Century Enterprise," unwavering in our vision to "make markets more prosperous and trade easier," and resolute in our positioning as a "Famouse Trade Service Platform." We will coordinate and advance various reform tasks and innovative measures to comprehensively enhance the capabilities and upgrade the Yiwu market. We firmly seize the opportunities of our era, continue to implement ESG principles, and drive the deep integration of green and digital transformations, striving tirelessly for balanced development in economic, social, and environmental benefits.

Wang Dong

Chairman of the Board of Directors of Zhejiang China Commodities City Group Co., Ltd.



Entering Yiwu CCC

About Us

Company Profile

Zhejiang China Commodities City Group Co., Ltd., established in December 1993, is a state-controlled listed company (Stock Code: "600415") headquartered in Yiwu, Zhejiang. It operates the world's largest small commodity wholesale market, Yiwu China Commodities City, and serves over 2.1 million SMEs. While advancing our core market business, we vigorously develop big data, import trade, warehousing logistics, supply chain finance, international trade, hotel management, exhibition and tourism, and related industries, fostering a trade development landscape in Yiwu Market that integrates online and offline, links imports and exports, connects domestic and international markets, and balances domestic and foreign trade.

The company is firmly rooted in its strategic identity as a "Famouse Trade Service Platform," with a focus on its core business of Market Operations and management and main line of digital trade. It is dedicated to developing four key systems: market core competitiveness, international trade fulfillment services, digital infrastructure, and institutional frameworks. By driving deep innovation, tackling reform challenges, and enhancing openness, the company systematically progresses the iteration of the physical market, upgrades in trade fulfillment, optimization of digital trade services, and improvement in enterprise management. It vigorously expands both domestic and international markets, facilitating a smooth dual circulation, and aspires to emerge as a global trade leader that empowers the mass trade of small commodities.

As a leader and demonstration site of national market procurement trade method, Yiwu has maintained high-speed growth for years, effectively stimulating the vitality of market entities and continuously improving the level of trade facilitation.

2024 marks a pivotal year for realizing the objectives of the 14th Five-Year Plan, and also serves as the inaugural, breakthrough, and progressive year for Yiwu city's mission to "Forge New Paradigms and Reinvigorate Prosperity." Yiwu CCC takes it as its responsibility to "build a world capital of small commodities with high quality and high standards," aligning with the mission of "small commodities, big market, continuously recreating new glories." It focuses on the iteration of physical markets, optimization of trade services, global network layout, and enterprise transformation and upgrading, accelerating the reconstruction of the international trade ecosystem for small commodities, and delivering a high-scoring answer sheet for market innovation and development.

Corporate Strategy

Overall Objective

- To Be a Famous Trade Service Platform

Three Major Ecosystems

- Trade Fulfillment Service Ecosystem
- Commodity Display and Trade Ecosystem
- Market Supporting Service Ecosystem

Path

1+2+4+X

- One Positioning: Famous Trade Service Platform
- Two Main Lines: Market + Digital
- Four Major Systems: Market Core Competitiveness System, International Trade Fulfillment Service System, Digital Support System, Institutional Mechanism Support System
- X Empowerment Items

Corporate Culture

Vision

- To Be Famous Trade Service Platform

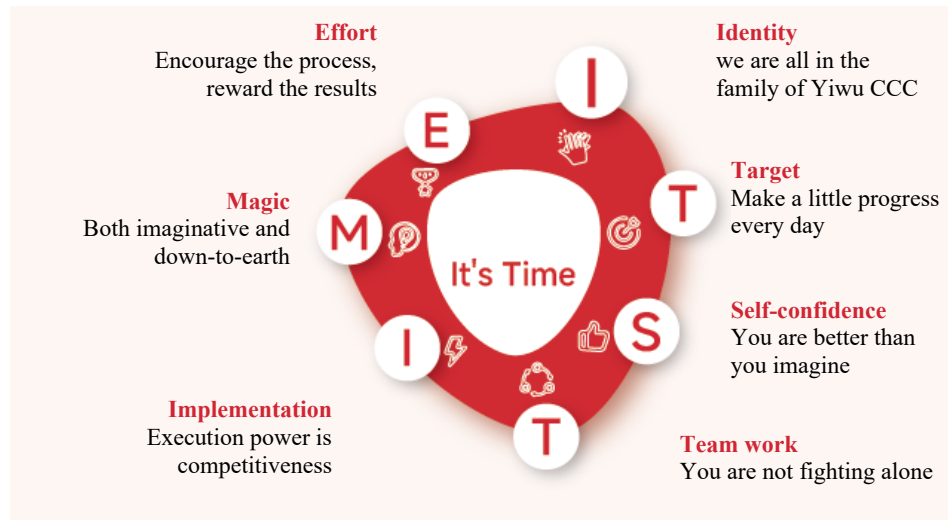
Cultural Identity

- Struggle To Pursue Dreams
- Clean And Honest

Mission

- Make Trade Easy

Core Values



Main Business

Operations and Management of Yiwu Market

Supporting Industries

Hotels Warehouse Exhibition Center

Overseas Business

Overseas Markets Import & Export FBC Warehouse
Yiwu Selection

Online Platform

Chinagoods Platform Chinagoods.com

Financial Services

Micro Loan Currency Exchange Yiwu Pay
Factoring Credit Reporting

Business Segment

Product Display Ecosystem

- Physical Market:** Revenue of 5.222 billion Occupancy rate over 97%
International Expansion: 23 New Yiwu Market Projects in 2024
Accumulated 46 Yiwu Market Projects

Trade Fulfillment Ecosystem

- Warehouse & Logistics:** Over 900,000 m³ in China
- Online Marketplace:** Over 4.8 million registered buyers, facilitating online transactions exceeding RMB 210 billion
- Finance:** 4 licenses for payment, factoring, credit reporting, and micro-loan

Supporting Service Ecosystem

- Star-rated hotels: 7 Convention & exhibition: **to be listed**

Major Events Timeline for 2024

Mar

"Global Central Warehouse" Digital Supervision Platform launched and selected for Zhejiang Province's High-Quality Import Development Project Plan

Yiwu Selection Japan (Tokyo) showroom officially opened



Apr

The smart hardware and electrical appliances area on the 3rd floor of the New Energy Product Market in the east of the Second District opened



Dubai Yiwu China Commodities City rated as 2023 Zhejiang Provincial Top-Class Overseas Economic and Trade Cooperation Zone



May

The project "Data Elements Empowering Small Commodity Digital Trade Facilitation" selected as one of the first national "Data Elements ×" typical cases



First Jewelry Factory Exhibition Opened



Global Digital Trade Center market section's main structure successfully topped out



Yandoo Hotel rated as Yiwu's First "National Five-Diamond Hotel"



Jul

The first cross-border e-commerce 1210 export business in Yiwu Comprehensive Bonded Zone completed



Yiwu CCC's Yiwu Market Project ("Optimizing the Yiwu Market Project System, Promoting the Sweet Potato Economy") was included as a best practice case by the "Sweet Potato Economy" Capacity Enhancement "No. 1 Open Project" Task Force Office of Zhejiang Province

The 2024 China Yiwu Daily Necessities Technology Innovation Expo opened at Yiwu International Expo Center



Yiwu Cross-border E-commerce Logistics Park (S2) officially commenced operations



Aug

Yi Lianhong, Former Provincial Party Secretary of Zhejiang, visited International Trade City

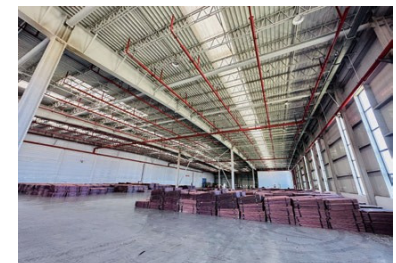


Sep

Yiwu International Digital Logistics Market (Yidongbei Warehouse) officially commenced operations



The first warehouse receipt pledge financing business in Yiwu Comprehensive Bonded Zone completed



Oct

Yiwu CCC Used Car Export Base opened



The 30th China Yiwu International Commodities Fair successfully held



The first batch of cross-border e-commerce retail import tariff guarantee insurance services in China completed in Yiwu Comprehensive Bonded Zone



Nov

Sales of Global Digital Trade Center Phase I Office Buildings launched



Yiwu Comprehensive Bonded Zone (Phase II) successfully passed joint inspection



Wang Hao, Provincial Party Secretary of Zhejiang, visited Yiwu International Trade City for research and chaired a symposium, with CCC Group delivering a special report



Dec

Fingertip Canteen Flagship Store No. 2 opened grandly



Yiwu Cross-Border E-Commerce Industrial Park opened grandly



First Bonded Leasing Business launched in Yiwu Comprehensive Bonded Zone



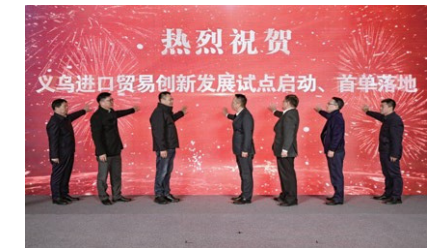
Key officials of CCC Group attended the entrepreneur symposium hosted by Premier Li Qiang and delivered a special report



Zhejiang Provincial Financial Development Co., Ltd. and CCC Group signed a strategic cooperation agreement



Yiwu Import Trade Innovation Development Pilot launched and first transaction completed





Honors and Awards

National Level

CCC Group	Participated in and spoke at the enterprise symposium chaired by Premier Li Qiang
	Awarded the "National May 1st Labor Certificate"
	Key International Communication Development Base
CCC Exhibition	"Data Elements Empowering Small Commodity Digital Trade Facilitation" Selected as One of the First 20 "Data Elements X" Typical Cases by the National Data Bureau
	Yiwu China Commodities City Exhibition Co., Ltd. was selected for the second batch of national-level service industry standardization pilots (specialized in commercial circulation)
	Yiwu International Expo Center awarded the "Most Influential Exhibition Venue"
Big Data Company	2024 Global Digital Trade Expo Pioneer Award Bronze Prize
	Selected as a typical case of National County-Level Digital Circulation Leading Enterprises
Kuaijietong	Yiwu Pay's "China's Promotion of Cross-Border Trade Facilitation Through Digital Payments" case was included in the "Global Digital Trade Development Report 2024"
	Yiwu Pay selected for "The 3rd Global Digital Trade Expo Digital Trade Development Cooperation Case Collection"

Provincial Level

CCC Group	Yiwu Pay's completion of first cross-border RMB settlement transaction with Dubai, was reported in <i>Zhejiang Government Information</i> (Issue 66), with important leadership instructions
	Dubai Yiwu China Commodities City again rated as a Tier-1 Provincial Overseas Economic and Trade Cooperation Zone
	"Optimizing the Yiwu Market Project System, Promoting the Sweet Potato Economy" was selected as a best practice case for the "Sweet Potato Economy" Capacity Enhancement "No. 1 Open Project"
	National Security People's Defense Line Construction Advanced Collective of Zhejiang Province
	Council Member of the 8th Zhejiang Provincial People's Government Foreign Friendship Association
	Yiwu Cross-Border E-Commerce Compliance Overseas Service Platform was approved as one of the first batch of provincial institutional innovation cases of Zhejiang Free Trade Pilot Zones in 2024

The 29th China Yiwu International Small Commodities (Standard) Fair was recognized as a 2023–2024 Zhejiang Province High-Quality Exhibition Project

Zhejiang China Commodities City Innovation Demonstration Zone was selected as one of the first High-Level Service Industry Innovation Development Zones

"Gathering Markets to Build Cities, Serving Trade to Prosper Commerce" Party Building Brand was selected as a Provincial State-Owned Enterprise Party Building Innovation Model for 2024

Provincial-Level Excellent Archives Room

CCC Exhibition China Yiwu Import Commodities Fair project was included in the 2024 Zhejiang Province Import High-Quality Development Project Plan

2023 Zhejiang Province Exhibition Industry Standardization Advanced Unit

CCC Credit Third prize in Zhejiang Division of "Data Element X" Competition for 2024

Big Data Company 2023 Zhejiang E-Commerce Demonstration Enterprise

Comprehensive Bonded Zone Yiwu Comprehensive Bonded Zone Global Central Warehouse Digital Supervision Platform Project was included in 2024 Zhejiang Province Import High-Quality Development Project Plan

Yayue Hotel Four-Star Tourist Hotel

Municipal Level

CCC Group 2023 Advanced Taxpaying Enterprise
2023 Citywide Advanced Primary-Level Party Building Unit

2023 Advanced Collective for Reform and Innovation Work

Yiwu Free Trade Development Zone Regional Industry-Education Consortium Industry-Education Integration Training Base

Collective commendation in 2023

First-class rating in the 2023 comprehensive assessment

"Strive for Excellence" Timely Reward in Yiwu City



Performance Highlights for 2024

● Business Performance

Operating Revenue	15.737 billion yuan
Net Profit Attributable to Shareholders of the Listed Company	3.074 billion yuan
Net Assets Attributable to Shareholders of the Listed Company	20.504 billion yuan
Total Assets	39.168 billion yuan
Basic Earnings per Share after Deducting Non-Recurring Gains and Losses	0.55 yuan/share
Market GMV	279.8 billion yuan
Total Cash Dividends (Including Tax)	1.81 billion yuan
Total Tax Amount	1.103 billion yuan
Social Contribution Value per Share	0.90 yuan per share

● Governance Performance

2023-2024 Information Disclosure Work Evaluation Result	Class A
Investor Inquiry Response Rate	100%

Number of Internal Risk Trainings Conducted	2,005
Cumulative Duration of Internal Risk Trainings Conducted	2,017.42 hours
Participation in Internal Risk Trainings	24,768 person-times
Employee Integrity Agreement Signing Rate	100%
Total Duration of Anti-Bribery and Anti-Corruption Training	108,680 hours
Employee Coverage Rate of Anti-Bribery and Anti-Corruption Training	100%

● Environmental Performance

Renewable Energy Power Generation	46,900,000 kWh
Renewable Energy Consumption Volume	5,764.01 tons of standard coal equivalent
Proportion of Renewable Energy Consumption	14%
Greenhouse Gas Emission Reductions	38,504.90 tons of carbon dioxide equivalent
Recycled Water Usage	1,014,403 tons
Number of Environmental Penalties and Violation Incidents	0
Compliant Waste Disposal Rate	100%





Social Performance

Cumulative Number of National Invention Patents Obtained **16**

Cumulative Pieces of Software Copyrights Obtained **23**

Cumulative Number of Trademarks Obtained **331**

Number of Specialized Customer Complaint Response Trainings **1,268**

Comprehensive Satisfaction Score of "Standards into the Market" for Business Operators **96.14 points**

Number of Data Security and Customer Privacy Breach Incidents **0**

Number of Data Security and Customer Privacy Protection Trainings Conducted **206**

Total Investment in Data Security **5.882 million yuan**

Signing Rate of Integrity Agreements With Suppliers and Procurement Personnel **100%**

Proportion of Female Employees **42.12%**

Proportion of Female Managers **21.83%**

Investment in Employee Training **2.5094 million yuan**

Employee Training Coverage Rate **100%**

Number of Empowerment Trainings Conducted by CCC Group Mentor Team **205**

Participation in Trainings Conducted by CCC Group Mentor Team **12,525 person-times**

Investment in Safety Production **20.6167 million yuan**

Participation in Volunteer Activities **8,760 person-times**

Total Volunteer Activity Hours **28,944 hours**

ESG Management

ESG Governance System



ESG Management Philosophy

Yiwu CCC upholds ESG principles, committed to pursuing economic benefits while also focusing on the comprehensive improvement of environmental protection, social responsibility, and corporate governance, continuously striving to achieve more significant results in environmental, social, and corporate governance aspects, contributing to the sustainable development of society.

Yiwu CCC Characteristic Management Model	
Corporate Culture	Yiwu CCC's characteristic culture: Based on the commerce and trade industry, centered on the mission of making trade easy, we focus on building a globally renowned comprehensive international trade service provider, continuously shaping the Group's unique "Yiwu CCC culture," and consistently strengthening the corporate culture construction of the Group.
Employee Management	Employee Team Building: Develop a group-wide full career lifecycle training system and Yiwu CCC training brand IPs like the Five Eagles Class and Fengyu Plan, implement "percentage-based" management; build a digital HR management platform to achieve "entry, transfer, adjustment, promotion, departure, retirement" career lifecycle management and Talent Profile 2.0, continuously driving high-quality HR development.
Industry Promotion	Promote innovative development of the small commodities industry: Driven by digital reform, integrate online and offline resources, link imports and exports, connect domestic and international markets, balance domestic and foreign trade, leverage small commodities to access the global market, and use small enterprises to drive industrial clusters, becoming the core carrier of a trillion-yuan small commodities trade hub.
Product & Service	Comprehensive small commodity trade services: Established the Chinagoods platform, a one-stop trade service platform integrating "exhibition and trade + customs, foreign exchange, tax, logistics, warehousing, and financing," and built an ecosystem of digital procurement transactions, digital logistics fulfillment, digital financial empowerment, and digital regulatory services, providing small and micro enterprises with comprehensive small commodity trade services.
Trade Expansion	Accurately understand the market and quickly serve customers: Launched the "Yiwu Market Project," driving merchants, goods, and supply chain services to "go overseas" through five major overseas paths—overseas sub-markets, overseas exhibition halls, FBC Warehouses, overseas exhibitions, and overseas websites—to better expand overseas markets.

ESG Management Mechanism

Yiwu CCC always prioritizes green and low-carbon high-quality development, continuously promotes the Company's improvement in environmental, social, and corporate governance systems, strengthens the participation and supervision of the Board of Directors in ESG matters, integrates ESG management into the Company's overall risk assessment and management system, and timely shares the Company's ESG development theoretical achievements and practical experiences with society.

To further improve the corporate governance structure, enhance the Company's ESG management and operational level, and better adapt to strategic development needs, Yiwu CCC has established an ESG management organizational framework, building an ESG governance structure composed of the Board of Directors, the Strategy and ESG Committee, and the ESG Working Group. It has formulated ESG management-related systems such as the "ESG Management System" and "ESG Governance Framework and Responsibilities and Authorities," fully considering ESG-related impacts, risks, and opportunities in the process of strategy implementation, risk management, and major decision-making. At the same time, ESG performance is incorporated into the performance evaluation of compensation for various units.

	Decision-Making Layer	Management Layer	Execution Layer
Governance Entities	Board of Directors Strategy and ESG Committee	ESG Leadership Team	ESG Implementation Team
Composition	Members of the Board of Directors	Chairman, General Manager, other Party Committee members, and senior management personnel	Heads of various departments at the Company headquarters, heads of subordinate companies, and employees





ESG Risk Management

Yiwu CCC continuously explores integrating ESG principles into corporate risk management and decision-making processes, enhancing risk control in environmental, social, and governance aspects. The company identifies and evaluates various internal and external factors, conducts due diligence, reviews the requirements of stakeholders, formulates measures to monitor and review risk responses, and identifies and classifies the risk factors faced into seven categories: investment risk, management risk, strategic risk, financial risk, market risk, and legal risk. To address these risk points, the Company strengthens internal control system construction, standardizes operational processes, establishes a scientific risk management system, and enhances internal supervision to minimize risks and ensure safe, stable, and sustainable development.

Risk Category	Risk Source Identification	Prevention and Improvement Measures
Strategic risks	<ul style="list-style-type: none">• Policy, economic, and environmental risks• Industry and competitor risks• Brand risks• New project risks, etc	<ul style="list-style-type: none">• Strengthen the functions of the corporate strategy management department by evaluating risk sources, business growth opportunities, and new projects with relevant professionals• Mitigate policy and economic risks through industrial market expansion strategies• Increase investment in brand promotion to accelerate the international expansion of the brand• Expand industrial sectors and business models at appropriate times
Management Risk	<ul style="list-style-type: none">• Major safety and quality risks in the commodity market• Major safety risks in safety evaluation projects• Information security risks	<ul style="list-style-type: none">• Internal signing of safety responsibility agreements, and signing safety responsibility agreements and integrity commitment letters with merchants• Key management and technical personnel in the Safety Production Department must meet corresponding qualification requirements, strictly implement operational activities in accordance with national regulations, and special operations personnel must be certified; merchant construction operations must strictly follow mall regulations• Establish a comprehensive safety management system and safety management plan measures• Implementation of the ISO9001 management system
Financial Risk	<ul style="list-style-type: none">• Financing risk• Accounts receivable management risk• Redundant fund management risks	<ul style="list-style-type: none">• Establish a financial risk early warning mechanism• Strengthen the analysis of financing channels and costs, and enhance monitoring of the financing process• Strengthen monitoring and analysis of accounts receivable• Formulate capital management processes and systems

Risk Category	Risk Source Identification	Prevention and Improvement Measures
Investment Risk	<ul style="list-style-type: none">• Fund security risk• Market risk• Business operation risks	<ul style="list-style-type: none">• External investments: First, establish risk control positions with dedicated personnel responsible for managing the Company's external investment risks. Second, improve the management systems and operational methods related to foreign investment to lay a solid institutional foundation for the Company's foreign investment activities. Third, identify and predict risks at each stage of the Company's foreign investments, clarifying key control points for each investment phase. Fourth, timely track and manage foreign investments before, during, and after the investment process• Redundant fund appreciation: First, choose low-risk fund appreciation products such as treasury bond reverse repurchase and structured deposits to ensure fund safety. Second, establish fund management and treasury bond reverse repurchase purchase processes to standardize product selection and fund usage procedures
Market Risk	<ul style="list-style-type: none">• Risk of policy impact on the industry• Risks arising from changes in government investment models	<ul style="list-style-type: none">• Timely collection of market, competitor, and policy information• Customer-centric, focusing on changes in customer needs and adjusting the business model accordingly
Legal Risk	<ul style="list-style-type: none">• Risks from internal and external environmental changes• Risks related to the awareness and adaptability to various internal and external policies, processes, and procedures• Credit risk from external partners• Human resources risk	<ul style="list-style-type: none">• Strengthening Pre-Project Market Research, Conducting Thorough Risk Assessment and Analysis for Proposed Projects• Improve internal operation management systems, design internal control mechanisms for key risk areas, and define risk control points and standards• Improve cooperation management processes and related regulations, and strengthen legal awareness• Increasing the recruitment and development of high-level management personnel• Establish a legal department for control

ESG Training and Promotion

To enhance ESG management capabilities and governance awareness, Yiwu CCC actively conducts ESG-themed training, incorporating ESG-related content into the training for managers, key business personnel, and frontline employees. During the reporting period, the Company hired external experts to conduct ESG training for the management, headquarters departments, and subsidiaries, covering ESG concepts and policy interpretations, to enhance understanding and improve the professional capabilities of management and staff. In 2024, a total of 4 ESG training sessions were conducted, with over 400 participants.

Response to SDGs

As a state-controlled listed company, we actively undertake and fulfill social responsibilities, explore new paths for a green circular economy, respond to the "dual carbon" development concept, closely align our corporate development with the United Nations Sustainable Development Goals (SDGs), continuously improve sustainable development management, and contribute to achieving the UN SDGs.

SDGs	Content of SDGs	Yiwu CCC's Operation
	Eliminating All Forms of Poverty Worldwide	Participate in public welfare activities Support rural revitalization
	Ensure healthy lifestyles and promote well-being for people of all ages	Implement safety production Safeguarding occupational health
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Smooth career development channels Improve employee training mechanisms
	Achieve gender equality and empower all women and girls	Oppose gender discrimination Care for female employees
	Ensuring safe drinking water and sanitation facilities	Ensure drinking water safety Committed to water conservation Compliant wastewater treatment
	Ensure access to affordable, reliable, sustainable, and modern energy for all	Carry out energy-saving and emission-reduction initiatives Use clean energy

	Promote sustained, inclusive, and sustainable economic growth, achieve full productive employment, and ensure decent work for all	Adhere to equal employment Protect employee rights
	Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation	Encouraging R&D innovation Protecting intellectual property
	Ensure sustainable consumption and production patterns	Emphasizing product quality management Safeguarding customer rights Focus on information security
	Take urgent action to combat climate change and its impacts	Promote energy conservation and carbon reduction Promote green operations Identify climate risks and opportunities
	Promoting peaceful and inclusive societies for sustainable development, providing access to justice for all, and building effective, accountable, and inclusive institutions at all levels	Standardize corporate governance Uphold compliant operations Comply with business ethics
	Strengthen implementation tools and revitalize global partnerships for sustainable development	Build a sustainable supply chain Adhere to responsible procurement



Communication with Stakeholders

Yiwu CCC adheres to environmentally friendly business concepts, actively fulfills its social responsibilities, and promotes sustainable development for both the Company and the environment. The company values the rights and interests of stakeholders such as investors, customers, employees, and partners, actively establishing various effective communication channels during business development to understand and promptly respond to their expectations and demands.

Stakeholder	Communication channel	Expectations and Demands	Our Response
Government and Regulatory Agencies	<ul style="list-style-type: none"> Visits and Information Reporting Work Reports Questionnaire Communication 	<ul style="list-style-type: none"> Operate in compliance with laws and regulations Supporting Local Development Protecting the Environment 	<ul style="list-style-type: none"> Enhancing Governance Standards Undergo regulatory audits Adhering to Green Operations
Shareholders and Investors	<ul style="list-style-type: none"> Investor hotline Shareholders' Meetings Information disclosure E-Interaction On-site Investor Research Earnings Briefing Roadshows and Reverse Roadshows Questionnaire Communication 	<ul style="list-style-type: none"> Consistent and Stable Returns Transparent and open information 	<ul style="list-style-type: none"> Sustainable and stable operations Strengthening Investor Communication Transparent Information Disclosure
Market Operators and Buyers	<ul style="list-style-type: none"> Service Hotline Corporate Website and Email Official Wechat Platform Communication meetings /seminars Daily Operational Communication Questionnaire communication 	<ul style="list-style-type: none"> Expand Trade Channels One-Stop Procurement Increase trade transaction volume Compliant and ethical trading 	<ul style="list-style-type: none"> Vigorously Cultivate Import Markets Establishing an imported goods market Enhance transaction processing capabilities Building a credit market
Employees	<ul style="list-style-type: none"> Trade unions and employee congresses Symposium Company visits and condolences Work evaluation Questionnaire Communication 	<ul style="list-style-type: none"> Training and Development Fundamental Rights Protection Health and Safety Humanistic care 	<ul style="list-style-type: none"> Conduct Employee Training Safeguard employee compensation and benefits Strengthening occupational health management Employee care practices
Community	<ul style="list-style-type: none"> Philanthropic and charitable activities Volunteer services Cultural exchange Awareness campaigns and visits Questionnaire Communication 	<ul style="list-style-type: none"> Philanthropy Community public welfare Promoting regional development 	<ul style="list-style-type: none"> Conduct public welfare activities "Belt and Road" Initiative Supporting rural revitalization
Media	<ul style="list-style-type: none"> Public Media Platform media Meet-and-greet sessions Questionnaire Communication 	<ul style="list-style-type: none"> Accurate Information Disclosure Maintain good cooperation Special interviews 	<ul style="list-style-type: none"> Timely, complete, and accurate information disclosure Strengthening daily communication Organizing joint activities
Industry Association	<ul style="list-style-type: none"> Daily Communication Industry association activities Questionnaire Communication 	<ul style="list-style-type: none"> Smooth communication channels Promote industry development 	<ul style="list-style-type: none"> Active participation in association meetings Assist in Association Activities Participating in industry standard setting

Identification of Key Issues

In accordance with the "Shanghai Stock Exchange Listed Companies Self-Regulatory Guidelines No. 14 - Sustainability Report (Trial)" (hereinafter referred to as the "Guidelines"), and closely integrating the characteristics of the industry and the actual operating conditions of the Company, while referencing the requirements of mainstream international sustainability reporting standards, the Company comprehensively evaluates its performance on various relevant issues to determine whether they will have a significant impact on economic, social, and environmental aspects (i.e., impact significance), while also considering whether each issue will have a substantial impact on the Company's business model, operations, development strategy, financial condition, cash flow, financing methods and costs, value chain, etc. (i.e., financial significance).

Understanding the Company's Background

- Analyze based on global megatrends, China's industrial development trends, the macro environment, the industry sector, and the Company's business model to identify stakeholders and the impacts, risks, and opportunities the Company faces.

Preliminary Screening of Issues

- Use the 21 issues set in the "Guidelines" as the basis for the issue list, refer to the requirements of international mainstream sustainability reporting standards, and benchmark against the United Nations Sustainable Development Goals (SDGs) to establish the Company's 2024 ESG issue library, totaling 28 issues.

Issue Importance Assessment

Impact Materiality Assessment

Systematically assess the potential or actual positive/negative impacts of each issue on the external environment, society, and economy. Conduct stakeholder analysis via questionnaires, collecting 554 valid responses, and evaluate impact-material issues with expert judgment.

Financial Materiality Assessment

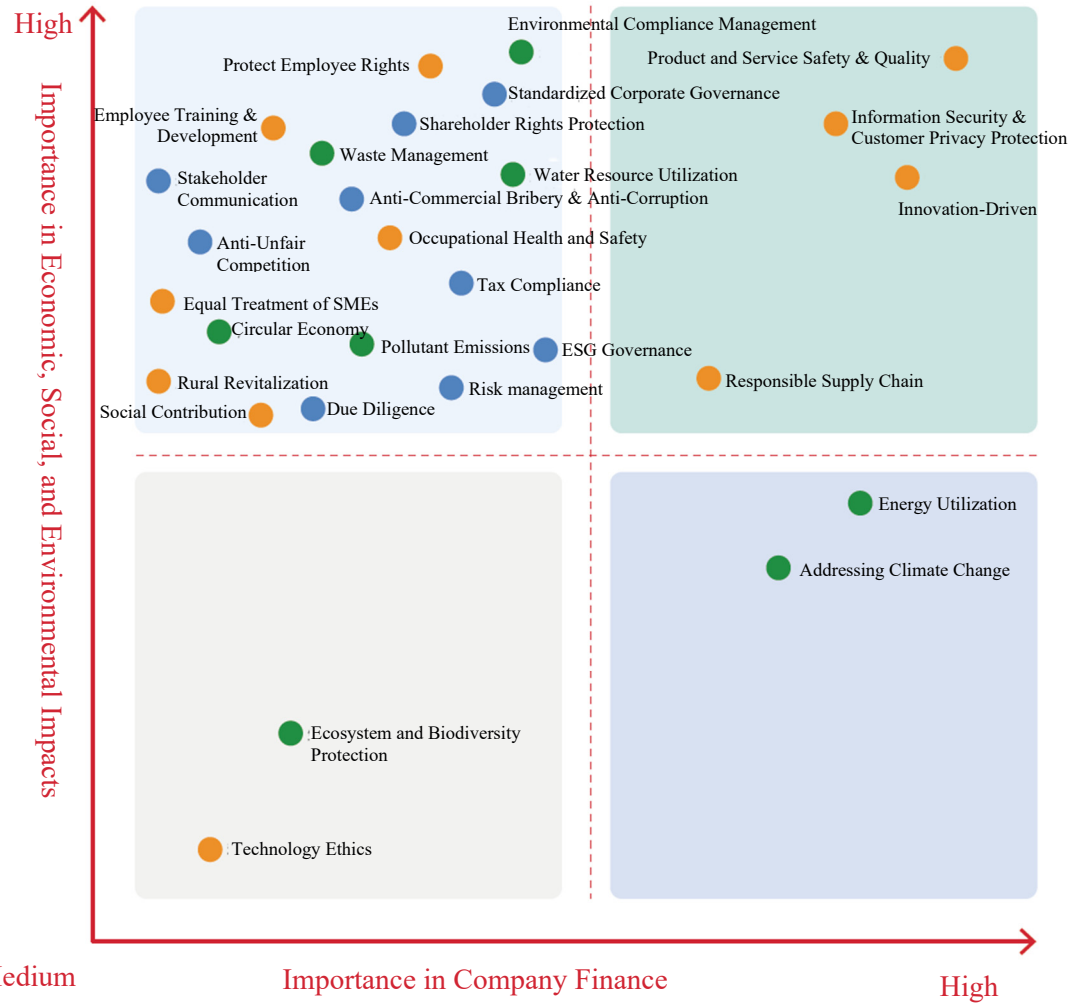
Through impact, dependency, and other factor analyses, combined with expert judgment and the Company's departmental risk identification and assessment lists, identify and assess risks and opportunities under relevant issues to evaluate issues with financial materiality.

Issue Confirmation and Approval

- Form a list of impact materiality and financial materiality issues, and ensure transparent, balanced, and complete disclosure of relevant issues in the report.



Yiwu CCC Importance Issue Matrix



With both financial and impact importance

With impact importance but not financial importance

With financial importance but not impact importance

With neither impact importance nor financial importance

Yiwu CCC Key Issue Identification List

Importance Statement	Issue		
	Environmental Dimension	Social Dimension	Governance Dimension
Issues with both financial and impact importance	—	<ul style="list-style-type: none">Innovation-DrivenProduct and Service Safety & QualityInformation Security & Customer Privacy ProtectionResponsible Supply Chain Management	—
Issues with financial importance but not impact importance	<ul style="list-style-type: none">Addressing Climate ChangeEnergy Utilization	—	—
Issues with impact importance but not financial importance	<ul style="list-style-type: none">Environmental Compliance ManagementCircular economyWater Resource UtilizationPollutant EmissionsWaste Management	<ul style="list-style-type: none">Protect Employee RightsEmployee Training and DevelopmentOccupational Health and SafetySocial ContributionRural RevitalizationEqual Treatment of SMEs	<ul style="list-style-type: none">Shareholder Rights ProtectionStandardizing Corporate GovernanceAnti-commercial bribery and anti-corruptionAnti-Unfair CompetitionTax ComplianceRisk managementDue DiligenceCommunication with StakeholdersESG Governance
Issues with neither impact importance nor financial importance	<ul style="list-style-type: none">Ecosystem and Biodiversity Protection	<ul style="list-style-type: none">Technology ethics	—

Compliance Governance to Build a Clean State-Owned Enterprise

Yiwu CCC always keeps in mind the responsibility and mission of a state-owned enterprise, ensuring that the concept of sustainable development is fully integrated into all aspects of corporate operations. The Company continuously enhances its core competitiveness and risk resilience by optimizing governance structures, strengthening risk management systems, adhering to compliance operations, and standardizing business practices, laying a solid foundation for achieving long-term sustainable development.

Response to

SDGs



8 Decent Work and Economic Growth



16 Peace, Justice and Strong Institutions



17 Partnerships for the Goals

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Adhering to the Leadership of the Party



Party Building System

Yiwu CCC adheres to the guidance of Xi Jinping’s Thoughts on Socialism with Chinese Characteristics for a New Era, thoroughly implements the work deployment requirements of higher-level Party organizations, fully implements the general requirements for Party building in the new era, solidly advances the Company's Party building and mass organization work, fully leverages the political core and fighting fortress role of Party organizations and the vanguard and exemplary role of Party members, providing strong organizational and ideological guarantees for the Company's development. In 2024, the Party Committee of Zhejiang China Commodities City Group Co., Ltd. (hereinafter referred to as the "Group Party Committee") had 39 Party branches under it, with a total of 603 full Party members, and held 32 Party committee meetings.

In 2024, the Party Committee of Zhejiang China Commodities City Group Co., Ltd.

Subordinate Party Branches	39	Full Party Member	603	Party Committee Meetings Convened	32
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Honors for Party Building

The Group Party Committee keeps in mind Comrade Xi Jinping's encouragement and instructions that Yiwu Market, as a national leading market, should take the lead and set an example in both Party building and development. It deepens the Party building demonstration belt, solidifies the service community, and weaves a dense red intelligent governance network, systematically promoting institutional innovation, management innovation, and practical innovation. The Party building work of Yiwu Market has also received attention and affirmation from leaders at various levels, including the central and provincial governments. The 12 Party building standards of "Three Displays, Three Determinations, Three Promotions, and Three Possessions" pioneered by Yiwu Market have become a national demonstration model for Party building in professional markets. The State Administration for Market Regulation listed Yiwu Market Party Building as a national model; on the occasion of the 100th anniversary of the founding of the Communist Party of China, the Group Party Committee was awarded the title of "National Advanced Primary-Level Party Organization" by the CPC Central Committee. In 2024, as an innovative model of Party building in state-owned enterprises, it was featured in the "Zhejiang Party Building" official Wechat account's column on Party building brands of state-owned enterprises.

Party Building Brand

Yiwu CCC keeps in mind the instructions and entrustments, focuses on its main business and responsibilities, stays true to its original mission, and builds the Party building brand of "Gathering Markets to Build Cities, Serving Trade to Prosper Commerce," making Party building a red engine driving Yiwu's market's sustained prosperity. General Secretary Xi Jinping visited the International Trade City for the 9th time, affirming Yiwu's market development and encouraging "Yiwu's small commodities and big market to continuously renew their glory."

The Party-building brand is rooted in the Yiwu market, advocating for "Striving for Dual Strengths in the Market, with Party Members as Pioneers." It integrates the fortress role of primary-level Party organizations and the vanguard role of Party members into the brand-building framework, continuously improving systems, innovating mechanisms, enriching platforms, and deepening content to safeguard the "World Supermarket," serve global merchants, and further polish the honor of "National Advanced Primary-level Party Organization." The Group Party Committee takes promoting sustained market prosperity as its mission, fully leveraging its leadership and political core roles.

Guided by the distinctive brand of "Gathering Markets to Build Cities, Serving Trade to Prosper Commerce," it has established the strategic transformation goal of becoming a "Famous Trade Service Platform," focusing on market core business and digital mainlines, and striving to build a market core competitiveness system, international trade fulfillment service system, digital support system, and institutional mechanism support system.

Party Building Activities

The Company actively carries out Party building activities, organizing special micro-lecture competitions on the spirit of the Third Plenary Session of the 20th CPC Central Committee and large-scale training sessions for all incumbent Party members, among other diverse forms, to deepen and solidify Party discipline education and learning, providing strong ideological support for the Company's high-quality development.

Case

Group Party Committee Held Micro Party Lecture Competition on the Spirit of the Third Plenary Session of the 20th CPC Central Committee

The Company deeply studies and implements the spirit of the Third Plenary Session of the 20th CPC Central Committee, combining learning and research at the Group Party Committee level and promoting learning through competitions at the branch level, organizing special micro-lectures on the spirit of the Third Plenary Session of the 20th CPC Central Committee, and simultaneously establishing the CCC Group "809000" Propaganda Team. At the competition venue, 35 primary-level contestants focused on the theme and key points, sharing vivid stories of how the spirit of the Third Plenary Session of the 20th CPC Central Committee has taken root in small commodity trade development, market transformation, SOE reform, and business innovation. They recounted the profound changes over the past year since the General Secretary's inspection, aligning with the goal of "creating a model and renewing glory," using small examples to illustrate larger truths and promoting learning through competition, thereby uniting the driving force for Yiwu's market transformation and the group company's reform and development.



Case

Case: CCC Group Party Committee Conducts Large-Scale Training for All On-Duty Party Members

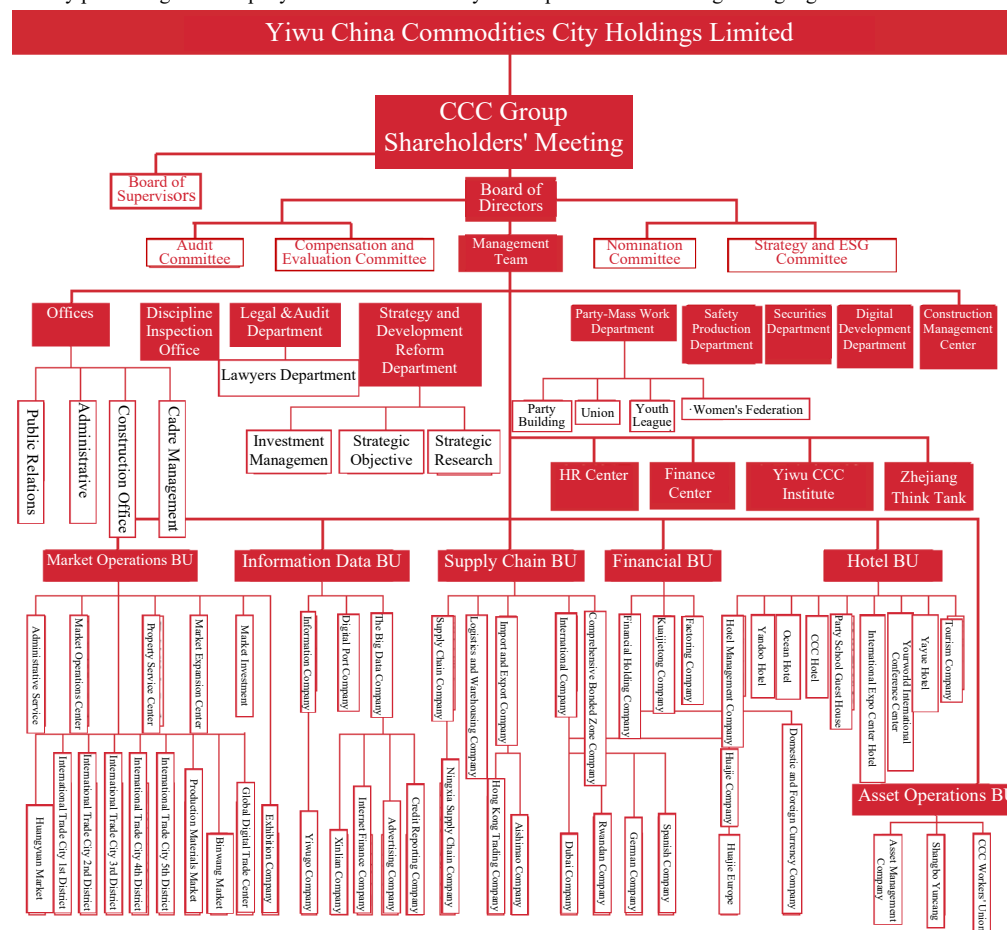
To thoroughly study and implement Xi Jinping’s Thoughts on Socialism with Chinese Characteristics for a New Era, implement the spirit of the Third Plenary Session of the 20th CPC Central Committee, and deepen Party discipline education, on July 27, 2024, the Group Party Committee launched its annual training for all incumbent Party members under the theme "Deepening Party Discipline Education, Unwaveringly Advancing Comprehensive and Strict Governance of the Party."



Governance System

Governance Structure

The Company strictly complies with laws and regulations such as the "Company Law of the People's Republic of China" (hereinafter referred to as the "Company Law"), the "Securities Law of the People's Republic of China" (hereinafter referred to as the "Securities Law"), and the "Corporate Governance Guidelines for Listed Companies," as well as the regulations and guidance requirements of the China Securities Regulatory Commission and the Shanghai Stock Exchange, building a corporate governance system with clear rights and responsibilities, scientific and efficient. The Company clarifies the functional scopes of management, decision-making, supervisory bodies, and the executive management team, ensuring standardized and efficient operations through a collaborative work model, thereby promoting the Company's sustained and steady development and achieving strategic goals.



Governance by Shareholders' Meeting, Board of Directors and Board of Supervisors

General Meeting of Shareholders

In accordance with national laws, regulations, and the Company's articles of association, the Company has formulated the "Rules of Procedure for Shareholders' Meetings," specifying the procedures for convening, discussing, voting, and other regulations to ensure the fair, equitable, and effective operation of shareholders' meetings.

3	17
Shareholders' Meeting Convened	Proposals Reviewed

Board of Directors

The Company strictly convenes and holds board meetings in accordance with the provisions of the "Articles of Association" and the "Board Meeting Rules," exercising its authority in accordance with the law. The Board of Directors has established four specialized committees: the Strategy and ESG Committee, the Audit Committee, the Compensation and Evaluation Committee, and the Nomination Committee, to review specific matters in the Company's operations.

Independence and Diversity of the Board of Directors

When determining the composition of the Board of Directors, the Company fully considers factors such as age, educational background, professional knowledge and skills, and industry experience to ensure diversity, meet various business needs, and enhance the decision-making and execution capabilities of the Board of Directors. Board members possess extensive industry experience, with professional backgrounds covering finance, economics, engineering, and other fields.

10	15	1
Meetings of Board of Directors	Proposals Passed	Special Meeting of Independent Directors

As of the end of the reporting period, the Company's Board of Directors consists of 8 members, including 3 independent directors and 1 female director, with independent directors accounting for 37.5% and female directors accounting for 12.50%. In accordance with the "Administrative Measures for Independent Directors of Listed Companies" and the Company's articles of association, the Company has formulated the "Independent Director Work System" based on its actual situation to strengthen the constraints and supervision mechanisms for internal directors and management, promoting standardized company operations.

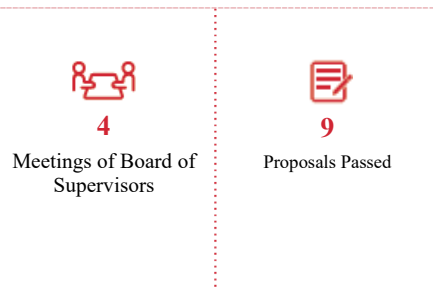
	Meetings of Special Committees of the Board of Directors	11
	Meetings of Nomination Committee	1
	Meetings of Compensation and Evaluation Committee	3
	Meetings of Audit Committee	7





Board of Supervisors

The Board of Supervisors is the highest supervisory body of the Company. In accordance with relevant laws, regulations, and the "Articles of Association," the Company has formulated the "Rules of Procedure for the Board of Supervisors" to further improve the corporate governance structure, ensure the independent exercise of supervisory power by the Board of Supervisors in accordance with the law, and safeguard the interests of all shareholders and the sustainable development of the Company. In 2024, the Company's Board of Supervisors consists of 5 members, including 2 employee supervisors and 2 female supervisors.



Executive Compensation Management

The compensation plans for the Company's directors, supervisors, and senior management are formulated by the Compensation and Evaluation Committee of the Board of Directors and approved by the Shareholders' Meeting. The Company's internal directors, supervisors, and senior management receive compensation and performance-based pay according to their positions within the Company. This is comprehensively evaluated based on their specific management roles, annual performance assessments, comparable industry salary benchmarks, and the Company's annual operating performance, ensuring alignment with the Company's yearly operational results.



Compliance Management

Internal Control and Risk Management

Yiwu CCC emphasizes compliance management and risk control, continuously improving its compliance management and risk control system. In accordance with the "Basic Standards for Enterprise Internal Control," "Guidelines for Enterprise Internal Control Evaluation," and the "Articles of Association," it has formulated the "Zhejiang China Commodities City Group Co., Ltd. Risk Management Measures" and "Zhejiang China Commodities City Group Co., Ltd. Internal Control Evaluation Management Measures." The Company has established a risk control leadership group headed by the general manager and composed of leaders from various units (departments), which is fully responsible for the Company's risk management and control. The compliance, internal control, and risk management processes are integrated into all aspects of management and operations, supporting the Company's high-quality development. The Company clarified fundamental internal control requirements to promote standardized operations, enhance information disclosure quality, and achieve corporate governance objectives. In 2023, the Company's Legal and Audit Department was awarded the honorary title of "National Advanced Internal Audit Collective for 2020-2022."

The Company's internal control is in good condition, with effective control measures. The Company has completed and disclosed the "2024 Internal Control Evaluation Report" in a timely manner. As of the evaluation report's baseline date, no material weaknesses were identified in the Company's internal control, and effective internal control was maintained in all material aspects. The Company primarily establishes an internal control system from the following four aspects, implementing nine measures for effective control:

Internal Environment

The Company's Board of Directors has established an audit committee responsible for overseeing the effective implementation of internal control and the self-evaluation of internal control. The group headquarters established a Legal and Audit Department to lead the specific implementation of internal controls. Subsidiary companies appointed internal control officers responsible for establishing, implementing, and managing daily internal control operations. The Company employs a combination of control measures based on internal control objectives to effectively manage various business operations and matters.

establish standards

The "Internal Control Manual" for each business line has been compiled to ensure all employees understand their job responsibilities, business processes, and the allocation of authority and responsibilities, enabling them to perform their duties correctly and facilitating smooth internal control operations.

Issued the "Zhejiang China Commodities City Group Co., Ltd. Internal Control Evaluation Management Measures," clearly defining the organization, responsibilities, content, procedures, defect identification, reporting, and rectification of internal control evaluations.

Risk Assessment

Each year, the Company uses a designed questionnaire method to analyze and rank identified risks based on two dimensions: the likelihood of risk occurrence and the degree of impact on company objectives, thereby determining risks that require focused attention and priority control.

In April 2024, the Company conducted a corporate risk assessment survey, collecting 585 valid responses. Based on the survey results, management identified key risks requiring focus and priority control: compensation and benefits risk, talent reserve risk, policy risk, competitor risk, and market demand fluctuation risk.



Risk Probability	Score	Impact Level of Risk	Score
Compensation and Benefits Risk	1,289	Engineering Safety Risks	1,509
Talent reserve risk	1,240	Engineering Quality Control Risk	1,505
Policy Risk	1,229	Policy Risk	1,482
Competitor Risks	1,226	Strategic Planning Risk	1,476
Market Demand Fluctuation Risks	1,223	Macroeconomic Risks	1,471
Macroeconomic Risks	1,219	Investment decision risk	1,463
Investment decision risk	1,217	National Industrial Structure Adjustment and Industry Adjustment Risk	1,459
Performance Evaluation and Incentive Risks	1,205	Seal Management Risks	1,444
Strategic Planning Risk	1,187	Industrial Structure Risk	1,430
Partner Risk	1,187	Board Performance Risk	1,424

● Control Measures

• Pre-event Control

Incompatible Duty Segregation Control: Conduct a comprehensive and systematic analysis of incompatible duties involved in business processes, implement corresponding segregation measures, and establish a working mechanism where each party performs its own duties, bears its own responsibilities, and mutually checks and balances.

Budget Control: A comprehensive budget management system is implemented to achieve the Company's operational and management objectives, clarifying the responsibilities and authorities of each unit in budget management, standardizing the budgeting, review, issuance, and execution processes, and strengthening budget constraints.

Early Warning And Emergency Control: Establish a major risk warning mechanism and emergency response mechanism for unexpected events, clarify risk warning standards, develop contingency plans for potential major risks or emergencies, designate responsible personnel, standardize handling procedures, and ensure timely and proper resolution of unexpected events.

• In-process Control

Authorization and Approval Control: Building upon existing systems, the Company is streamlining various business processes and review checkpoints. For "three importants and one major" matters, a collective decision-making approval or joint signing system shall be implemented, and no individual may make decisions alone or arbitrarily alter collective decisions.

Information System Control: Develop or procure business management systems tailored to each business segment's characteristics. Integrate authorization frameworks and process control requirements to achieve a human-machine collaborative control model, streamlining role definitions, clarifying responsibilities, and enhancing efficiency.

Property Protection Control: Establish daily property management and regular inventory systems, implement measures such as property records, physical custody, periodic stocktaking, and account-entity reconciliation to ensure property safety. Internal Control Design and Implementation Effectiveness Testing: The Company conducts biannual tests on the effectiveness of internal control design and implementation, urging subsidiaries to identify and rectify deficiencies to improve the internal control system.

• Post-event Control

Performance Evaluation Control: Establish and implement a performance evaluation system, scientifically setting up the evaluation indicator system.

Internal Audit Control: The internal audit department actively conducts internal audits, performs annual self-assessments on the effectiveness of internal controls, and timely issues and discloses the "Internal Control Evaluation Report."

External Audit Control: The Company engages accounting firms to conduct specialized audits on the design and execution effectiveness of internal controls, leveraging professional expertise to achieve comprehensive external and internal oversight.

Indicators	Unit	2022	2023	2024
Number of Internal Risk Control Training Sessions	Times	969	1,856	2,005
Total Participation in Internal Risk Control Training	Times	11,249	23,009	24,768
Total Duration of Internal Risk Control Training	Hours	837.08	1,811.57	2,017.42

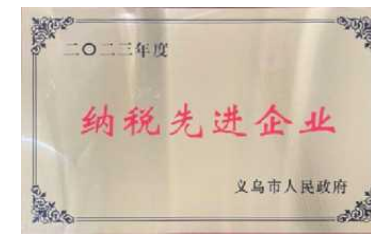
Related-Party Transaction Management

To ensure related-party transactions comply with fairness, justice, and transparency principles, the Company established the "Related-Party Transaction Decision and Implementation Policy" in accordance with the Company Law, SSE Listing Rules, and Articles of Association, clearly defining review/disclosure procedures and decision-making authority for such transactions. The Company strictly enforces a recusal mechanism where interested directors and shareholders must abstain from voting on related-party transactions and cannot proxy vote for other directors.

Tax Management

Yiwu CCC adheres to the principle of tax compliance, ensuring that tax payments are in accordance with relevant tax laws and regulations. The finance center is responsible for the Company's tax management. Based on the Company's actual situation, it formulates the "CCC Group Tax Management System" and various tax management processes, strictly managing all tax-related matters. The Company integrates tax operations throughout the entire business process, routinely employs tax management information systems, maintains tax ledgers, and conducts regular reconciliations with accounting and tax filing systems to ensure amount consistency. Meanwhile, the Company organizes training on new tax regulations, pays taxes on time, and prevents tax risks such as late payments or tax evasion. During the reporting period, Yiwu CCC had no tax violations. The Company organized 12 tax training sessions with a cumulative participation of 840 person-times, and arranged for relevant personnel to attend one batch of external tax training.

Yiwu CCC has been consecutively recognized as Yiwu City's "Advanced Taxpayer Enterprise" for multiple years and retained this title in 2024



Operating Revenue	7,620	11,300	15,737
Net Profit	1,105	2,676	3,074
Total Tax Amount	805	608	1,103
	2022	2023	2024



million yuan



Investor Relations Management

Shareholder Rights Protection

Yiwu CCC is committed to safeguarding shareholders' legitimate rights and interests, strictly adhering to the Articles of Association and shareholders' meeting procedures to ensure equal treatment for all shareholders. The Company has established a scientific and effective profit distribution decision-making process and adjustment mechanism to ensure the entire distribution process is open and transparent, fully safeguarding the right to know and participate of minority shareholders, and effectively protecting their legitimate rights and interests. At the same time, the Company actively takes measures to prevent infringement of shareholders' rights and interests, ensuring that shareholders can share in the Company's operational achievements.

Shareholder Returns

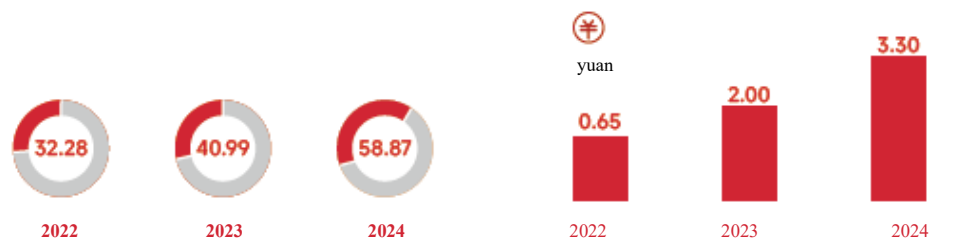
The Company places high importance on investor returns, formulating reasonable cash dividend plans. The "2024 Action Plan for Quality Improvement, Efficiency Enhancement, and High Returns" outlines strategies to enhance long-term returns, with plans to progressively increase the proportion of profits distributed in cash over three years starting from 2024. Additionally, the Company aims to establish and refine long-term incentive and restraint mechanisms through measures such as equity incentives. The Board of Directors strictly implements shareholders' meeting resolutions and authorizations, distributing dividends to all shareholders and sharing operational development achievements with them.

Total Cash Dividends (Including Tax)	2022	357
	2023	1,097
	2024	1,810

million yuan

Percentage of net profit attributable to listed company shareholders in consolidated financial statements

Cash dividend per 10 shares (tax inclusive)



Note: The statistical basis aligns with the fiscal year of cash dividends, consistent with the annual report standard

Communication with Investors

The Company places great importance on maintaining investor relations and has formulated the "Yiwu CCC Investor Relations Management System," with the Securities Department serving as the designated department for investor relations management. The Company communicates with investors through diversified channels such as phone, email, and the SSE e-interaction platform regarding corporate governance, development strategies, and operational status, ensuring timely and accurate information disclosure to guarantee equal right to know for all investors and foster a strong trust relationship between the Company and investors.

Investor Communication Channels



Company official website: www.cccgroup.com.cn



WeChat Official Account: CCC Group



Company email: 600415@cccgroup.com.cn



Contact number: 0579-85182700

Performance Briefings



3

The Company's Interaction with Investors on E-Interaction



60 times

Company Open Day Events



1

Answered **687** investor calls

Investor inquiry response rate: **100%**

Case Performance Briefing

On November 5, 2024, the Company held its earnings briefing for Q3 2024 via online text interaction, discussing operational results and financial indicators with investors and addressing their key concerns within the bounds of information disclosure. The Company's Chairman, board secretary, financial officer, and independent directors all attended the meeting, addressing key investor concerns such as market value management and tax-free licenses, answering investor queries, and maintaining investor relations.

Information Disclosure

To better protect the legitimate rights and interests of investors and improve the transparency and standardization of information disclosure, the Company strictly complies with the "Administrative Measures for Information Disclosure of Listed Companies" and the "Articles of Association" to formulate the "Information Disclosure Management System," standardizing the Company's information disclosure practices and strengthening information disclosure management. In accordance with relevant laws, regulations, and institutional norms, we have formulated the "Annual Report Information Disclosure Material Error Accountability System," adhering to principles such as seeking truth from facts, objectivity and fairness, and accountability for errors, to implement the accountability system and enhance the quality and transparency of information disclosure.

To standardize the Company's information disclosure behavior when issuing debt financing instruments in the bank bond market, we formulated the "Interbank Market Debt Financing Instruments Information Disclosure Management System" in accordance with relevant laws and regulations such as the "Administrative Measures for Non-Financial Enterprise Debt Financing Instruments in the Interbank Bond Market." It stipulates that the Company must publish the contents of the current issuance documents on websites recognized by the dealers' association and disclose major events affecting the Company's debt repayment ability during the tenure of the debt financing instruments.

In 2024, the Company disclosed **4** periodic reports and **53** interim announcements, with no incidents of penalties due to non-compliance in information disclosure. The Company's information disclosure work for 2023-2024 was rated as **A** grade, and it was awarded the **"2024 Outstanding Practices of Listed Company Board Offices"** honor.



Business Conduct

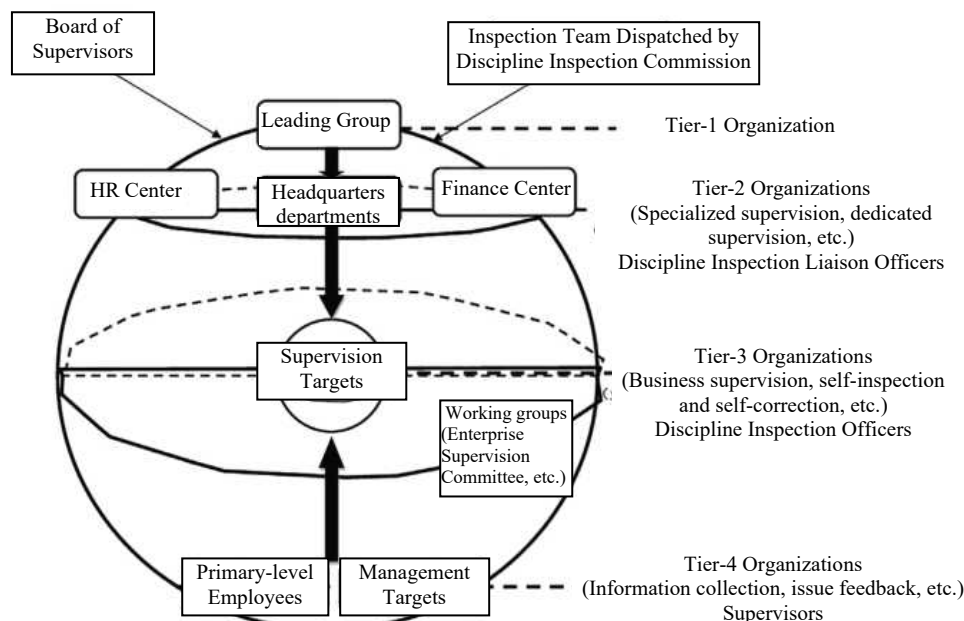
Anti-Commercial Bribery and Anti-Corruption

Integrity System

Yiwu CCC strictly adheres to relevant laws such as the Criminal Law of the People's Republic of China and the Supervision Law of the People's Republic of China. Combining practical work and experience, the Company has compiled the Integrity Risk Prevention and Control Manual, serving as a guide and reference book for corporate integrity construction, enhancing employees' awareness of the importance of strengthening integrity risk prevention and regulating the exercise of power. Meanwhile, the Company has established internal management systems such as the Several Provisions on Strengthening Integrity Risk Prevention and Control for Overseas Institutions (Trial), the Management Measures for Further Strengthening Supervision of Top Leaders (Trial), the CCC Group's Detailed Rules for Trace Management of Collective Decision-Making on "Three Major and One Big" Matters, and the Zhejiang China Commodities City Group Co., Ltd. Party Conduct and Clean Government Construction Work Interview System, to strictly control corruption risks from multiple dimensions and ensure the Company's healthy and stable development.

The Company formulated the "Comprehensive Supervision" Work System Construction Plan, established a "Comprehensive Supervision" working group, and set up positions for discipline inspectors and supervisors. The working group's main tasks include establishing supervision lines within the party, business, specialized, and dedicated areas, ensuring full coverage of supervision in business fields, clarifying specialized supervision responsibilities, and guaranteeing effective implementation of supervision.

"1+N" Major Supervision Work Management System Model



Note: The supervision targets within the "Comprehensive Supervision" system include CCC Group headquarters and all subsidiaries.

Integrity Risk Management

Yiwu CCC, in accordance with the "Integrity Risk Prevention and Control Manual," integrates risk management and modern enterprise management controls into anti-corruption efforts, covering all business lines of Yiwu CCC. It focuses on standardizing power operations, identifying integrity risk points, categorizing job risks, detecting potential corruption risks, and proposing effective prevention measures to eliminate corruption.

To fully ensure supervision and execution and enhance the supervisory role, the Group has established the "Three Inspections" mechanism, namely "daily inspections, special inspections, and internal inspections," to conduct inspections on the regulatory work of various business sectors and prevent business risks. During special occasions such as New Year's Day and Labor Day, the Company reiterates disciplinary requirements before the holidays through reminders and group discussions, conducts surprise inspections during the holidays, and verifies problem clues after the holidays, strictly investigating and penalizing violations. During the reporting period, the Company comprehensively identified over 600 integrity risk points at the primary-level level, formulated more than 700 corrective measures, addressed risks and behaviors of excessive or easily abused authority, and strengthened primary-level supervision.





● Integrity Training

The Company strictly complies with relevant laws and regulations such as the Supervision Law of the People's Republic of China and the Interim Provisions on Prohibiting Commercial Bribery, to prevent illegal activities such as corruption and bribery, and to create a fair, just, and transparent business environment. To enhance employees' awareness of anti-corruption, continuously strengthen the Company's internal integrity culture, and effectively prevent illegal activities such as corruption and bribery, Yiwu CCC provided anti-corruption training to board members, management, and employees during the reporting period.

Anti-Commercial Bribery & Anti-Corruption Training for Directors and Management

Number of Directors Participating in Anti-Bribery and Anti-Corruption Trainings Percentage of Directors Participating in Anti-Commercial Bribery and Anti-Corruption Trainings



People

2024	10	%	2024	100
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Total duration of anti-commercial bribery and anti-corruption training provided to directors

Average duration of anti-bribery and anti-corruption training received by directors



Hours

2024	260	Hours/person	2024	26
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Number of management personnel participating in anti-commercial bribery and anti-corruption training

Percentage of management participating in anti-bribery and anti-corruption training



People

2024	142	%	2024	100
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Total duration of anti-commercial bribery and anti-corruption training provided to management

Average Duration of Anti-Bribery and Anti-Corruption Training Received by Management



Hours

2024	4,260	Hours/person	2024	30
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Number of Employees Participating in Anti-Bribery and Anti-Corruption Training

Percentage of employees participating in anti-commercial bribery and anti-corruption training



People

2024	3,255	%	2024	100
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Total duration of anti-bribery and anti-corruption training provided to employees

Average duration of anti-bribery and anti-corruption training



Hours

2024	104,160	Hours/person	2024	32
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● Integrity Education Activities

To further enhance all employees' awareness of the importance of integrity work, strengthen the internal culture of integrity, and effectively prevent illegal activities such as corruption and bribery, during the reporting period, the Company actively organized multiple integrity activities and carried out anti-corruption initiatives.

Case

CCC Group Discipline Inspection Commission Launched "Heart Purification" Campaign for Petitions and Reports

In May 2024, the CCC Group Discipline Inspection Commission established the "CCC Group Discipline Inspection Commission Mobile Reception Team" at the Party-Mass Service Station in the Second Zone of the International Trade City. Through various measures such as distributing promotional materials, handing out flyers along shops, and on-site Q&A, it extensively promoted the regulations and policies on petitions and reporting, accurately clarified the distinction between legitimate petitions and false accusations, and educated and guided party members and the public to properly and effectively exercise their supervisory rights. Distributed over 600 promotional brochures on-site and conducted 3 mobile reception sessions.



Case

CCC Group Conducted Pre-Mid-Autumn Festival Integrity Education Thematic Activity

In September 2024, the CCC Group Discipline Inspection Commission organized disciplinary liaison officers, disciplinary inspectors, employee representatives, and members of the "Chonglian Shangjie" Model Team from the CCC Group Women's Volunteer Service Group to carry out the themed activity "Clean Breeze with Bright Moon, Celebrating a Clean Festival Together." Through integrity reminder talks, watching warning education films, making "integrity" mooncakes, and "integrity" lanterns, the Company actively explores new approaches to integrity construction, strengthens education on party spirit, conduct, and discipline, innovates integrity education methods, enriches educational platforms, and fosters a clean and upright atmosphere.



● Reporting Channels and Whistleblower Protection

To effectively implement and achieve tangible results in party conduct, integrity, and anti-corruption efforts, the Company has streamlined reporting channels. The Company has set up a complaint supervision hotline to facilitate direct feedback from the public. Meanwhile, the Company has established a "I Want to Report" complaint column on its official WeChat account "Shangcheng Qingfeng" and posted complaint notice boards in elevators across various markets, striving to build an open, transparent, and upright work environment, and earnestly fulfilling the responsibilities of party conduct and integrity construction as well as anti-corruption. In addition, the Company emphasizes the protection of whistleblowers. Reports are handled and documented by dedicated personnel, strictly preventing the leakage and dissemination of whistleblowers' identities and report materials. Any retaliation against whistleblowers is strictly prohibited and punished.



Anti-Unfair Competition

Yiwu CCC highly values building and maintaining a fair competitive market environment. It commits to competing fairly, strictly adhering to laws such as the Anti-Monopoly Law and the Anti-Unfair Competition Law of China, promoting fair trade and competition, safeguarding healthy competition among rivals, and preventing unfair competition risks. Moreover, the Company incorporates anti-monopoly and fair competition content into daily employee training to enhance employees' awareness of fair competition. During the reporting period, the Company did not experience any incidents of malicious competition.



Environmentally Friendly to Guard Our Homeland

Yiwu CCC actively responds to national policies, consistently adhering to the ecological and environmental protection concept that "clear waters and lush mountains are invaluable assets," taking resource conservation and environmental protection as its own responsibility. The Company adheres to green operations, implement various measures to conserve resources and energy, reduce pollution emissions, and contribute to building a beautiful China.

Response
to

SDGs



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Addressing Climate Change

Governance

Yiwu CCC actively responds to the economic opportunities and challenges that climate change may bring to the Company, integrates climate change response into its management and operational practices, makes reducing greenhouse gas emissions an important part of its environmental management, and seeks an economic model to address climate change risks.

The Company integrates climate change-related functions into the ESG governance framework, clarifies the responsibilities of the Board of Directors and management, and establishes a top-down management system. The board oversees the management and progress of climate change issues. The Board Strategy and ESG Committee, as the sustainability management body, leads the ESG working group in researching strategies and action plans, and establishing and supervising relevant regulations. All relevant functional departments and subsidiaries of the Company have taken effective measures to implement the Company's carbon reduction efforts.

Climate Change Governance Entities	Role	Responsibilities
Board of Directors	Decision-Making Level	Review and confirm climate change response systems and mechanisms, and assess the effectiveness of climate change risk management and internal control systems.
Strategy and ESG Committee	Decision-Making Level	Guide the design and implementation of strategies, objectives, and measures related to climate change; assess and manage climate change-related risks and opportunities; report regularly to the Board of Directors to ensure oversight.
ESG Leadership Team	Management	Collaborating with various departments, units, and subsidiaries of the Company to fully implement the management of climate change issues, regularly reviewing and summarizing the progress and effectiveness of related work, and reporting to the Strategy and ESG Committee.
ESG Implementation Team Environmental Protection Team	Execution Layer	The executive body for climate change-related response measures.

Strategy

Climate change is profoundly impacting human health, supply chain stability, and global trade. To accurately identify its effects on the Company's operations, Yiwu CCC analyzed climate-related risks, identifying both physical and transition risks, as well as their impacts. It also recognized opportunities brought by climate change and actively implemented response measures.

Risk/Opportunity Type	Risk/Opportunity Description	Financial Description	Impact	Impact Cycle ²	Countermeasures
Entity Risk	Acute physical risks	Increased frequency and intensity of extreme weather events such as typhoons, floods, heavy rain, heatwaves, and cold waves.	Facility repairs and operational disruptions increase costs; service interruptions lead to revenue loss.	Short to medium term	Develop and implement detailed "Typhoon and Flood Emergency Response Plans," conduct regular drills, monitor weather trends closely, prepare materials in advance for extreme weather events, ensure equipment functionality, and guarantee swift operational recovery.
	Chronic physical risks	Continuous sea level rise, average temperature increase, extreme changes in precipitation and weather patterns, etc.	Increased operational costs; infrastructure damage raises construction expenses.	Medium to long term	Regularly organize flood prevention drills and construct flood walls to reduce the probability of business interruption; develop high-temperature emergency plans and monitor temperature and humidity in real time.
Transition Risk	Market risk	Changes in customer behavior and uncertain market signals.	Sudden and unexpected changes in energy costs.	Medium to long term	Firmly establish the concept of green development and actively promote the Company's energy conservation and carbon reduction efforts.
	Reputation risk	Non-compliance or poor performance in climate risk management may harm corporate reputation.	Operating revenue decreased.	Medium to long term	Proactively release ESG reports, disclose environmental protection-related information, and increase the use of clean energy.
Opportunity	Energy substitution	Use clean energy.	Reduce operating costs; mitigate the risk of future energy price increases.	Short, Medium, and Long Term	Use clean energy to reduce greenhouse gas emissions.
	Products and services	Develop new products or services through R&D and innovation.	Increase in operating revenue.	Short, medium, and long term	Continuously innovate through R&D to advance green and low-carbon services.

²Impact Cycle Definition: Short term: within 1 year; Medium term: 1-5 years; Long term: over 5 years.



Case Conducting Flood Prevention Emergency Drill

To effectively carry out flood and typhoon prevention work in 2024, in line with the annual work plan, all units within the Group organized flood prevention drills in March 2024. These drills assessed the emergency response capabilities, reaction speed, and coordination levels of various departments during market floods, clarified their responsibilities, and inspected the operation of drainage facilities in the market, laying a solid foundation for flood prevention work.

Fifth District Branch Flood Prevention Emergency Drill



Third District Branch Flood Control Emergency Drill



Impact, Risk and Opportunity Management

Yiwu CCC incorporates climate change risks into the Company's risk assessment and control system, systematically identifies and analyzes climate risks and opportunities faced by the Company's business and operations, proactively formulates response policies and measures, and seizes value creation opportunities.

Climate Change Risk Management Process

Risk Identification

Collaborate with third-party experts to identify physical risks, transition risks, and opportunities based on national laws, policies, global sustainability trends, and company specifics, laying groundwork for subsequent risk assessment and management.

Risk Assessment

Based on the Company's actual operations, conduct a comprehensive assessment of potential climate risks and opportunities, evaluating the impact cycle of climate change risks and opportunities and their potential major financial impacts.

Risk Response

Based on the results of risk assessment, the Company develops targeted risk response strategies and measures to effectively mitigate the adverse impacts of climate change risks on its operations and financial condition. Meanwhile, the Company continuously monitors risk exposure and evaluates management measures to ensure effective climate change risk management.

Indicators and Objectives

The Company continuously improves its climate change management system, sets a goal of reducing carbon dioxide emissions per 10,000 yuan of revenue year by year, and formulates a series of energy-saving and consumption-reducing measures to implement them in operational processes.

Indicator: CO₂ emissions per 10,000 yuan of revenue. Objective: Decline year by year. Achievement Status: In progress



Total Greenhouse Gas Emissions³

150,992.35 tons of CO₂ equivalent



Direct Emissions (Scope 1)

2,959.49 tons of CO₂ equivalent



Indirect Emissions (Scope 2)

148,032.87 tons of CO₂ equivalent



Greenhouse Gas Emission Reductions

38,504.90 tons of CO₂ equivalent



Greenhouse Gas Emission Intensity

9.59 tons of CO₂ per million yuan of revenue

³ Statistical Scope: Market Operations Business Line and Hotel Business Line

Reducing Greenhouse Gas Emissions

In response to the CPC Central Committee and the State Council's decisions on "carbon peak and carbon neutrality," to build first-class sustainable development capabilities, maximize the development and utilization of green energy, and demonstrate state-owned enterprise responsibility and leadership in energy conservation and emission reduction, CCC Group actively plans new energy projects, creating the Yiwu International Trade City Comprehensive Building Smart Energy Demonstration Project, which includes photovoltaic power stations, chemical energy storage, charging piles, phase-change cold storage devices, air conditioning energy management systems, smart lighting systems, and a comprehensive energy smart management platform. In 2022, this project was listed by the Zhejiang Provincial Development and Reform Commission as a park-level source-grid-load-storage integrated demonstration project.

The implementation of the Yiwu International Trade City Comprehensive Building Smart Energy Demonstration Project not only reduces energy investment costs for the group but also serves as a model for the promotion and development of new energy, achieving good social benefits. As of the end of 2024, the group's distributed photovoltaic power station installed capacity reached 65.77MWp, including 35.74MWp in the International Trade City area, 1.9MWp in Huangyuan Garment Market, 2.63MWp in the International Production Materials Market, 1.6MWp in the Mall Entrepreneurship Park and Hengfeng Warehouse, and 23.9MWp in the Comprehensive Bonded Zone.

As of the end of 2024, the total power generation of the Group's distributed photovoltaic power stations was approximately 46.9 million kWh, of which the International Trade City area generated about 35.05 million kWh, Huangyuan Garment Market about 2 million kWh, International Production Materials Market about 2.8 million kWh, Mall Entrepreneurship Park and Hengfeng Warehouse about 1.7 million kWh, and the Comprehensive Bonded Zone about 5.35 million kWh (connected to the grid in batches from September to October).

Second District Market Photovoltaic Power Station





Resource Management

Energy Utilization

Governance

Yiwu CCC continues to promote the construction of a green system, strictly complies with energy conservation laws and regulations such as the "Energy Conservation Law of the People's Republic of China," improves the energy management system, formulates a series of energy management regulations, establishes energy management organizations such as energy conservation inspection teams, sets up energy performance assessments, and regularly conducts energy conservation training to enhance energy conservation and emission reduction, improve energy utilization efficiency, and contribute to saving resources and reducing carbon emissions.

Systems Related to Energy Utilization

"Energy Management System"

"Energy Measurement Management System"

"Energy Use Training and Promotion System"

"Energy Conservation Manual"

"Energy Consumption Statistics and Analysis System"

"Energy Conservation and Emission Reduction Plan"

"Energy Use Reward and Punishment System"

"Energy Conservation Target Responsibility System"

Strategy

Risk/Opportunity Type	Risk/Opportunity Description	Financial Description	Impact	Impact Cycle ⁴	Countermeasures
Risk	Compliance risks	Energy consumption exceeding regulatory limits may risk fines or operational disruptions	Excessive energy use leads to fines and increases operational costs.	Short to medium term	Firmly establish the concept of green development, actively promote the Company's energy conservation efforts; optimize energy use structure and utilize clean energy.
Opportunity	Energy substitution	Vigorously develop clean energy	Reduce operational costs.	Short, medium, and long term	Promote the construction of solar photovoltaic power stations, use clean energy, and reduce energy consumption.

⁴Impact Cycle Definition: Short term: within 1 year; Medium term: 1 to 5 years; Long term: over 5 years.

Impact, Risk and Opportunity Management

Risk Identification	Timely track government policies, respond to regulatory requirements, and confirm the energy indicator requirements issued by regulatory authorities for the year/quarter/month.
Risk Assessment	Annually record the Company's energy consumption in ledgers, review whether recent data exceeds regulatory requirements, preliminarily estimate current or next year's energy use, assess compliance with regulations, and develop energy-saving plans with corresponding measures.
Risk Response	Reduce the Company's energy consumption and save energy through energy-saving equipment upgrades, energy-saving awareness campaigns, and the use of clean energy.

Indicators and Objectives

Indicator: Energy consumption per 10,000 yuan of revenue. Objective: Decline year by year. Achievement Status: In progress

Indicators	Unit	2024
Gasoline	Liter	36,097.36
Natural gas	Cubic meter	1,331,919.09
Fossil fuel consumption	Ton of standard coal	1,809.96
Total purchased electricity	Kilowatt-hour (kWh)	275,871,910.44
Electricity and heat consumption	Ton of standard coal	33,904.66
Total non-renewable energy consumption	Ton of standard coal	35,714.62
Clean energy usage (photovoltaic power generation)	Kilowatt-hour (kWh)	46,900,000
Renewable energy consumption volume	Ton of standard coal	5,764.01
Total energy consumption	Ton of standard coal	41,478.63
Proportion of renewable energy consumption	%	14
Energy consumption intensity	Tons of standard coal per million yuan of revenue	2.64

⁵Statistical Scope: Market Operations Business Line and Hotel Business Line



Indicators and Objectives

The Company adheres to green principles, emphasizes energy conservation and consumption reduction, focuses on energy-saving management of public facilities and work equipment such as lighting systems, office equipment and appliances, air conditioning, and elevators, while actively conducting energy-saving training and promotion to enhance employees' awareness of energy conservation and environmental protection.

Energy-Saving Green Exhibition Lighting System	Widely replacing with low-energy, long-life LED lighting, saving 50% to 80% energy compared to traditional incandescent and fluorescent lamps; installing smart voice-controlled lighting systems in stairwells to automatically adjust based on usage and time in different areas Brightness.
Office Equipment and Appliance Energy Efficiency	Requiring employees to turn off computers, printers, copiers, etc., when leaving the office to reduce standby power consumption; selecting Energy Star-certified energy-efficient office equipment to ensure productivity while lowering energy use.
Air Conditioning System Energy Efficiency	Regularly clean and maintain air conditioning equipment to ensure efficient operation and avoid increased energy consumption due to filter clogging; air handling units apply variable air volume adjustment technology, with temperature control in each season and area according to standards.
Elevator Energy Conservation	The elevator motor drive system adopts variable frequency speed control or similar energy-saving designs.
Energy Facility Management	Timely switching on/off lights in public areas; turning off lights when leaving office duty areas; adjusting natural gas temperature seasonally; promptly closing valves after kitchen use and reporting anomalies.
Training and Promotion	Enhance employees' energy-saving awareness and conduct regular energy-saving training and publicity.

CCC Hotel Uses Energy-Saving Equipment and Implements Intelligent Management



Green Offices

Yiwu CCC upholds the concept of green office and implements environmental protection measures in daily operations. To reduce energy use and carbon emissions, the Company encourages employees to adopt green travel by actively advocating for the use of new energy vehicles and public transportation.

Green Exhibition

In 2021, the State Council issued the "Guidance on Accelerating the Establishment and Improvement of a Green, Low-Carbon, and Circular Development Economic System," clearly requiring "promoting the green development of the exhibition industry, guiding the formulation of relevant green standards, and promoting the circular use of exhibition facilities." CCC Exhibition actively responds to the call for green exhibitions, emphasizing environmental protection throughout the entire process of setup, exhibition, and dismantling, using green materials, conserving energy and resources, and reducing the generation of pollutants and solid waste.

CCC Exhibition's Green Exhibition Measures

Exhibition Setup Phase

The exhibition venue operator leads the organization of "Green Exhibition" training for organizers and contractors, requiring them to fully implement and promote the "Green Exhibition" concept throughout their internal processes. Through strong economic measures, the Company guides exhibitors and individuals to use recyclable, reusable, and low-emission renewable materials, promoting the overall construction of "green venues." By raising the entry threshold for booth construction, it firmly curbs energy consumption and pollution at exhibition sites.

Exhibition Phase

Prioritize eco-friendly technologies, processes, equipment, and materials, maximize energy and resource utilization, reduce pollutants and solid waste generation, promote the use of degradable acetate paper tape and plant starch film tape, and prohibit high-pollution exhibition materials to drive corporate green transformation; strictly control the use of odorless inks and non-irritating gases in painting and printing, ensure construction personnel take appropriate labor protection measures based on the construction environment and venue; introduce national mandatory product certification standards for exhibition construction materials through standardized management to reduce energy consumption.

Exhibition Dismantling Phase

Encourage green dismantling, standardize the dismantling procedures for exhibitors and construction units, while strengthening on-site inspections to urge them to control noise pollution, reduce dust generation and harmful gas emissions, and properly recycle reusable components and decorative materials according to operational standards; require exhibitors and construction units to transport and properly dispose of solid waste after the exhibition; renovate garbage transfer stations, strictly implement the four-category waste sorting method, and introduce professional teams for standardized management to avoid secondary pollution.

Green Design

Yiwu CCC actively promotes green building development, strictly controlling environmental management throughout the building's lifecycle from design to operation in compliance with national and industry standards such as the "Green Building Evaluation Standard." Under the premise of ensuring basic requirements like quality and safety, it maximizes resource conservation and minimizes environmental impact, achieving true harmony between architecture and nature.

The Company implements quality and safety supervision and inspection for ongoing construction projects, conducting comprehensive oversight in areas such as safe and green civilized construction, technical quality, on-site construction, and cost control. It promptly communicates the standardized management requirements for ongoing projects from higher authorities such as the Municipal Construction Bureau and Quality Supervision Station, formulates relevant internal regulations, achieves green production, and reduces pollution impacts caused by construction.

The Company's hotels, with "green experience" at their core, explore quantifiable low-carbon solutions for hotels, build a green and low-carbon hotel industry chain and supply chain, promote the green and low-carbon transformation of hotels, and jointly create a better life. In terms of green building, the Company expands the application of eco-friendly materials and implements a "modular construction plan" through modular design and assembly, dynamically adjusting the size and dimensions of components to achieve rapid and precise replication, improve construction efficiency, and reduce waste generation.

Case Case Study: Green Building Design of CCC Hotel

CCC Hotel conducts green building design in accordance with standards such as the "Thermal Design Code for Civil Buildings" (GB50176-93), "Energy Efficiency Design Standard for Public Buildings" (GB50189-2005), Zhejiang Province's "Energy Efficiency Design Standard for Public Buildings" (DB33/1036-2007), and "Grading and Testing Methods for Air Tightness, Water Tightness, and Wind Resistance of Building External Windows and Doors" (GB/T7106-2008). It selects and evaluates building materials and structural systems and performs energy-efficient design for building volume, shape, and envelope.



Water Resource Utilization

Yiwu CCC strictly complies with laws and regulations such as the "Water Law of the People's Republic of China," actively responds to the "Action Plan for Water Pollution Prevention and Control" issued by the State Council, formulates systems including the "Water Conservation Management System," "Water Conservation Target Responsibility and Assessment System," and "Water Usage Reward and Penalty System," establishes a water conservation leadership group and a water conservation supervision team, continuously promotes comprehensive water resource management, conducts regular drinking water testing, and ensures drinking and water usage safety.

At the same time, the Company continues to respond to the dual-control targets for total water use and intensity issued by the National Development and Reform Commission during the 14th Five-Year Plan period, saving water through measures such as water-saving appliances and reclaimed water reuse, strictly preventing water resource waste. During the reporting period, the Company's water supply was entirely sourced from municipal water. The Company regularly commissions third-party professional agencies to clean domestic water tanks, requiring cleaning units to provide qualification certificates and cleaning personnel to provide health certificates, conducts secondary water supply testing, and issues an "Inspection and Testing Report." Water supply can only continue if the secondary water quality meets standards.

Indicator ⁶	Unit	2024
Fresh Water Consumption (Municipal Water Supply)	Tons	2,274,239.26
Recycled Water Volume (Reclaimed Water Reuse)	Tons	1,014,403.00
Total Water Consumption	Tons	3,288,642.26
Proportion of Recycled Water Usage	%	31
Water Resource Consumption Intensity	Tons per million yuan of revenue	208.98

⁶Statistical Scope: Market Operations Business Line and Hotel Business Line

Water-Saving Measures

Market Operations Business Line



- Distribute water-saving brochures, leverage Water-Saving Awareness Week and the opportunity to create water-efficient cities, and strengthen publicity through display windows, electronic screens, broadcasts, and WeChat to enhance tenants' water-saving awareness.
- Advancing water-saving technological upgrades, installing water tanks on cooling towers to recycle air conditioning water, renovating bathroom water supply and drainage pipelines and fixtures, adopting water-saving methods like foam flushing, controlling water supply to sanitary fixtures, and installing sensor faucets.
- Pay attention to water usage details, avoid "long-running water" in restrooms, and set up water-saving reminders; use rainwater or reclaimed water for landscaping, adopting water-saving irrigation methods like sprinklers; strengthen cleaning supervision, facility maintenance, and regular meter reading analysis.
- The maintenance center regularly inspects water equipment and facilities to prevent leaks and spills; implements scientific management, criticizes and penalizes departments and individuals with severe waste; advocates for secondary and multiple water usage to improve water resource utilization efficiency.

⁶Statistical Scope: Market Operations Business Line and Hotel Business Line.

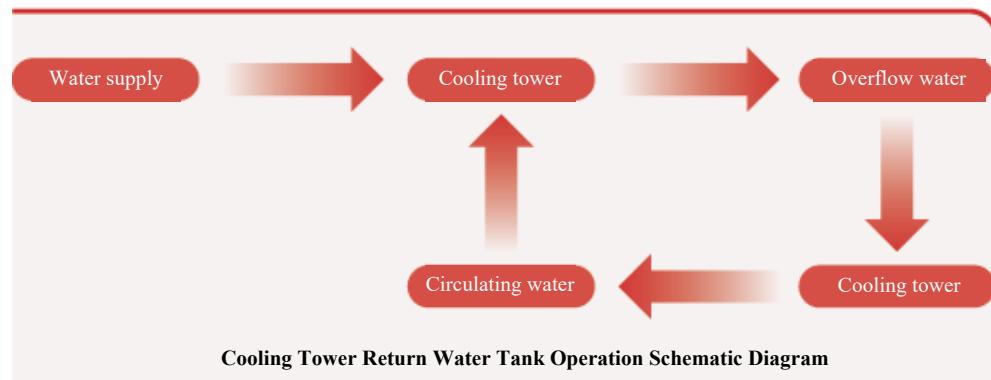
Hotel Business Line



- Using TOTO water-saving aerators in guest rooms and public areas to control flow; installing sensor faucets in public restrooms and kitchens.
- Strengthening water conservation in restrooms by preventing "long-running water" and setting up reminders; maintaining facilities diligently to eliminate leaks; conducting regular meter readings and analysis.
- Each department appoints dedicated water conservation officers to monitor water usage, with flow restrictors installed in certain areas.
- Standardizing water-saving cleaning methods in Chinese and Western kitchens; engineering duty engineers inspect at least twice daily and report issues.
- Establishing a water usage assessment mechanism to encourage employee water conservation.

Case Forth District Market Water Reuse

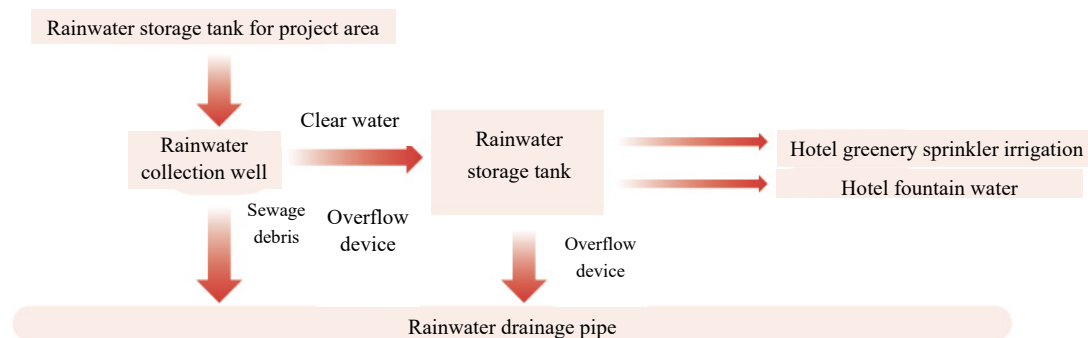
Four rainwater collection pools are installed around the Forth District Market to recycle roof rainwater for irrigation, saving approximately 36,400 tons of water annually. In 2019, the Forth District Branch carried out repairs on the leaking chassis of four air conditioning cooling towers at the Forth District Market and installed five recycling water tanks to reuse air conditioning makeup water. These were put into operation in May 2020, saving approximately **20,800 to 26,000 tons** of water annually.



Case Yandoo Hotel Water Conservation Campaign

Yandoo Hotel has been utilizing an underground garage rainwater collection and reuse system since August 1, 2022, channeling building rainwater into storage tanks for repeated use in landscape irrigation. As of the reporting period end, a total of **3,521** tons of water resources have been recycled.

Yandoo Huayue Hotel Rainwater Collection Schematic Diagram



Yandoo Hotel Water Conservation Training



CCC Hotel Water Conservation Training



Yandoo Hotel Water Conservation Campaign



Water Conservation Campaign at Yixi Market



Third District Market Water Conservation Campaign





Environmental Management

Environmental Compliance Management

Yiwu CCC strictly complies with laws and regulations such as the Environmental Protection Law of the People's Republic of China and the Environmental Impact Assessment Law of the People's Republic of China, prioritizes environmental management, leads with green development, operates the environmental management system efficiently and continuously, improves management systems, formulates regulations like the Environmental Management Operation Manual, establishes environmental management organizations, actively engages in environmental practices, and achieves dual benefits of corporate and ecological value. As of the end of the reporting period, Supply Chain Company and CCC Exhibition have obtained ISO14001:2015 Environmental Management System certification.

To properly address local or regional environmental pollution accidents caused by sudden environmental pollution or ecological damage, and ensure rapid and effective on-site emergency response, the Company has formulated the "Environmental Risk Emergency Plan" based on laws and regulations such as the "Environmental Protection Law of the People's Republic of China" and national standards, enhancing environmental emergency management to ensure orderly rescue operations with the fastest speed and efficiency, minimizing environmental impact. Additionally, the Company has established a specialized command agency responsible for emergency command in environmental pollution incidents, clearly defining departmental responsibilities and member roles. Before project commencement, the Company promptly conducts environmental impact assessments for construction projects. During the reporting period, the Company did not incur any environmental penalties or violations.

To deeply instill environmental awareness and implement environmental actions, the Company continuously educates employees on environmental protection during the establishment of the environmental management system to enhance their awareness and capabilities. During the reporting period, the Company conducted a series of environmental training and promotional activities. In 2024, the Company's total environmental protection investment was 124.585 million yuan.

⁷Environmental protection investment statistics: Wages of market cleaning staff, renovation and minor repair expenses of various markets.

Pollutant Emissions

Yiwu CCC's operations do not involve direct production, with no industrial wastewater or exhaust gases generated, only domestic wastewater and exhaust gases. The Company strictly complies with laws and regulations such as the "Water Pollution Prevention and Control Law of the People's Republic of China" and "Air Pollution Prevention and Control Law of the People's Republic of China," establishing relevant internal management systems for the wastewater and exhaust gases generated during operations. Each unit has set up a "Five Waters Governance" (tackling sewage, preventing floods, draining waterlogging, securing water supply, and promoting water conservation) task force to oversee wastewater treatment, regularly commissioning third-party professional agencies to test wastewater and exhaust gases, ensuring the normal operation of environmental protection facilities, and the compliant discharge and disposal of wastewater and exhaust gases. During the reporting period, the Company and its subsidiaries were not listed as key pollutant discharge units by environmental protection authorities, and no penalties or violations related to pollutant emissions occurred.

Wastewater Management Measures

"Five Waters Governance Inspection System"

"Hotel and E-commerce Park Wastewater Pipeline Management System"

"Five Waters Governance Management System"

"Five Waters Governance Inspection and Rectification System"

"Pollution Prevention Management System"

"Wastewater Discharge Compliance System"

Wastewater and Exhaust Gas Management Objectives

Objectives	Achievement Status
100% Compliant Treatment of Wastewater	Achieved
100% Compliant Treatment of Waste Gas	Achieved

In 2024, the Company only generated domestic wastewater, all of which was treated in compliance with regulations before being discharged into the municipal pipeline network. The industrial wastewater discharge was 0 tons, ammonia nitrogen emissions were 0 tons, and chemical oxygen demand emissions were 0 tons.

Wastewater Management Measures

Market Operations Business Line



- Each unit established a "Five Waters Governance" task force to inspect grease traps at dining outlets weekly; conduct monthly inspections of peripheral rainwater and sewage wells, water supply pipelines, drainage equipment maintenance, basement and drainage ditch checks, basement sump inspections, and roof siphon inspections; regularly clean peripheral rainwater wells and basement sumps, and organize flood prevention drills.
- Conduct safety inspections of stormwater and sewage pipelines through daily, annual, and special inspections, checking for mutual leakage between stormwater and sewage wells, sediment and debris accumulation, and pipeline patency to ensure normal operation and establish a long-term management mechanism.

Hotel Business Line




- Conduct inspections and rectifications for the "Five Waters Governance" initiative, establish and improve a grid-based management system, implement the responsibility system for governance objectives, assess relevant personnel according to the hotel's evaluation system to ensure "separate drainage of rainwater and sewage, intercept and divert pollutants." Rainwater is discharged into the municipal stormwater network, while sewage and wastewater are discharged into the municipal sewage network. Rainwater discharge meets the "Environmental Quality Standards for Surface Water" (GB3838-2002), and sewage discharge complies with the tertiary standard of the "Integrated Wastewater Discharge Standard" (GB8978-1996).
- Wastewater from all kitchens is discharged into the municipal sewage network after oil separation treatment, and toilet wastewater is discharged into the municipal sewage network after septic tank treatment as required. Drainage ditches and sewers in kitchens and bathrooms are regularly cleaned according to usage conditions to ensure patency and no blockage; sewage wells, septic tanks, and grease traps should be regularly cleaned and maintained to prevent accumulation and overflow.
- Use phosphorus-free cleaning products, strictly prohibit the use of phosphorus-containing cleaning products, and control the usage of other cleaning products.
- Strictly maintain and repair drainage facilities to ensure their proper functioning; conduct regular inspections of the "Five Waters Governance" in the jurisdiction and periodic checks of the drainage network. In case of emergencies affecting the safe operation of sewage treatment facilities, take immediate emergency measures and report promptly according to the group and hotel's emergency information reporting system.

• Exhaust Gas Management Measures

The exhaust gases generated during Yiwu CCC's operations are mainly unorganized cooking fumes. The Company has installed digital fume purifiers in all canteens and catering establishments to promptly treat the generated fumes, ensure compliant emissions, digitally monitor the discharged fumes, and regularly clean the fume purifiers.


Exhaust Gas Test




Digital range hood purifier

Regularly commission third-party professional institutions to test domestic sewage to ensure compliance with discharge standards. In addition, all units must obtain an Urban Sewage Discharge Permit before discharging wastewater into urban drainage facilities.

Wastewater Test



Regularly commissions third-party professional institutions to inspect boiler exhaust, kitchen fumes, and fume purification equipment to ensure compliant emissions.



Case Ocean Hotel Conducted Environmental Testing

In 2024, Ocean Hotel conducted one inspection and testing of the centralized air conditioning ventilation system, one inspection of indoor air and customer utensils, one inspection of cooking oil fumes, one inspection of rainwater, and one inspection of domestic sewage.

Rainwater Test Report

Domestic Sewage Test Report

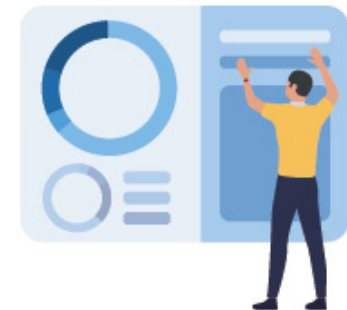
Cooking Fume Exhaust Test Report





Case Reducing Pollutant Emissions


In 2024, the Company generated 46.9 million kWh of photovoltaic power, reducing nitrogen oxide emissions by 6.24 tons, sulfur dioxide emissions by 3.89 tons, and dust emissions by 0.59 tons.



Waste Management


Yiwu CCC strictly complies with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, the Technical Guidelines for Solid Waste Treatment and Disposal Engineering, and other relevant laws and regulations, and places great emphasis on waste treatment. The main waste generated during the Company's operations includes domestic waste and hazardous waste from office activities, perishable waste from hotel and Market Operations, and construction waste from projects. The Company engages third-party professional agencies to regularly ensure 100% compliant waste disposal. In 2024, the Company achieved its waste management goals of 100% compliant treatment or recycling of general waste and 100% compliant disposal of hazardous waste.

Grease Trap Cleaning and Maintenance



Hire third-party professional institutions to regularly clean and maintain grease traps, transport the removed waste to designated garbage transfer stations, and sign the "Grease Trap Cleaning and Maintenance Service Agreement."

Domestic Waste Disposal



Engage third-party professional agencies, sign contracts such as "Waste Disposal Service Agreement" and "Waste Collection and Transportation Service Agreement," aiming for reduction, recycling, and harmless treatment, adapting to local conditions, reducing at the source, comprehensive utilization, and scientific management to ensure all waste is collected, sorted, and cleared daily; and equip facilities for classified waste disposal, collection, transportation, and treatment.

- Collect and transport sorted waste by category after classification;
- Transport recyclables to resource recovery processing units;
- Hazardous waste is collected by domestic waste collection and transport units and then entrusted to licensed hazardous waste management companies for transportation
- Other waste is collected and transported daily on schedule to the designated regional waste treatment terminal
- The waste collection and transportation process is managed in a closed manner; waste transported directly without compaction vehicles should be sealed to prevent secondary pollution.

Harmful Domestic Waste

Engage third-party professional agencies, sign "Hazardous Waste Removal Service Contracts," and conduct scheduled collection and removal of hazardous waste at designated points, including but not limited to waste batteries (nickel-cadmium, mercury oxide, lead-acid, etc.), waste fluorescent tubes (incandescent, energy-saving lamps, etc.), waste thermometers, waste blood pressure monitors, waste medicines and their packaging, waste paint, solvents and their packaging, waste pesticides, disinfectants and their packaging, waste film, and waste photo paper.

Perishable Waste Disposal

A professional renewable resource utilization company is hired to centrally collect, transport, and dispose of kitchen waste (food waste, kitchen waste, and gutter oil) in compliance with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, Yiwu City Food Waste Management Measures, and other relevant laws, regulations, and documents, as required by government authorities.

Construction Waste Removal

Hire professional construction waste removal companies, sign "Construction Waste Removal Contracts," and transport construction waste (including renovation waste) according to government-approved routes and disposal sites.

Garbage Classification

Yiwu CCC conducts market sanitation management in accordance with the standards of a four-star scenic area, strictly adheres to the municipal urban domestic waste classification standards and work assessment index system requirements, implements "dedicated personnel for dedicated posts" at waste sorting points, achieves source classification of waste collection, and strengthens market waste classification efforts. Additionally, the Company adheres to the "Seven Problem Lists" as a guide, improves the "mirror reflection" mechanism, conducts routine sorting, identification, and resolution of risks related to waste classification based on the lists, carries out regular special inspections and training on waste classification, and implements closed-loop problem management.

Case Ocean Hotel Garbage Classification and Management Work

To promote hotel waste classification and disposal, Ocean Hotel formulated documents such as the "2024 Ocean Hotel Domestic Waste Classification Annual Work Plan" and the "Ocean Hotel Garbage Classification Target Responsibility Agreement," and issued notices such as the "Ocean Hotel Action Plan for Mandatory Domestic Waste Classification" and the "Ocean Hotel Notice on Strictly Implementing Provincial Waste Classification Requirements." Focusing on the work requirements of "controlling increase, promoting reduction, and improving quality" in domestic waste classification, the hotel achieved full coverage of mandatory waste classification, improved classification accuracy, strengthened publicity and education, enhanced supervision and assessment, consolidated employees' classification awareness, fostered a participatory atmosphere, and better supported Yiwu's efforts in building a civilized city.

- Develop practical work plans based on departmental realities, integrate waste classification into daily management, conduct ongoing thematic campaigns, and provide regular training to ensure everyone practices waste classification.
- Allocate sufficient waste classification collection containers and temporary storage spaces based on local conditions, collaborate with qualified agencies for regular collection and transport of hazardous and recyclable waste, and ensure perishable and other waste is cleared daily.
- Ensure thorough publicity, mobilize employees to actively participate, achieve 100% awareness and participation rates in waste classification, and organize at least one waste classification training session per month.



Third District Market
Garbage Sorting Point



Fifth District Market
Garbage Sorting Point



Binwang Market Office
Garbage Sorting



Discipline Inspection
Office Garbage Sorting



Second District Market
Garbage Sorting Campaign



Third District Market
Garbage Sorting Campaign





Case Study: The Second District Market Creates a Zero-Waste Business District

To advance the construction of "Zero-Waste City Cells," embed the concept of "Zero-Waste City" in people's minds, strengthen target management, and foster effective working mechanisms and collaboration among departments, the International Trade City Second District Market established a "Zero-Waste Business District" construction leadership group, optimizing governance models and exploring the potential of "zero-waste" to promote the development of the "Zero-Waste Business District" in line with the commercial characteristics of the International Trade City.

The Second District Market regularly conducts public welfare activities, promoting the concept of "Zero-Waste City" construction through LED electronic screens inside and outside the market, public accounts, etc., advocating for waste classification, recycling of renewable resources, energy conservation and emission reduction, and resource utilization, conveying the "zero-waste" concept to the public and international friends. Furthermore, the Company collaborates with environmental groups to integrate market waste management into a digital system, enabling full-process supervision of waste handling. It also partners with power companies to create a smart energy comprehensive management platform, achieving multi-energy coordination and efficient utilization of energy resources.



Case Study: Yandoo Hotel Creates a Zero-Waste Hotel

In June 2000, Yandoo Hotel was awarded the honorary title of "Zhejiang Province's First Batch of Green Hotels." The hotel established mechanisms for long-term management, formed a leadership group for waste-free construction, and effectively advanced waste-free initiatives and waste classification. Through hosting relevant lectures and setting up promotional displays, the hotel fostered a green mindset among its staff. In 2023, Yandoo Hotel was rated as a "Zero-Waste Hotel."



Circular Economy

Yiwu CCC always adheres to the concept of a circular economy, committed to promoting the efficient use of resources and the sustainable development of the environment, achieving a win-win situation for economic benefits and environmental protection. During production and operations, the Company actively adopts renewable materials, emphasizes waste reduction, reuse, and recycling, strives to minimize resource consumption, and maximizes resource utilization efficiency.

Material Management

In terms of green operations, the Company's hotels have introduced eco-friendly solutions, including phasing out single-use plastics, replacing plastic packaging for guest amenities with renewable biodegradable materials, and using green, non-toxic raw materials to provide customers with healthy, environmentally friendly products and services. Additionally, through training and other means, the Company enhances the awareness of employees, franchisees, and supply chain partners about sustainability to achieve energy conservation and consumption reduction.

Case Study: Material Reuse in CCC Hotel's Projects

CCC Hotel is dedicated to reducing material and component procurement costs, striving to achieve both environmental and economic benefits. Under the premise of ensuring safe equipment operation, when replacing complete components, staff carefully clean and lubricate the removed usable parts before uniformly storing them on designated shelves. They also regularly organize items on the shelves, promptly disassemble available components, and properly store them by category and zone. On the other hand, it enhances employees' awareness of energy conservation and consumption reduction, actively conducts training on material repair and reuse skills, and ensures employees master these skills to better adhere to the principle of repairing and reusing old materials. This includes secondary inspection and repair of materials replaced during emergency maintenance, enabling their reuse and effectively reducing engineering material costs.

Paper Recycling

The Company actively promotes paperless operations, requiring employees to utilize digital technologies for document management and communication to reduce paper consumption. For unavoidable paper usage, the Company also advocates the use of recycled paper to lessen dependence on forest resources.

Yiwu International Expo Center Hotel Paper Conservation Measures

- Implement a duplex printing and copying system.
- Encourage employees to use electronic documents for office processes such as file circulation and approval.
- Using electronic displays instead of paper posters for hotel internal notifications and promotions.

CCC Hotel Recycled Paper Collection Bin



Yandoo Hotel Paper Conservation Slogans



Ecosystem and Biodiversity Protection

Yiwu CCC strictly complies with environmental protection laws and regulations. The Company's operations do not directly impact ecosystems, biological species and their habitats, or genetic resources, nor do they cause damage to ecosystems or biodiversity. In the site selection process for company projects, areas such as nature reserves, key ecological function zones, or other regions with significant biodiversity value are avoided to prevent damage to local water sources and ecosystems. During construction and operation, greening is carried out based on the surrounding planting characteristics and ecological environment to avoid impacts on soil and groundwater.

Building a New Energy Trading Market

Yiwu CCC actively builds a new energy trading market, committed to promoting green, low-carbon, and sustainable energy transformation, constructing an open, transparent, efficient, and fair trading platform where various new energy producers, consumers, and investors can freely trade, achieving optimal resource allocation, and through market mechanisms, better stimulating the development vitality of the new energy industry, promoting the optimization and upgrading of the energy structure.

The New Energy Product Market in the east of the Second District of Yiwu International Trade City officially opened on March 17, 2023, with a construction area of nearly 130,000 square meters and over 700 shops. It brings together more than 10,000 products from over 200 brands across several major categories, including photovoltaic modules, energy storage systems, and new energy vehicles, primarily serving countries in the Middle East, Africa, Southeast Asia, and South America. From its inception, the market placed high importance on digital and intelligent applications, exploring an innovative "market + digital" model. It features comprehensive supporting services, including public facilities such as new energy vehicle charging stations and an immersive new energy experience plaza. The second floor houses a new energy vehicle exhibition area exceeding 2,000 square meters, introducing 10 new energy vehicle brands, thereby enriching the market's business ecosystem.

The New Energy Product Market in the east of the Second District strives to integrate Yiwu Market's robust new energy application product innovation R&D system, leveraging Yiwu's foreign trade passenger flow and strong comprehensive foreign trade service advantages, to build the world's first one-stop procurement platform for new energy product series, forging the new energy product market into a "new engine" for high-quality development in the new energy industry.

In 2024, the Sampled Transaction Volume in the New Energy Product Market in the East of the Second District Was 2.821 Billion Yuan, with the New Energy Sector Alone Accounting for 1.387 Billion Yuan.

The establishment of a new energy trading market facilitates the rapid development of the new energy industry, drives economic growth, and helps reduce corporate energy costs while improving economic efficiency. Through market-based trading, new energy can be produced and supplied more flexibly according to market demand, avoiding resource waste and idling. Additionally, new energy sources have advantages such as wide distribution, renewability, and pollution-free characteristics. The establishment of a new energy trading market helps accelerate the transition from traditional to new energy, contributes to achieving carbon neutrality goals, and supports environmental protection and climate change mitigation.

Focused on Innovation to Provide Superior Service

Yiwu CCC is committed to building a comprehensive payment platform, providing global merchants with convenient and secure payment experiences. We actively encourage technological innovation, ensure information security, leverage strong resource integration capabilities to achieve efficient logistics connections, guarantee smooth supply chain operations, and further consolidate and enhance our leading position in the global payment sector.

Response to SDGs



Innovation-Driven	70
Safety and Quality of Products and Services	78
Information Security & Customer Privacy Protection	91
Responsible Supply Chain Management	94
Building a Higher-Level International Trade Gateway	99



Innovation-Driven

Governance

Yiwu CCC adheres to innovation-driven development as the core of corporate growth, anchoring the strategic goal of becoming a "Famous Trade Service Platform." Under the framework of a unified national market, it coordinates the promotion of market innovation and corporate transformation, breaks through the physical limitations of traditional business with digital reforms, enhances technological and product innovation capabilities, expands market development efforts, and continuously improves informatization and intelligent management levels.

R&D System

The Company places high importance on R&D innovation, with its subsidiary Big Data Company serving as the centralized unit for the Company's R&D activities. It bears the critical mission of integrating R&D resources and guiding innovation direction, playing a pivotal role in promoting the deep integration of technological innovation and business development. Big Data Company has established a comprehensive system framework, including management systems, training systems, evaluation systems, incentive measures, and talent recruitment and cultivation systems. This ensures the scientific and orderly execution of all technical research activities, comprehensively enhances the overall professional technical level of the Company's R&D center, strengthens the Company's core competitiveness and sustainable development capabilities in the innovation field, and lays a solid institutional foundation for the Company's steady progress in the wave of technological innovation. The Company's innovation capabilities have been strongly certified, with three subsidiaries, Big Data Company, Kuaijietong, and Yiwugou, recognized as high-tech enterprises.



R&D Innovation Systems

"R&D Project Management System"

"R&D Investment Accounting System"

"Organizational Management and Incentive Measures for Scientific and Technological Achievements Transformation"

"R&D Expense Subsidiary Ledger System"

"R&D Center Management System"

"Performance Evaluation and Incentive System for Scientific and Technical Personnel"

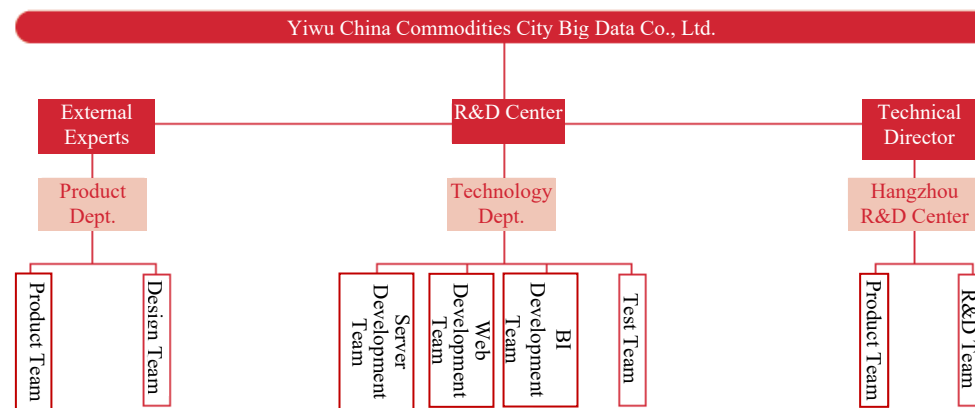
"Management System for Innovation and Entrepreneurship Platform Construction"

"Training and Further Education System for Scientific and Technical Personnel"

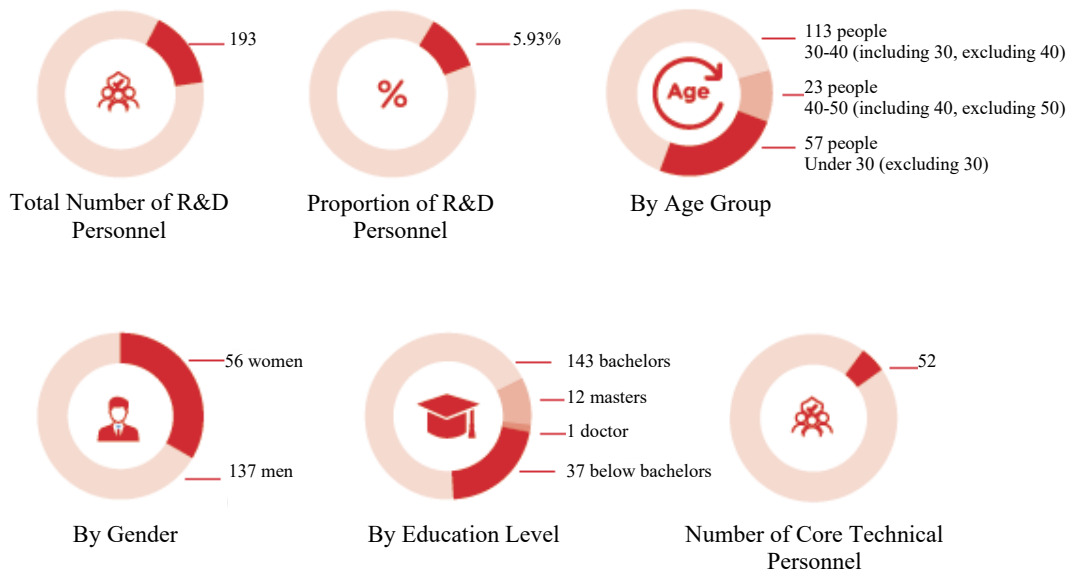
"Training Management System for Scientific and Technical Personnel"

"Management System for the Recruitment of Scientific and Technical Talents"

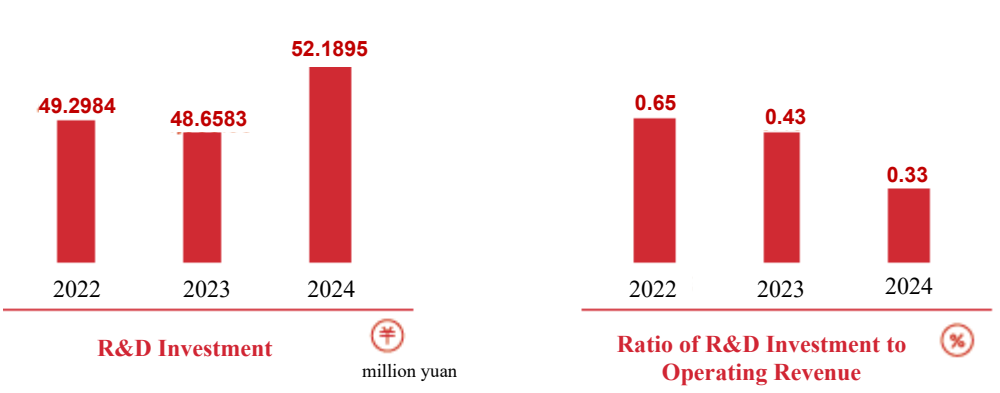
Big Data Company has established a research center comprising Applied R&D, Core R&D, and Hangzhou R&D departments. Through active operations, the Company gains better market insights and develops products that meet market demands.



R&D Personnel Structure



R&D Investment



Construction of Innovation Platform

To accelerate the implementation of the innovation-driven development strategy, promote mass entrepreneurship and innovation, unleash the vitality of innovation and entrepreneurship across society, and contribute to building a modern, international, and innovative city, Big Data Company established the "Innovation and Entrepreneurship Platform Construction Management System," allowing eligible individuals to utilize the Company's existing infrastructure for entrepreneurship. Big Data Company was included in the Jinhua Municipal Science and Technology Research and Development Center filing list in 2023, becoming a municipal-level R&D center in Jinhua. The full name of the R&D center is "Jinhua China Commodities City Big Data Science and Technology Research and Development Center." In 2024, the Company's "Zhejiang China Commodities City Digital Trade High-Tech Enterprise Research and Development Center" was filed as a provincial high-tech enterprise research and development center.



Strategy

Risk/Opportunity Type		Risk/Opportunity Description	Financial Impact Description	Impact Cycle	Countermeasures
Risk	Policy and Legal Risks	Enterprises may encounter intellectual property disputes during technological innovation, such as patent infringement or trademark conflicts.	Increased operating costs	Short to medium term	Establish an intellectual property monitoring mechanism to promptly identify and address infringements; hire a professional legal team to provide legal consultation and support, reducing legal risks.
Opportunity	Service Innovation Opportunities	Enterprises can utilize digital technologies, artificial intelligence, and other means to provide more convenient, efficient, and personalized service experiences, thereby increasing customer stickiness.	Revenue Increase	Short, medium, and long term	Improve database construction according to development needs, strengthen the R&D talent team, and establish strategic partnerships with top international customers to achieve collaborative development of platform functions.

Impact Cycle Definition: Short term: within 1 year; Medium term: 1-5 years; Long term: over 5 years.

Impact, Risk and Opportunity Management

Management Process	Management Measures
Risk Identification	The Company, in accordance with systems such as the "R&D Project Management System" and the "Innovation and Entrepreneurship Platform Construction Management System," identifies and evaluates various internal and external factors, comprehensively assessing risks related to R&D and innovation, covering all stages of R&D project management.
Risk Assessment	Based on the Company's actual operations, conduct a comprehensive assessment of risks and opportunities, evaluating the impact cycle of innovation-driven risks and opportunities as well as their potential major financial impacts.
Risk Response	By strengthening internal control system construction, standardizing operational processes reasonably, establishing a scientific risk management system, and enhancing internal supervision, risks can be avoided or minimized as much as possible to ensure the Company's safe, stable, and sustainable development.

Indicators and Objectives

The Company's technological innovation strategic objectives are as follows: Focus on the research and application of key technologies, resource allocation and risk management, to achieve the goals of business innovation and development. The R&D strategic planning adheres to the principle of fully leveraging the "technological innovation" strategic engine, increasing R&D investment, improving core patent quality, increasing the number of invention patent applications, and promoting the implementation of achievements. It actively strengthens collaborative innovation capacity building and enhances the transformation of innovative achievements.

Three-Year Technology R&D Plan for Big Data Company	
2024	Build a market data-driven AI commerce model and launch AI application products covering key commerce processes.
2025	Build an intelligent commerce ecosystem, deepen the AI R&D system, and achieve major breakthroughs in key technological areas.
2026	Deepen AI technology breakthroughs, lead intelligent commerce transformation, and promote the globalization of intelligent commerce applications.

Scientific and Technological Innovation Practice

● Innovation Incentive

Big Data Company established the "Innovation Project Management Measures" to standardize the innovation project application and management process. Additionally, it formulated the "Scientific and Technological Achievements Transformation Organization Management and Reward Measures," "Scientific and Technical Personnel Performance Evaluation and Reward System," "Scientific and Technical Personnel Training and Further Education System," and "Scientific and Technical Personnel Training Management System" to stimulate the creativity and enthusiasm of scientific and technical talents, improve their overall quality, enhance the Company's product and service innovation capabilities, and promote the cultivation, summarization, improvement, and promotion of the Company's innovation achievements.

The Company implements various incentives for organizations and employees who actively collect knowledge for sharing and utilize knowledge for innovative improvements

Material Incentives	Establish project rewards, rationalization proposal rewards, technological innovation rewards, etc.
Spiritual Motivation	Recognize employees for service contributions and excellence.
Job Promotion	Promote outstanding employees who achieve significant knowledge innovation through knowledge utilization and possess management capabilities.

● Joint R&D Mechanism

Industry-University-Research Collaboration

The Company formulated the "Industry-University-Research Collaboration Management Measures" and jointly established internship bases with more than 20 higher education institutions, including Zhejiang University, Zhejiang Gongshang University, Zhejiang Normal University, Jiangsu University, Jiangxi University of Finance and Economics, Hangzhou Dianzi University, and China Jiliang University.

Technical Exchange and Cooperation

The Company maintains long-term cooperation and exchanges with domestic large enterprises and financial institutions, and has established extensive business contact channels and information transmission networks with major universities and research institutions.

Industry-University-Research Collaboration	
Project name	Cooperative Organization
Restructuring the "Yiwu-China Small Commodity Index" data system	Zhejiang Gongshang University
AI large language model	Tencent, Tsinghua University
AI Independent Website Tongyi Qianwen Model	Alibaba

● Participation in Industry Standard Formulation

During the reporting period, Yiwu CCC assisted in drafting local standards such as the "Standards Entering the Market" Work Specification for Yiwu City. Additionally, in accordance with the relevant provisions of the "Yiwu Small Commodity Standards Innovation Federation Group Standards Management Measures," the federation organized formal reviews and defense meetings for the 2024 group standard proposals, approving 31 standards proposed by Yiwu CCC across two batches.

● Innovation Achievements

The Company strengthens ecological cooperation and technological innovation, accelerates the diversified application of AI technology in the commercial trade sector, empowers small commodity trade applications through AIGC, covering various trade segments such as production design, content generation, traffic acquisition, and transaction facilitation, helping merchants reduce costs and increase efficiency. The AI-powered "Digital Lady Boss" persona, created by AI-empowered physical business operators, has become a well-known IP, recognized by CCTV as a representative case of new economic transformation. In 2024, the Company launched a total of 10 AI products, including Xiaoshang AI Translation, AI Independent Website, and Xiaoshang AI Business Card, serving over 100,000 users and benefiting more than 20,000 business operators. Attracted 640,000 new customers for businesses, improved product display efficiency by 10 times, and reduced costs by 35%.





The Company has developed over 50 software products and services centered around the Chinagoods platform, and has obtained 16 invention patents and 23 software copyrights. Big Data Company has achieved the transformation of multiple research outcomes into practical applications. By adopting cutting-edge technologies and actively exploring new technological applications, the Company has successfully developed products such as the Chinagoods Seller APP system, Chinagoods Chinese Website, and the China Commodities City platform.



The Company integrates artificial intelligence (AI) throughout the entire Yiwu digital foreign trade ecosystem, deeply transforming the supply chain industry and empowering traditional markets. This strategic implementation deeply engages the entire trade chain of the small commodities industry, initially forming a series of product loops for an AI-powered digital trade ecosystem.

Digital Boss Lady-AI video translation and XiaoShang AI translation have reduced the language barriers for Yiwu merchants in foreign trade; XiaoShang AI design helps users quickly generate images and videos through AI, reducing costs and increasing efficiency in product digitization; Digital Boss Lady-AI store customer service has created an all-around AI digital customer service, enabling the Yiwu market to operate 24/7; AI independent websites have opened up more overseas trade opportunities. Xiaoshang AI utilizes intelligent interactive Q&A, breaking through the limitations of keyword search and information flow recommendation models. It not only enhances the personalized experience of Chinagoods users but also drives the evolution of the Yiwu commerce model by deeply understanding the preferences and needs of purchasing users, thereby promoting cost reduction, efficiency improvement, and business model updates for merchants.

Intellectual Property Protection

Yiwu CCC strictly complies with laws and regulations such as the "Patent Law of the People's Republic of China" and the "Copyright Law of the People's Republic of China," placing high importance on intellectual property management, respecting others' intellectual property, and protecting its own intellectual property. The Company has established intellectual property-related management systems, emphasizing knowledge accumulation, including the creation, utilization, and improvement of proprietary intellectual property. During the reporting period, the Company did not experience any intellectual property infringement incidents. As of the end of the reporting period, the Company and its core subsidiaries had cumulatively obtained **16** national invention patents, **23** software copyrights, and **331** trademarks.

Technology Ethics

Technology ethics are the value concepts and behavioral norms that must be followed in scientific research, technological development, and other technological activities, serving as an important safeguard for the healthy development of the technology sector. In its daily operations, the Company does not engage in activities related to technology ethics. The technologies used and activities conducted comply with existing laws, regulations, and industry standards, with no potential risks arising from technology ethics issues.

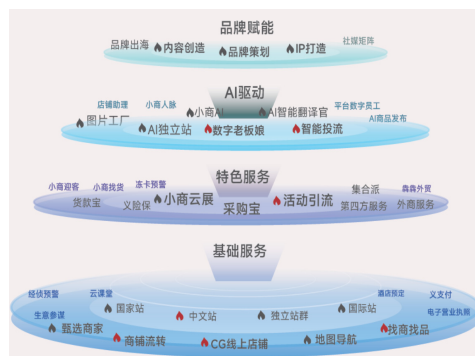


Business Model Innovation

The Yiwu CCC's Chinagoods platform (www.chinagoods.com) was launched in October 2020. It is the only official digital platform for the Yiwu market, serving as an integrated international trade digital service platform that bridges Yiwu CCC's physical and digital markets. It also acts as a digital trade service provider for small, medium, and micro enterprises nationwide. The Chinagoods platform leverages 75,000 physical stores in Yiwu Market, connecting over 2.1 million SMEs and micro-enterprises. With nearly 10 million international buyers as its foundation and trade data integration as its core driver, it addresses the needs of both supply and demand across production design, display transactions, market management, international logistics, warehousing, and financial payment processes. This enables effective and precise allocation of market resources, building a genuine, open, and integrated digital trade comprehensive service platform.

With the digital transformation of business models and the restructuring of global trade, Chinagoods has migrated the traditional trade elements of "people, goods, and venues" entirely to the cloud. Through AI intelligence and digital services, it assists SMEs in transitioning to digital trade, offering comprehensive end-to-end services including transaction matching, financial services, and digital trade fulfillment guarantees.

Chinagoods Platform Product & Service Cluster



Safety and Quality of Products and Services

Yiwu CCC, rooted in commercial trade, fosters a unique "quality culture" within the Group, continuously strengthening quality management to ensure product quality and service standards. All business lines under the Group place high importance on product and service quality, considering them key elements to enhance market competitiveness and win consumer trust.

Governance

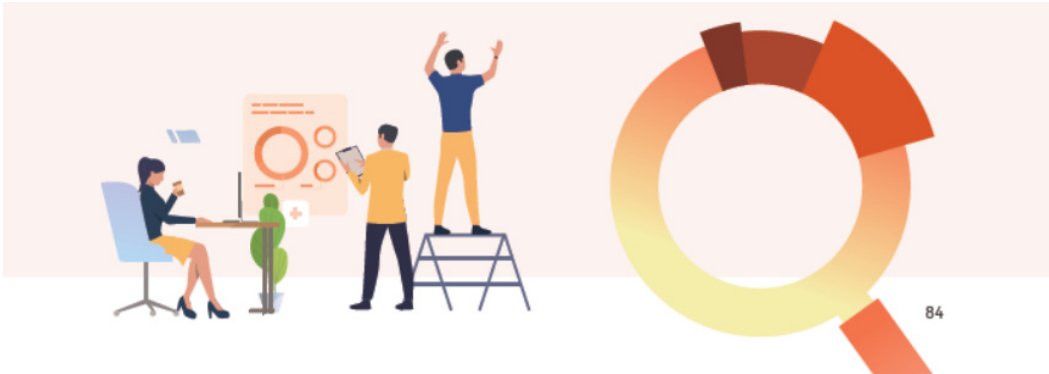
Yiwu CCC always regards maintaining market prosperity as its eternal theme, with work revolving around the market, projects built around the market, and resources gathered around the market. It continuously improves service quality in iterating Yiwu market construction, innovating international trade services, and empowering the development of small and medium-sized enterprises, driving the Yiwu market to write a new chapter of high-quality development in accelerating the construction of a new development pattern.

The Company's Market Operations BU is responsible for market management, maintaining market order, and ensuring a favorable business environment. In daily operations, the division strictly implements the Company's "SOP Procedures" (two volumes), "Management Systems" (two volumes), "Service and Product Models," etc. At the same time, it actively implements the "Standards into the Market" Work Specifications, building a fair, just, transparent, stable, and predictable competitive environment for market tenants on the foundation of a rigorous and comprehensive institutional system. This effectively prevents and resolves market disputes and promotes sustainable market development.

Yiwu CCC adapts to market and industry developments, building its own platform advantages while serving both buyers and merchants. It innovates business development, expanding from relatively single market property services to diversified services in information flow, logistics, and payment flow, continuously enhancing its comprehensive market service capabilities. The Company focuses on physical markets and the digital trade platform (Chinagoods) as dual pillars, building an ecosystem around product display and trade, trade fulfillment services, and market support services. It clarifies customer needs, improves the service system, and forms an innovative development ecosystem centered on physical markets—"people, goods, and places."

Ecosystem	Customer Group	Market	Requirements List	Reform List
Commodity Display and Trade Ecosystem	Market merchants and buyers in Yiwu	Domestically, it connects with 287 secondary sub-markets across China; internationally, it has trade relations with over 230 countries and regions. Brand globalization focuses on serving co-construction of the "Belt and Road" countries and regions	A better market operating environment	Physical market upgrades, with nearly 100 million yuan invested annually in hardware renovations, achieving 10-gigabit fiber optic coverage.
			More buyers are coming to Yiwu	Increase efforts to attract buyers, attracting over 1 million domestic and international buyers annually through policy incentives, business referrals, and event promotions.
			Better digital services for the market	Upgrade digital customer service to enable "zero-trip" handling of merchant services such as shop pledge loans, lease renewals, and electronic contracts.
			The domestic market has a broader reach	Establish a self-operated trade system, providing end-to-end import and export trade services, driving market operators to better expand domestic trade.
			Strengthen overseas market expansion to make "going global" easier.	Launched the "Yiwu Market Project," driving Yiwu market merchants, goods, and supply chain services to go global through five major overseas expansion models: overseas sub-markets, FBC warehouses, websites, exhibition halls, and trade fairs.

Ecosystem	Customer Group	Market	Requirements List	Reform List
Trade Fulfillment Service Ecosystem	Market vendors and Yiwu buyers	Key export destinations for Yiwu include Africa, Russia, the Middle East, and Southeast Asia	Strengthen AI empowerment, leveraging digital means to assist in obtaining orders through digital means. Increase in orders obtained.	Iteratively upgrade the Chinagoods platform, strengthen digital channels, digital marketing, and digital fulfillment empowerment, deepen the innovative application of AI technology in the digital trade field, vigorously promote AI product collaboration and R&D, comprehensively enhance the intelligence level and scenario adaptability of AI applications, launch new AI application products annually, with the AI product series cumulatively covering over 200,000 users.
			Obtain secure, stable, and efficient cross-border logistics services.	Develop the digital supply chain platform Zhijie Yuangang, accelerate the deployment of commercial infrastructure of "two warehouses and one route" of FBC, empower cross-border logistics across the entire chain and all segments, and have provided Yiwu market with over 100,000 TEUs of higher-quality and more stable international logistics services.
			While ensuring security, convenience, and speed, it supports multiple payment scenarios and lower settlement costs.	Establish the "Yiwu Pay" financial service platform, launch the cross-border digital RMB application system, and build a "Yiwu Pay" settlement business system integrating cross-border RMB, cross-border foreign exchange, and cross-border digital RMB to provide SMEs in the Yiwu market with more compliant, secure, and efficient integrated payment solutions.
Market Supporting Service Ecosystem		Yiwu local	Expand sales channels through exhibitions	Enhance the synergy between exhibition venues by attracting more merchants to visit exhibitions in Yiwu, connecting with more trade entities, and expanding procurement channels. Increase efforts to attract and secure more high-quality exhibitors to settle in the Yiwu market.
			Enjoy higher-quality services on top of meeting functional requirements.	Dedicated to building the top-tier brand "Yandoo Hotel & Resorts," the Company has launched four brand series: "Yandoo • Jia," "Yandoo • Hua," "Yandoo • Ya," and "Yandoo • Jing," helping the Yandoo Hotel Management brand gradually become a comprehensive hotel management company with significant brand influence in Zhejiang.



Quality Management System Certification

The Company continues to improve its quality management system. By the end of the reporting period, Yiwu CCC, Fifth District Branch, Supply Chain Company, and CCC Exhibition have all obtained ISO9001: 2015 quality management system certification.



Yiwu CCC Quality Management System Certification



Fifth District Branch Quality Management System Certification

Strategy

Risk/Opportunity Type	Risk/Opportunity Description	Financial Impact Description	Impact Cycle	Countermeasures
Risk	Market Risk	Decline in operating revenue	Short, medium, and long term	Build a new trade ecosystem centered on a small commodity digital trade platform, integrating customs clearance, foreign exchange, taxation, logistics, and warehousing, blending online & offline, facilitating import-export interaction, connecting domestic & international markets, and achieving efficient coordination of industrial chains, supply chains, and trade chains, and develop a new model of "physical market + industrial clusters + cross-border e-commerce."
	Leading in Technology and Market	Strong industry competitiveness	Short, medium, and long term	Strengthening innovation-driven strategies, deepening digital transformation, and accelerating internationalization strategies will become essential paths for the transformation and upgrading of peer wholesale markets.

Impact Cycle Definition: Short term: within 1 year; Medium term: 1-5 years; Long term: over 5 years.

Impact, Risk and Opportunity Management

Management Process	Management Measures
Risk Identification	In accordance with quality risk management requirements, the Company established a risk control system and formulated quality risk management policies. Quality management departments regularly held operational analysis meetings, incident case studies, and organized tests and inspections to enhance risk awareness, while identifying product and service quality risks through research on industry policies and operational risks.
Risk Assessment	During the risk assessment process, quality management departments collaborate with expert teams to classify identified product and service quality risks using evaluation tools, implementing tiered management and formulating corresponding response measures based on the assessment results.
Risk Response	The Company promotes corporate standardization, establishes a quality risk classification control system and a quality feedback mechanism, strengthens inter-departmental communication and information transparency, focuses on monitoring and preventing key risk points, and makes timely improvements.

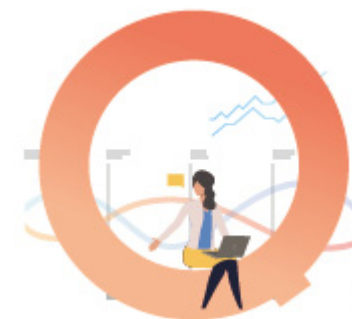
Indicators and Objectives

Market Operations Business Line

In 2024, the Company conducted a satisfaction survey to understand customer satisfaction with its services and needs by distributing and collecting questionnaires. A total of 44,577 customers participated, with 44,577 valid responses, representing 96.15% of surveyed customers, and a satisfaction rate exceeding 95%. Additionally, the Company has conducted multiple "Standards Enter the Market" vendor satisfaction surveys, involving 4,680 vendors across 7 markets. The feedback resulted in a comprehensive satisfaction score of 96.14 points for the "Standards Enter the Market" initiative.

Hotel Business Line

In 2024, Hotel Management Company conducted a banquet reception satisfaction survey, reaching out to customers via phone follow-ups to assess service satisfaction and product feedback across its hotels. The hotels hosted a total of 1,890 events, with 1,851 customers participating in the follow-ups and a 99.97% follow-up rate. There were 65 pieces of valid opinions and suggestions, with 97.94% of customers participating in the follow-ups and a 96.08% satisfaction rate.





Improve Product Quality

Yiwu CCC implements the "Standards into the Market" work specification, promoting the refinement, standardization, and quality enhancement of small commodity quality through four major actions: "displaying standards, benchmarking standards, upgrading standards, and promoting standards." The "Standards into the Market" initiative not only focuses on current product quality but also strives to drive continuous improvement in product quality. By enhancing standardization levels, promoting continuous quality improvement, strengthening market competitiveness, and advancing industry norms and development, it establishes and refines a standard system, enabling market participants to clearly recognize the strengths and weaknesses of their products in terms of quality and make targeted improvements and enhancements. Yiwu CCC enhances product standardization and quality through the "Standards into the Market" initiative, actively promoting the accessibility of Yiwu CCC to ensure more consumers can easily access high-quality and affordable small commodities.

Case Conducting "Standards into the Market" Training for Staff

During the reporting period, to orderly advance the national-level service industry standardization pilot project and deepen the "standards into the market" initiative, the Company conducted standardization trainings for all staff and performed on-site post-training assessments to evaluate the outcomes.



Case Conducting "Standards into the Market" Training for Business Operators

During the reporting period, subsidiaries under the market operation business line conducted standardized theory promotion, pilot programs, and training for merchants, along with completing online questionnaires.



Customer Service Management

Market Operations Business Line

The market customer service centers under CCC Group implement the "Market Customer Service Center Service Standards," adhering to the four service principles of "sincerity, consistency, appropriateness, and proactiveness" during customer service processes, with 100% customer satisfaction as the basic standard, providing high-quality and efficient services. The Company has established the "First Inquiry Responsibility System," stipulating that the first staff member contacted by visiting merchants or buyers becomes the first inquiry responsible person. This person must provide satisfactory responses to all inquiries or requests, regardless of whether they fall within their official duties, acting as a "shop assistant" to enhance market service levels, improve work style, increase efficiency, ensure service quality, and uphold the Company's image of "fairness, integrity, pragmatism, and efficiency."

Additionally, the Company leverages advanced technologies like big data and cloud computing to build a digital regulatory system, effectively curbing illegal activities such as commercial bribery and unfair competition, thereby creating a fairer and more transparent market environment for merchants. At the same time, through data analysis and early warning mechanisms, potential integrity risks within the Company are identified and resolved in a timely manner, fostering a clean and upright atmosphere for the Company's development.

Case Chinagooods Platform

The Chinagooods platform uses digital technology to integrate offline business processes online, closely aligning with modern trade fulfillment, making the transaction process more standardized and transparent, reducing opportunities for human intervention, and improving regulatory effectiveness. Ensuring transaction transparency and fairness through traceable and tamper-proof processes, while reducing fraud and improper transactions via identity verification and credit assessments of trading parties, thereby mitigating traditional trade risks like bribery and price misrepresentation.



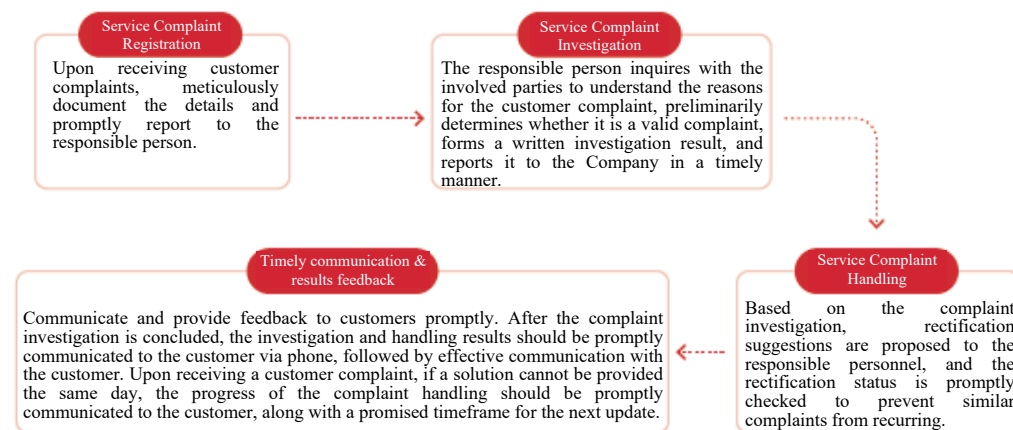


Digital Platform Construction

The primary vehicle for the "Standards into the Market" national service industry pilot digital platform is the "Wave Drum" mini-program, which mainly includes basic functions such as merchant access, product review, standard information disclosure, search queries, and scan-to-view. To further standardize market products and optimize the business environment, the Company plans to upgrade the pilot digital platform. Optimization efforts will address identified issues such as poor user experience, lack of platform functionality, and insufficient system stability and scalability, aiming to enhance user experience, improve functionality, boost system stability, maintainability, and scalability, and facilitate "Standards into the Market" interaction.

Customer Complaint Management

In response to customer complaints, each market customer service center handles complaints in accordance with the "Market Customer Service Center Service Standards," with the process including:

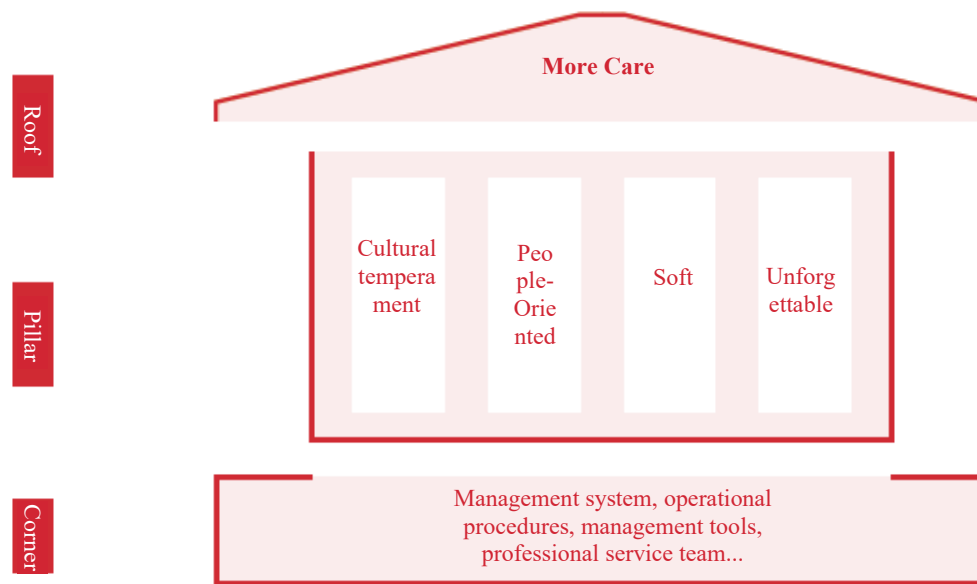


During the reporting period, the Company received 486 customer complaints, with a resolution rate of **100%**

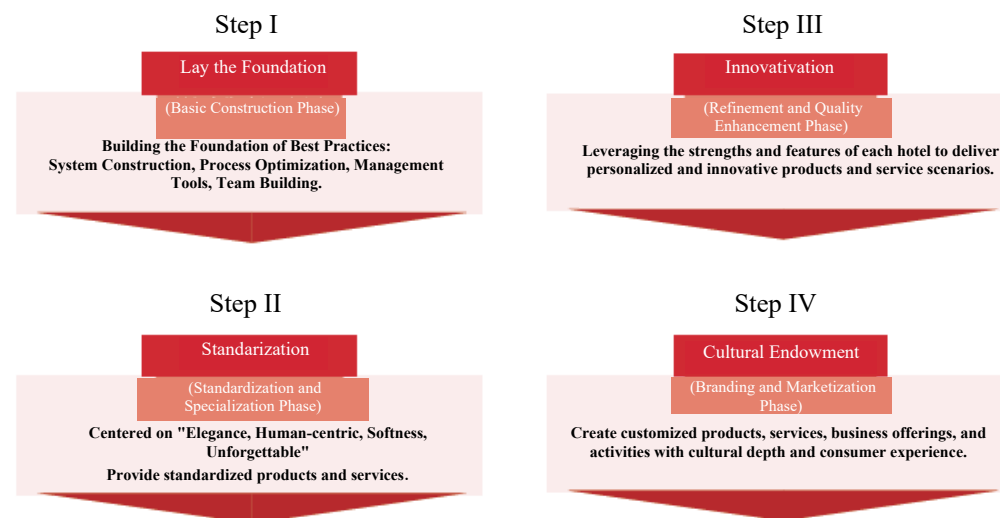
Hotel Business Line

Hotel Management Company introduced the "More Care" service concept as the core service philosophy for its hotel business and promoted it across its hotels, requiring them to implement "More Care" best practices after thorough study and research of the concept. Through best practices, Hotel Management Company and its affiliated hotels will implement the "Yandoo Ambassador" program, "Guest Care" program, "Eight Cuisines of Yandoo," "Online Service Butler" model, "15 Guest Surprise Service Guidelines," "Three Major Communities," and "Yandoo Lifestyle Club."

"More Care" Service Model



Four Steps of the "More Care" Best Practice





Smart Hotel Management

The hotel utilizes the Green Cloud digital system to automate daily operational tasks such as reservation management, check-in, and cashiering, improving work efficiency. Additionally, the system provides intelligent customer service and self-service terminals, such as self-check-in, check-out, and WeChat unlocking, making customer stays more convenient. By improving operational efficiency, optimizing customer experience, and reducing operational costs, it effectively drives hotels towards digital transformation, promotes sustainable development of hotels, and enhances service quality.

Hotel Business Line Customer Complaint Management

Hotels utilize intelligent systems for customer complaint management, categorizing complaints into four types. When complaints arise, each hotel can establish handling procedures based on the complaint level, ensuring timely internal communication, in-depth visits by duty managers, and post-departure follow-ups. Each hotel places great emphasis on customer experience and feedback, collecting various data from customers during the service process in real time, including complaints, needs during stay, and post-stay reviews, helping hotels to more comprehensively understand customer needs and feedback during the service process, thereby specifically improving service quality and customer satisfaction.

Additionally, Hotel Management Company formulated the "400 Customer Service Hotline Management System (Trial)" to standardize customer service call procedures. Upon receiving a complaint, customer service specialists record key information such as the complainant's personal details, complaint content, and complaint time in the "Customer Complaint Handling/Follow-up Record Form" for subsequent processing and follow-up. Provide customers with solutions within the stipulated time frame. After resolving complaints, conduct a follow-up satisfaction survey with the complainant within 2 hours. During the reporting period, the hotel received 17 customer complaints, achieving a 100% response rate and a 100% resolution rate.

Trainings on Customer Complaint

Participation in special
trainings on customer
complaint

13,568

Person-times

Duration of special
trainings on customer
complaint

880.75

Hours

Number of special
trainings on customer
complaint

1,268

Times

Number of customer
complaint response

87

Times

Customer complaint
response assessment

99.43

%

Customer Service Training

To fully leverage internal and external training resources, the Group has gradually built and nurtured a team of CCC mentors since 2020 who understand business, products, and can teach. They focus on practical sharing and adopt a combined training-and-practice approach to empower Yiwu CCC in multiple dimensions. As of the end of the reporting period, the mentor team had 222 members, including 7 strategic advisors, 15 expert advisors, and 201 practical mentors, with the latter comprising internal employee mentors, merchants, and external practical mentors. The mentor team conducted 205 empowerment training sessions with 12,525 participants, including 53 sessions led by employee mentors (1,325 participants) and 152 sessions led by business owner mentors (11,200 participants).

In 2024, the Group adopted a tiered training approach to launch a novice mentor incubation program and an internal mentor advanced training program.

Amateur Mentor Incubation

In May 2024, the Novice Mentor Incubation Program was officially launched, open for registration to market vendors and internal group employees. Through a systematic cultivation process including voluntary registration, strict screening, intensive training, and practical guidance, 20 out of 42 participants emerged as amateur instructors, successfully developing personalized courses and achieving a remarkable transformation from amateurs to knowledge disseminators.



Advanced Trainings for Internal Mentors

In October 2024, the internal mentor advanced training program was launched, with a total of 46 internal mentors participating in the training. After 2 days of intensive coursework, a week of online coaching, and practical exercises, 20 outstanding mentors were selected for course certification, successfully producing 20 premium business courses.





Case Case Study: TTT Trainings for Internal Trainers in Hotel Business Line

During the reporting period, to meet the strategic HR development needs of the hotel sector, the Company comprehensively advanced its internal trainer team development. In collaboration with Zhejiang Province's "Train the Trainer" practical training program, Hotel Management Company arranged for staff from various project hotels to participate in study sessions.



Empowering Merchants

Yiwu CCC empowers merchants through multiple dimensions to help them achieve high-quality development.

Standardization Empowerment	Yiwu CCC establishes a comprehensive standard system through four major actions—"highlighting standards, benchmarking, upgrading standards, and promoting standards"—to help merchants clarify product standards and improve product quality.
Digital Empowerment	Yiwu CCC provides merchants with e-commerce platform integration, digital operation tools, and smart logistics support to help them expand sales channels, optimize supply chains, and reduce operating costs.
Brand Empowerment	Yiwu CCC supports merchants in building their own brands by providing brand design, promotion, and certification services, while also organizing merchants to participate in domestic and international exhibitions to expand market influence.

In addition, Yiwu CCC actively carries out training for merchants. During the reporting period, the CCC mentor team conducted over 150 specialized training sessions, covering more than 10,000 merchants, effectively helping them improve their management skills and market competitiveness.

Market Operation Safety

The Company is committed to creating a safe and stable market operating environment, providing reliable service guarantees for customers, and establishing a series of safety management standards for daily market operations to eliminate safety risks at the source and comprehensively enhance market safety management levels. Each subsidiary market unit of the Company has established a safety management department, regularly organizes safety assessments and inspections, and implements strict reward and penalty measures for relevant responsible units in accordance with the "CCC Group Social Security Comprehensive Management and Work Safety (Fire Prevention) Assessment and Reward/Penalty Measures," to further promote the continuous optimization and improvement of safety management.

Security Risk Management

The Company continuously strengthens the identification and rectification of safety hazards. Each market unit actively fulfills its primary responsibility, persistently addressing safety hazard inspections across market facilities, emergency responses, and other areas to prevent accidents and ensure stable and secure market operations. Market units implement emergency plans such as the "Fire Alarm and Fire Emergency Response Plan" and the "Flood, Typhoon, and Drought Emergency Response Plan," specifying emergency measures for market operations, fire safety, and extreme weather to ensure rapid response during incidents. During the reporting period, the Company's subordinate market units conducted a total of 65 emergency drills, effectively enhancing the emergency response capabilities of relevant personnel and ensuring market operation safety.

Additionally, the Company regularly organizes safety awareness campaigns, training sessions, and emergency drills for employees and market vendors to enhance their emergency response and mutual aid capabilities.

Case On-site Consultation Day

Key subsidiaries such as markets and industrial parks organized "119 Fire Safety Awareness Day" activities, promoting safety through broadcasts, banners, exhibition boards, fire safety materials, on-site consultations, and other forms. At the same time, efforts were made to actively promote laws and regulations on workplace safety, safety knowledge, and self-rescue and mutual aid methods to market operators, merchants, and other groups. On the event day, a total of 5,000 promotional materials were distributed, 10 centralized consultation points were set up, and 1,219 person-times participated in consultations.

Case Fire Safety Knowledge Trainings

To effectively enhance the fire safety awareness and emergency response capabilities of employees, merchants, and tenant companies within the Group's jurisdiction, during Fire Safety Awareness Month, the Company invited experts to conduct centralized fire safety training, reaching over 14,000 participants. The training covered fire prevention, firefighting, and fire escape and self-rescue, as well as aspects such as work safety laws and regulations, safe operating procedures, and emergency response knowledge. Through professional explanations and case studies, employees, business operators, and other groups are deeply made aware of the importance of fire safety, effectively enhancing their safety awareness and ability to respond to emergencies, laying a solid foundation for creating a safe and stable production and operation environment, and further promoting the in-depth development of the Group's fire safety work.

Management of Flammable and Explosive Goods

To effectively carry out market fire safety work and strengthen the inspection and supervision of shops dealing in flammable and explosive goods, the Company formulated the "Flammable and Explosive Goods Business Management Measures" to prevent safety accidents and ensure the continuous safe, harmonious, and stable development of the market.

Safety Management Measures

- Market administrators conduct daily safety inspections on shops dealing with flammable and explosive materials; teams carry out weekly safety supervision no less than once; departments perform monthly random safety checks no less than twice.
- The Security Department conducts monthly joint safety inspections of flammable and explosive materials with various company departments.
- The Company conducts monthly safety inspections for flammable and explosive materials in collaboration with local police stations, market supervision bureaus, and comprehensive management offices.

Information Security & Customer Privacy Protection

During operations, Yiwu CCC retains a significant amount of supplier and customer privacy information when using digital platforms such as Chinagoods and Yiwu Pay. The Company strictly adheres to laws and regulations such as the "Cybersecurity Law of the People's Republic of China," "Data Security Law of the People's Republic of China," and "Personal Information Protection Law of the People's Republic of China," continuously strengthening information security management and customer privacy protection systems, and is committed to handling authorized information provided by employees, customers, consumers, suppliers, and partners with the highest legal and ethical standards. During the reporting period, the Company experienced no data security or customer privacy breach incidents.

Governance

The Company established the "Network Information Security Management System" and "Data Security Management System" to standardize network information security management, ensure secure, orderly, and stable operation of the Group's network information systems, strengthen the security management and standardized use of company data, and build a data security protection system to prevent incidents such as data leaks and theft. In addition, subsidiaries formulated regulations such as the "Supply Chain Company Network Information Security Management System" and the "Import/Export Supply Chain Company Digital Operations Department Work Management Regulations" to strengthen the standardized management of data, platforms, and system user accounts and permissions, prevent application and data risks, standardize and enhance the management of the digital operations department's computer rooms, and ensure the normal operation of servers, networks, and other equipment.

The Company established a network and information security leadership team responsible for implementing higher-level network and information security deployments, enforcing relevant laws and regulations, improving the Group's network and information security systems, ensuring secure system operations, coordinating emergency responses for network and information security, cooperating with regulatory authorities in emergency handling, conducting network and information security inspections, collecting, analyzing, and assessing security information, and organizing network and information security awareness and training programs. The leading group has an office under it responsible for managing daily related affairs.

Strategy

Risk Type	Risk Description	Financial Impact Description	Impact Cycle	Countermeasures
Compliance Risk	Data and customer privacy breaches will violate information security-related laws and regulations, regulatory requirements, and customer audit demands, facing notifications, legal actions, or penalties risk.	Increased operating costs	Short to medium term	Regular specialized audits and self-inspections are conducted to ensure compliance with legal, regulatory, and user audit requirements, while continuously optimizing information security management rules and regulations.
Reputation Risk	Public concern for data security and privacy protection is increasing. Once a data breach occurs, a company's brand image will be severely damaged.	Revenue decline	Short, medium, and long term	Improve information security management systems to strongly prevent data breaches; establish emergency measures for timely and effective handling in case of incidents

Impact Cycle Definition: Short term: within one year; Medium term: 1-5 years; Long term: over 5 years.

Impact, Risk and Opportunity Management

Management Process	Management Measures
Risk Identification	The Company engaged professional institutions to conduct security testing on the Group's network systems, covering the hotel cloud smart parking system, standard market access, CCC Group booth management system, and sub-control systems, identifying existing network risks through vulnerability scanning.
Risk Assessment	The Company regularly conducts information system risk assessments, identifies vulnerabilities in the Group's network systems through security testing, receives recommendations from professional agencies, and urges relevant departments with higher risk levels to implement corrective actions.
Risk Monitoring	The Company engages third-party professional institutions to assist in conducting daily network security operation and maintenance inspections for the Group. The workflow consists of: pre-discovery, real-time monitoring, post-incident handling, and report generation.
Risk Management	<p>In July 2024, the Company conducted the mid-year network information security inspection. The inspection scope included each unit's portal websites, application platforms, mobile applications, integrated office systems, LED displays, and network equipment rooms. Units were required to focus on the "three highs and one weak" (high-risk vulnerabilities, high-risk ports, high-risk external connections, weak passwords) network security checks, promptly rectify any issues found, and follow up thoroughly to enhance the unit's network security awareness.</p> <p>In addition, the Company conducts cybersecurity operation and maintenance inspections for information systems, compiling and analyzing reports on the normal status of security equipment, server vulnerability scans, patch updates, and high-risk warnings to ensure the secure and stable operation of information systems and support the normal conduct of business operations.</p>



Indicators and Objectives

Indicators	Objective	Achievement Status in 2024
Number of information security and privacy breach incidents	0	Achieved

Indicators	Unit	2024
Number of data security and customer privacy protection training sessions conducted	Times	206
Data security and customer privacy protection practices, training participation numbers	People	3,255
Employee coverage rate for data security and customer privacy protection practices and training	%	100
Total Investment in Data Security	million yuan	5.8820

Emergency Management

In accordance with relevant laws and regulations such as the "Computer Virus Prevention and Control Measures," "National Network and Information Security Incident Emergency Response Plan," "Cybersecurity Law of the People's Republic of China," and "Basic Requirements for Information System Security Level Protection," the Company has formulated the "CCC Group Network and Information Security Emergency Response Plan" and the "Supply Chain Company Network Information Security Plan." Adhering to the principle of prevention first, combining prevention with emergency response, the Company has established a Network and Information Security Emergency Response Leadership Group to maximize the prevention of network and information security incidents, minimize their impact, and ensure information security.

Case

Forth District Branch Network Information Security Emergency Drill



In May 2024, the Forth District Branch conducted an emergency drill for network information security. The actual drill involved the discovery of a hacker intrusion into the computer host of the Company's LED display by its management personnel. Staff arrived at the computer control room within 2 minutes to cut off the power to the LED display and computer host, immediately reporting to the department manager, who then reported the situation to the Company's general manager, deputy general manager in charge, and the office.



Responsible Supply Chain Management

Governance

The main subsidiaries involved in supply chain management within Yiwu CCC's business activities include Hotel Management Company, Supply Chain Company, Import and Export Company, etc. The Company emphasizes supply chain security management by strictly screening suppliers, enhancing product quality control, optimizing logistics and warehousing, ensuring supply chain stability and reliability, reducing operational risks, and improving market competitiveness.

● Supply Chain Business Line

Yiwu CCC formulated the "Zhejiang China Commodities City Supply Chain Management Co., Ltd. Foreign Trade Regulations (Trial)" to standardize the selection and daily management of foreign trade core suppliers for Supply Chain Company, improve foreign trade product selection standards, refine procurement workflows, and strengthen the Company's foreign trade procurement fulfillment service management. Suppliers of finished products, semi-finished products, and raw materials within the foreign trade business scope of Supply Chain Company include, but are not limited to, suppliers from Districts 1 to 5 of the International Trade City, Huangyuan Garment Market, and International Production Materials Market.

Supply Chain Company, in accordance with the "Core Foreign Trade Supplier Management System," defines the selection and daily management of core foreign trade suppliers, adhering to the principles of balancing quality, cost, delivery, and service to establish long-term mutually beneficial supply-demand relationships.

Core Supplier Selection

- Core suppliers are developed through on-site visits, recommendations from purchasers, internet searches, peer introductions, proactive inquiries and introductions by suppliers, and supplier media advertisements.
- To be selected as a core supplier, basic information such as business qualifications, integrity status, and delivery capabilities must be provided. After confirmation, information registration is completed. For core suppliers with large procurement volumes, on-site inspections are conducted based on actual needs.

Core Supplier Daily Management

- The Supply Chain Branch maintains daily records of core suppliers' performance and product arrivals, conducts periodic statistical analysis of their delivery performance, uses the results as evaluation criteria, and provides feedback to core suppliers to urge improvements. Strengthen daily communication and feedback with core suppliers, and establish and maintain long-term strategic cooperative relationships between the supply chain subsidiary and core suppliers.

Core Supplier Rating

- The Supply Chain Branch conducts annual evaluations of core suppliers to ensure that the quality of purchased products, delivery times, after-sales services, etc., meet the specified requirements.
- The evaluation scores are divided into four levels: Grade A core suppliers with 85 points or above are rated as excellent and highly recommended for procurement; Grade B core suppliers between 70 (inclusive) and 85 points are rated as good and generally recommended for procurement; Grade C core suppliers between 60 (inclusive) and 70 points are rated as qualified, requiring appropriate procurement based on actual conditions; Grade D core suppliers below 60 points are rated as unqualified and disqualified from procurement.

Core Supplier Elimination

- Grade D suppliers that fail to cooperate with rectification within one year of receiving the notice may have their core supplier qualifications revoked; suppliers involved in issues such as rent arrears, illegal operations, procurement bribes, or product quality problems will be subject to a one-vote veto, directly classified as Grade D suppliers, and removed from the Company's core supplier list.

● Hotel Business Line

Hotel Management Company formulated and implemented the "Supplier Management Measures (Trial)" to standardize supplier development, assessment, exit, and communication. The supplier onboarding process for each hotel includes multiple steps such as qualification reviews and sample evaluations, followed by signing a "Supply Cooperation Agreement" upon approval. For assessments, suppliers with long-term cooperation and annual procurement exceeding 100,000 RMB are prioritized, while others are evaluated based on hotel needs. Suppliers are graded into A, B, C, and D levels based on assessment results. Exit procedures are executed for suppliers with expired contracts not renewed, unresolved quality issues, scores below 60, or illegal activities. Hotel Management Company implements full lifecycle management of suppliers to ensure stable and efficient supply chains, providing customers with high-quality products.

Strategy

Risk/Opportunity Type		Risk/Opportunity Description	Financial Impact Description	Impact Cycle	Countermeasures
Risk	Supply chain disruption	The international political and economic landscape is complex and volatile, with trade protectionism leading to increased tariffs and trade barriers, affecting the import and export of goods; frequent exchange rate fluctuations increase currency exchange risks and impact profit margins. Global supply chain instability, caused by emergencies such as pandemics and natural disasters, leads to disruptions in raw material supply and logistics, affecting order fulfillment.	Increased costs	Short, medium, and long term	Strengthen market and policy research, adjust trade strategies in a timely manner, explore emerging markets, and use financial instruments to lock in exchange rates to reduce currency exchange losses. Optimize supply chain layout, establish emergency mechanisms, and enhance the ability to respond to unexpected events.
	Quality risk	For the hotel business line, insufficient supplier stability may lead to delivery delays, product quality issues, or customer complaints, potentially resulting in disputes.	Increased costs	Short term	Sign long-term agreements with local high-quality suppliers, establish a backup supplier pool, and reduce risks of supply chain disruptions and product quality issues.



Risk/Opportunity Type		Risk/Opportunity Description	Financial Impact Description	Impact Cycle	Countermeasures
Opportunity	Policy opportunities	The "Overall Plan for Deepening Comprehensive International Trade Reform in Yiwu City, Zhejiang Province" supports trade digitization and multi-format integration, providing business layout, opportunities to expand markets and enhance market competitiveness, vast market potential in countries along the route, facilitating the expansion of international markets and the establishment of diversified supply chains.	Expanding	Medium term	Building on its small commodities digital trade integrated service platform, the Company improves trade efficiency through end-to-end digital services and optimizes cross-border logistics timelines via the China-Europe Railway Express and overseas warehouse network to capture market share in countries along the routes.

Impact Cycle Definition: Short term: within 1 year; Medium term: 1-5 years; Long term: over 5 years.

Impact, Risk and Opportunity Management

The Company places high importance on supply chain risk management, committed to building a comprehensive and detailed risk identification system to ensure the robustness and sustainability of the supply chain. To ensure supply chain security, prevent potential risks, and guarantee business continuity and compliance, the Company has established supplier risk management policies, conducting risk assessments and responses for all supply chain segments in business activities. The Supply Chain Company and Import and Export Company identify supply chain risks in business operations and implement control procedures according to the "Commodity Trade Business Volume" in the "Internal Control Manual," while the Hotel Management Company does so according to the "Hotel Operations Volume," ensuring supply chain security.

Indicators and Objectives

Key Indicators	Achievement Status
No significant risks or impactful incidents occurred in the supply chain segment	Achieved
Objectives	Progress
The Company will implement sustainable development management for suppliers, promote sustainable development concepts, and establish a risk management mechanism for supply chain sustainability.	Steadily advancing

Responsible Purchase

All business lines involving procurement in Yiwu CCC's operations have established a scientific, standardized, efficient, and transparent procurement system. The Supply Chain Company implements procurement systems such as the "Supply Chain Company Procurement Management Measures (Trial)" and the "Product Selection, Procurement, and Pricing System of Zhejiang China Commodities City Supply Chain Management Co., Ltd." to standardize procurement processes, strengthen procurement supervision, improve the efficiency of procurement fund usage, and promote integrity in procurement. The Hotel Management Company formulated and implemented a series of procurement policies, including the "Detailed Rules on Procurement Material Classification and Authority Division for Zhejiang Yandoo Hotel Management Co., Ltd. (Issued Document)", "Notice on Establishing a Hotel Procurement Evaluation Expert Pool (Issued Document)", "Notice on Standardizing the Bidding Process for Procurement Projects", "Unified Procurement Management Measures of Zhejiang Yandoo Hotel Management Co., Ltd. (Trial)", "Unified Procurement Management Rules for Non-Food Materials of Zhejiang Yandoo Hotel Management Co., Ltd.", and "Procurement System Control Standards Based on Centralized Procurement (Issued Document)". These policies clarify procurement authorities and responsibilities at all levels, ensuring the standardization and efficiency of procurement processes through measures such as establishing an expert pool, standardizing bidding procedures, implementing unified procurement management, and strengthening centralized procurement system controls.

● Transparent Procurement

To uphold the principle of transparent procurement and strengthen the standardization and integrity of procurement processes, hotels sign the "Transparent Cooperation Agreement" with suppliers during procurement activities, while the Import and Export Company signs the "Integrity Agreement" with partners. Any form of under-the-table operations, benefit transfers, or unfair competition is strictly prohibited to ensure cooperation is based on honesty, fairness, and mutual benefit, jointly maintaining a sound business order and market environment. At the same time, the hotel requires procurement personnel to sign the "Procurement Personnel Integrity Pledge", strictly adhering to national laws and regulations as well as the hotel's policies and rules during procurement tasks. They must firmly resist any improper inducements such as bribes, kickbacks, or gifts from suppliers or other external factors, maintaining their integrity and professional ethics at all times. During the reporting period, the signing rates of the "Transparent Cooperation Agreement," "Integrity Agreement," and "Procurement Personnel Integrity Commitment" reached 100%.

Digital and Intelligent Empowerment

Yiwu CCC actively implements the "Overall Plan for Deepening Comprehensive International Trade Reform in Yiwu City, Zhejiang Province" (hereinafter referred to as the "Plan"), using the new round of comprehensive international trade reform as momentum to adapt to the integrated development of trade digitization and multi-format operations. Relying on the construction of a comprehensive service platform for small commodity digital trade, it comprehensively strengthens the digital transformation of all aspects of the trade supply chain, including transactions, logistics, payments, and financing.

● Expanding Global Supply Network and Improving Logistics & Warehousing System

Yiwu CCC encourages business entities to deploy new commercial facilities such as independent websites and online service platforms, integrating digital marketing, last-mile delivery, and after-sales services into overseas operational networks. Integrate ocean freight service resources such as LCL consolidation and shipping bookings to develop "door-to-door" and "warehouse-to-warehouse" international dedicated lines. Leveraging its logistics, warehousing, and "Smart Port" platform capabilities, the Company has established a "two warehouses, one route" system comprising domestic warehouses, FBC warehouses, and international logistics routes to enhance SMEs' fulfillment capabilities in logistics and effectively reduce fulfillment costs. Through these measures, Yiwu CCC provides suppliers with a broader cooperation platform and enhances the stability of supply chain operations.

● Optimizing Import Trade System and Accelerating Digital Transformation of Trade

Leveraging the Chinagoods small commodities digital trade integrated service platform, the Company focuses on integrated innovation in digital fulfillment services across the entire market trade chain, systematically enhancing the one-stop trade service functions of "display and transaction + customs, foreign exchange, tax, logistics, warehousing, and financing," optimizing the digital intelligence-enabled ecosystem, improving the digital trade capabilities of SMEs, and achieving the digital transformation of traditional foreign trade. The Company will continue to harness the power of data elements to drive the digital transformation and reshaping of small commodity trade across the entire chain, all scenarios, and all formats, constructing a path for the valuation of data assets in the digital economy era and forming new growth drivers for the commercial circulation industry. By 2026, the Company plans to promote the internationalization of small commodities classification standards and enable data asset transactions, positioning the "Yiwu-China Small Commodity Index" as a new hallmark of Yiwu Market to achieve data leadership in global small commodities circulation.

The Company will leverage its advantages as an international trade hub, fully utilizing both domestic and international markets and resources, to help build a world-class small commodities capital, contributing practical examples and experience to accelerating the establishment of a higher-level open economy and constructing a new development pattern.

Equal Treatment of SMEs

Yiwu CCC is committed to creating a fair, transparent, and win-win business environment, ensuring equal opportunities and resources for all partners. The Company supports the development of SMEs and micro-merchants by optimizing supply chain management, reducing operational costs, and enabling merchants to benefit from logistics distribution and financial services, thereby stimulating market innovation. During the reporting period, the Company did not experience any overdue accounts payable incidents, and neither the Company nor its subsidiaries engaged in any overdue payments to small and medium-sized enterprises.

Building a Higher-Level International Trade Gateway

Enhancing Import and Export Trade

Yiwu CCC competes in the new dual-circulation track of domestic and international markets, building a self-operated trade system rooted in the Yiwu market. Focusing on three core businesses of "large-scale import," "large-scale foreign trade," and "new retail", it engages in import bulk purchasing, export procurement agency, cross-border distribution, and supply chain finance. It operates the new retail chain brand "ICMALL" Global Goods Collection Stores, providing end-to-end import-export trade services to help brand suppliers expand domestic and international distribution networks.

Major Business	Import	Capitalizing on the new development paradigm where domestic and international circulations reinforce each other, the Company integrates overseas procurement and domestic distribution to provide businesses with import trade services including centralized purchasing, customs clearance, foreign exchange, taxation, warehousing, and logistics. Currently, four major business centers have been established in North China, East China, Southeast China, and South China.
Major Business	Foreign Trade	In alignment with the Group's "Yiwu Market Project" strategy, leveraging domestic and international resource advantages, the Company has built a "Quality Foreign Trade Goods" ecosystem, offering one-stop foreign trade services to further promote Yiwu's small commodities in reaching global markets.
New Business	Retail	Targeting the consumption demands of lower-tier markets, innovating through online-offline integration to create a new retail business model. Offline, we have established the "ICMALL Global Goods Collection Store," integrating "imported quality goods and trendy domestic products." Online, we rely on the "ICMALL" mini-program for private domain operations.

Building a Global Digital Trade Center

To meet the needs of the new economy, new business formats, and new models, and guided by the demands of future market entities, the Yiwu Municipal Party Committee and Government decided to construct the Global Digital Trade Center project. The project is located in the core area of market trade, east of Chunfeng Avenue in the Fifth District of the International Trade City, covering a total area of 37.47 ha. with a construction area of 1.25 million square meters and an estimated investment of 8.3 billion yuan. The building consists of five major sections: market, office buildings, commercial district, apartments, and a digital brain. The Global Digital Trade Center uses Chinagoods as a platform to connect resources, advancing the digitalization of merchants, products, and markets while optimizing intermediate service links such as supply chains and financial chains through digital means, resulting in higher efficiency, lower costs, and sustained prosperity in the Yiwu market.

The Global Digital Trade Center commenced construction in November 2022, opened its project exhibition hall in November 2023, and plans to complete apartment deliveries in August 2025, trial operations in the market section in October 2025, operations of office buildings and commercial district in April 2026, and delivery of the super high-rise office building in August 2027. The completed Global Digital Trade Center will be a three-dimensional ecosystem for small commodity trade that integrates transaction fulfillment, links industries and cities, coordinates new and old markets, merges online and offline, and connects domestic and international markets. It is a future market benchmark that is fashionable, international, modern, digital, and low-carbon, and also the most vibrant new landmark of Yiwu's commercial city—the business reception hall of the World Capital of Small Commodities, providing new and better space for new entities, industries, models, and formats.

Enabling Borderless Payments

Finance is a key business that runs through the entire trade process and smoothen the entire fulfillment chain. Yiwu CCC is dedicated to building the Yiwu Pay platform, leveraging the advantages of integrating financial licenses such as micro-loans, credit reporting, factoring, and third-party payments with market trade scenarios. It continuously expands its core businesses including cross-border RMB, domestic payments, and digital RMB, while enhancing the capability and level of digital intelligence in empowering market trade. Yiwu Pay assists over 900,000 market entities in Yiwu and 2.1 million upstream and downstream SMEs in achieving borderless payments.

Yiwu Pay boasts an industry-leading risk control system, capable of real-time monitoring at every stage of the transaction process, ensuring secure fund collection for market operators, and leveraging professional payment solutions to help Yiwu's vast number of foreign trade exporters excel amid global industrial restructuring and intensified trade competition. To date, no risky disputed funds or frozen account incidents have occurred in any transactions, providing a solid financial infrastructure guarantee for businesses to expand overseas smoothly.



People-Oriented, to Build a Better Society Together

We consistently uphold the philosophy of "caring for employee growth and serving business entities," creating a diverse, inclusive, and dynamic workplace environment. We provide employees with industry-competitive compensation and benefits, establish a systematic and comprehensive training system, and strive to safeguard their physical and mental health and safety, enabling employees and the Company to progress and grow together. While actively fulfilling our responsibilities to employees, we have never forgotten to give back to society, actively responding to national strategies, supporting rural revitalization, promoting local economic development, and driving common prosperity. In addition, we actively participate in social welfare activities, conveying warmth and love through practical actions, and contributing to social harmony and progress.

Response to **SDGs**



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Employee Rights Protection

Recruitment and Employment

Yiwu CCC strictly complies with the "Labor Law of the People's Republic of China" (hereinafter referred to as the "Labor Law"), the "Labor Contract Law of the People's Republic of China" (hereinafter referred to as the "Labor Contract Law"), the "Employment Promotion Law of the People's Republic of China" and other relevant laws and regulations, and formulates systems such as the "Employee Management Manual" to clarify the rights and obligations of all employees. In 2024, the Company closely adhered to the talent-driven enterprise strategy, focusing on innovation and breakthroughs in talent recruitment and service optimization, streamlining recruitment channels to attract diverse talents, providing solid support for the Group's high-quality development.

● Employee Recruitment

Recruitment Channels	
Unified Recruitment Channels	<ul style="list-style-type: none"> Online, we actively post recruitment announcements via the CCC Group WeChat official account, with city media and third-party evaluation agencies' WeChat accounts forwarding the announcements. We also publish recruitment information for fresh graduates on university employment information websites. Offline, we disseminate recruitment information through recruitment centers and by participating in university job fairs.
Market-Oriented Utilization Channels	<ul style="list-style-type: none"> Recruitment information is published online through platforms such as Liepin, Boss Zhipin, Zhejiang Talent Network, and Yiwu Talent Network. Offline recruitment information is released through the recruitment center.

Recruitment Status		
In 2024, the Group recruited a total of 78 new employees, including 70 through unified recruitment, 7 through market-oriented selection, and 1 targeted at veterans.		
Group Recruitment	Unified	Conducted 2 unified recruitment sessions, offering 30 positions planned to recruit 80 people, with 70 actually hired, achieving an 87.5% fulfillment rate.
Market-Oriented Recruitment		Conducted 1 market-oriented selection, offering 11 positions planned to recruit 11 people, with 7 actually hired.
Recruitment for Veterans		Conducted 2 job selection sessions for veterans and military dependents, offering 2 positions, with 1 actually hired.

Indicators		Unit	Achievement Status for 2024
Number of new employees		People	453
Number of new employees by gender	Female	People	217
	Male	People	236
Number of new employees by recruitment channel	Social Recruitment	People	450
	Campus Recruitment	People	3





Employee Structure

Indicators	Unit	2024
Total Number of Employees	People	3,255
By Gender		
Gender	Unit	2024
Female	People	1,371
Male	People	1,884
By Age Group		
Age	Unit	2024
Below 30 (30 excluded)	People	849
30-40 (including 30, excluding 40)	People	1,346
40-50 (including 40, excluding 50)	People	809
50 and above	People	251
By Hierarchy		
Level	Unit	2024
Senior management	People	12
Middle Management	People	130
Primary-level employees	People	3,113
By Education Level		
Education Level	Unit	2024
Master	People	114
Bachelor	People	1,645
Junior college graduates and below	People	1,496

By Position

Job Category	Unit	2024
Production	People	1,280
Sales	People	135
Technology	People	1,299
Finance	People	140
Administration	People	401
Indicators		
Indicators	Unit	2024
Dispatched personnel	People	157
Number of ethnic minority employees	People	44
Number of employees with disabilities	People	6
Proportion of female managers	%	21.83
Employee turnover/attrition rate	%	13.21

Diversity, Equity, and Inclusion

The Company strictly adheres to labor laws, upholding the principles of "openness, fairness, and justice," actively fostering harmonious labor relations, creating an equal, legal, and compliant employment environment, and protecting employees' legitimate rights. The Company firmly opposes all forms of discrimination, ensuring every employee enjoys equal rights and opportunities, unaffected by gender, race, religion, disability, or other factors. During the reporting period, the Company did not experience any labor discrimination incidents.





Legal and Compliant Employment

Compliant Employment

During recruitment, the Company explicitly prohibits applicants with familial ties to the hiring unit's management from applying for sensitive positions, implementing a recusal system. The recruitment process of all units is supervised by superiors and regulatory authorities throughout, ensuring fairness and transparency in recruitment and hiring, and providing a fair and equitable competitive platform for every job seeker. The Company signs labor contracts with employees in accordance with the law, internship agreements with interns, and service contracts with hires beyond retirement age, clearly defining the rights and obligations of both parties.

Prohibition of Child Labor

The Company complies with national and local laws and regulations prohibiting child labor, viewing the protection of minors' legal rights as an unshirkable corporate responsibility. During the recruitment process, we conduct comprehensive background checks on candidates, including but not limited to identity verification, academic credential validation, and employment history verification, to ensure all employees meet the legal working age and prevent the inadvertent hiring of child labor due to false information.

Anti-Forced Labor

The Company is committed to creating a harmonious, inclusive, and human rights-respecting work environment, implementing all provisions of the Labor Law and the Labor Contract Law, prohibiting any form of forced or compulsory labor, and ensuring that every employee participates in work voluntarily and on an equal basis.

To fully protect employees' legal rest rights, the Company established the "Employee Leave Management Regulations," clarifying working hours and leave policies. The Company implements a five-day, eight-hour work system. Employees may have rotating days off or shifts based on their work content, or piecework, hourly, or comprehensive working hour systems depending on the nature of the work and operational characteristics.

During the reporting period, the number of illegal incidents such as child labor and forced labor was 0, and the labor contract signing rate was 100%.

Compensation and Benefits

Employee Compensation System

The Company adheres to the principle of "appointing people based on merit, ability, and performance," establishing and continuously improving a performance-oriented compensation distribution system that matches the Company's development to ensure scientific and reasonable salary allocation. The Company formulated the "CCC Group Compensation System" to further enhance the competitiveness of its compensation, motivate employees' enthusiasm and initiative, and promote sustainable development.

Employee salaries at the Company consist of position skill wages, monthly performance bonuses, annual performance bonuses, allowances, overtime pay, and special awards.

Position Wage	Skill	The Company determines employee grades and compensation based on the principle of "salary follows position," evaluating each position comprehensively across four aspects: responsibility, qualification requirements, labor intensity, and working environment.
Monthly Performance Bonus		Disbursed based on individual monthly performance evaluations.
Annual Performance Bonus		The total amount is determined by the Group according to the fulfillment method, and distributed after the subsidiaries and holding companies finalize the allocation plan.
Subsidies Allowances	&	Refers to various subsidies set based on job requirements, position levels, and job characteristics, including communication subsidies, night meal subsidies, education allowances, professional title subsidies, etc., disbursed monthly.
Overtime Pay		Compensation received by employees for continuing to work beyond the prescribed working hours as required by the Company.
Special Award		Rewards are given to employees who have made special or outstanding contributions to the Company.

⁷ CCC Group Compensation System: Applicable to contractual employees of the Group excluding senior management, hotel branch companies, Yiwugou company, and Yiwu Pay company.

Employee Benefits

To enhance employees' sense of belonging and team cohesion, and to attract and retain outstanding talents in the industry, the Company provides generous benefits to its employees. The Company legally contributes to employees' pension insurance, medical insurance, unemployment insurance, maternity insurance, work injury insurance, housing provident fund, and enterprise annuity. Employees are entitled to benefits such as meal subsidies, regular health check-ups, heatstroke prevention allowances, staff recuperation, childcare fees, condolences for weddings/funerals/childbirth, hardship subsidies, accidental injury insurance, home visit travel expenses, and extra-budgetary retirement benefits. During the reporting period, social insurance coverage for employees reached 100%.

Performance Appraisal Management

The Company establishes and improves a comprehensive performance management system, strengthens the application of performance appraisal results, and forms standardized and effective incentive and restraint mechanisms to further enhance employee efficiency, motivation, and creativity.

Assessment Method	The Company implements performance evaluations for all employees, focusing on job responsibility fulfillment, work attitude, and work capabilities. During the reporting period, 100% of employees underwent regular performance and career development evaluations.
Assessment Result	Assessment results are graded; a performance evaluation registration system is established for annual records; results are linked to promotions/demotions, bonus distribution, and commendations.
Performance Feedback and Complaint	If there are objections to the annual performance rating, employees may apply for review and appeal to the HR department in accordance with relevant regulations.

●

Stock incentive

To further motivate directors, mid-to-senior management, and core technical (business) employees in terms of enthusiasm, responsibility, and mission, and to jointly focus on the Company's long-term development, the Company launched the "2020 Restricted Stock Incentive Plan" in October 2020, implementing an equity incentive plan to stimulate employee motivation and creativity. In 2024, the Company steadily advanced the equity incentive plan, achieving the conditions for the second and third release periods of the reserved portion of the 2020 Restricted Stock Incentive Plan during the reporting period. In the future, the Company will continue to provide long-term incentives for employees, supporting the stable development and performance growth of the enterprise.

Democratic Management and Communication

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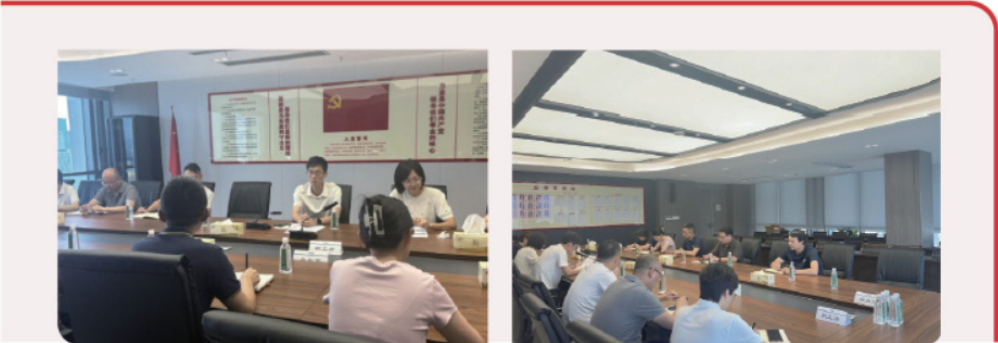
Workers' Congress and Trade Union

Yiwu CCC continuously strengthens employees' sense of ownership, deepens their identification with and belonging to the Company culture, and builds a more harmonious and cohesive work community. In accordance with the "Trade Union Law of the People's Republic of China" and "Regulations on Enterprise Democratic Management," the Company has established a sound management mechanism for trade unions and employee congresses as a bridge to promote two-way communication, deepen cooperation, and achieve mutual benefits between employees and the enterprise. During the reporting period, the employee congress reviewed and approved 3 projects, the trade union reviewed and approved 5 projects, and trade union members accounted for 93% of the employees of the Company.

Construction Status of Primary-level Trade Union Organizations

Number of union members	3,255
Number of female union members	1,371
Number of male union members	1,884

Trade Union Collective Wage Negotiation Meeting



●

Employee Communication and Interaction

Diversified Communication Channels



The Company facilitates smooth information exchange and communication channels among employees, encourages equal dialogue between employees and across hierarchical levels, creates a favorable environment for employees to participate in democratic decision-making, management, and supervision, and safeguards employees' legitimate rights such as the right to know and the right to participate. The Company has established a comprehensive information management system, enabling employees to communicate and exchange information through channels such as official account mailboxes, WeCom (enterprise WeChat), colleague forums, and the Company's internal website.

Complaints and Reasonable Suggestions



Employees may file complaints with the relevant parties or departments when their rights are violated or when they discover any behavior that violates company regulations. If the complainant disagrees with the resolution proposed by the respondent or the relevant department, the complaint will be escalated level by level. The Group Discipline Inspection Office is responsible for supervising and inspecting the handling and execution of complaints.

The Company encourages employees to submit reasonable, with the Group Office responsible for collection and accurate dissemination.

Group OA System: [HTTP://OA.CCCGROUP.COM.CN](http://OA.CCCGROUP.COM.CN)
Group HR Information Management System: [HTTP://HRNEW.ONCCC.COM](http://HRNEW.ONCCC.COM)
Group Office Tel: 0579-85182800
Group Discipline Inspection Office Tel: 0579-85182798
Group HR Center Tel: 0579-85581281



Case CCC Employee Roundtable

The Company holds quarterly employee roundtable events for employee representatives at different levels and positions to facilitate two-way communication between employees and group leadership, encouraging employees to contribute suggestions for the Group's reform and development.

Labor Relations Management

Labor Resolution

Dispute

During the term of the labor contract, any labor disputes that arise may be appealed by employees through prescribed procedures to their immediate supervisors or the HR department, and the Company will handle them properly in accordance with relevant regulations.

Resignation Termination Management

and

Employees should submit their resignation applications 30 days in advance. If an employee leaves without notice exceeding stipulated days, resigns without company approval, or is transferred to non-group entities, it will be deemed voluntary resignation. When terminating or dissolving labor contracts with employees, we strictly negotiate in accordance with labor laws and regulations, and provide legal compensation as required by law where economic compensation is due.

Employee Satisfaction Survey

The Company attaches great importance to and continuously monitors changes in employee satisfaction, regularly conducting satisfaction surveys to deeply understand employees' genuine needs, assess the work environment and team atmosphere, thereby implementing targeted measures to optimize HR management.

Primary-level Employee Satisfaction Survey



The Company conducted the 2024 CCC Group frontline employee satisfaction survey, covering multiple dimensions such as overall satisfaction, sense of achievement at work, recognition and respect, compensation and benefits, work environment, training and development, communication and teamwork, management and innovation, talent mechanisms and policies, corporate culture and future development. In this Primary-level employee satisfaction survey, 209 questionnaires were distributed, 205 were collected, all 205 were valid, and the overall satisfaction rate among Primary-level employees was 90.05%.

Hotel Business Line Employee Satisfaction Survey



Hotel	Satisfaction Rate
Yiwu International Expo Center Hotel	95.46%
Ocean Hotel	93.60%
Yandoo Hotel	92.22%
Yayue Hotel	90.72%
CCC Hotel	88.89%

Activities and Care for Employees

Employee Activities

The Company consistently adheres to a people-oriented philosophy, establishing employee book corners, planning and organizing diverse team-building and recreational activities to enhance communication and collaboration among employees, enrich their leisure time, and create a harmonious and positive work atmosphere.

Green Vine Program



The 9th CCC Sports Meeting





Mid-Autumn Festival Event



Qingming Festival Event



Support for Employees in Need



Care for Employees

The Company actively carries out employee care activities, offering warm wishes and gifts, visiting and assisting employees in need, making them deeply feel the Company's warmth and care.

"Summer Heat Relief" Employee Care Activity



Summer Camp for Employees' Children



Indicators	Unit	2024
Number of Employees in Need Assisted	People	21
Financial Assistance Amount for Employees in Need	Yuan	63,000



Women's Rights Protection

The Company deeply cares for the physical and mental health of female employees, safeguards their legitimate rights and interests, and is committed to creating an inclusive and supportive work atmosphere, enabling every female employee to feel the Company's warmth and respect, and shine in their career paths. Female employees are entitled to special leaves including maternity leave, family planning leave, breastfeeding leave, and Women's Day exclusive holiday benefits. During Women's Day, the Company organizes diverse activities for female employees to celebrate and show respect. During the reporting period, 49 employees took maternity leave with a 100% return-to-work rate, and 49 employees took parental leave with a 100% return-to-work rate.

CCC Group Female
Employee Care Activity



CCC Group "March 8" Women's
Day Event



Employee Training and Development

Talent Development Philosophy

Yiwu CCC adheres to a people-oriented philosophy, regarding human capital as the Company's most valuable asset. The Company continuously improves its training and evaluation systems, enhancing employees' professional skills and qualities through the accumulation, dissemination, application, and innovation of knowledge, experience, and capabilities. It provides career development planning for each employee to achieve mutual growth between employees and the Company.

Career Development Path

The Company has established and continuously improved a "dual-track, multi-sequence" job grade system, formulated relevant promotion management measures to consistently energize the workforce and foster mutual growth between employees and the Company.

The Company adheres to the principle of appointing people based on merit, capability, and performance. Salary adjustments and promotions are determined by evaluation results. The Company has formulated the "Subsidiary Units Primary-level Management Personnel Selection and Appointment Management Measures" to strengthen the management of Primary-level management personnel selection and appointment in subsidiary units, promoting the standardization and institutionalization of cadre team management.

Selection Criteria

When selecting and appointing frontline managers, the Company comprehensively evaluates both basic qualifications and eligibility criteria:

Basic Conditions	<ul style="list-style-type: none"> Possess high political integrity and good moral character, adhere to basic professional norms, uphold integrity, comply with laws and regulations, maintain self-discipline, and demonstrate organizational and big-picture awareness. Identify with the corporate culture and values of the Group company, willing to take on responsibilities, career-driven, diligent and proactive in work, with good recognition among colleagues. Possess certain organizational and leadership skills, as well as the necessary knowledge and work experience for the corresponding hierarchical position. Performance appraisal results are good or above.
Qualification Conditions	<ul style="list-style-type: none"> Eligibility criteria cover multiple aspects such as age, education, and work experience, with differentiated specific standards set according to different position characteristics.

● Selection Method

The selection methods for primary-level managers include competitive recruitment and direct selection.

Competitive Recruitment	For newly promoted management positions, if the number of qualified candidates exceeds the number of available positions, selection should be conducted through a competitive process.
Direct Selection	When effective competition cannot be formed due to reasons such as unit size or position requirements, and suitable candidates are available, the unit leadership may decide through research to proceed with a direct selection process.

Indicators	Unit	2024
Number of Employees Internally Transferred or Applying Internally	People	147
Employee Internal Transfer or Internal Application Ratio	%	4.52

Employee Training Measures

To support the Group's strategic transformation and rapid business development while strengthening talent support, CCC Group has established human resource brand IPs such as the "Hatch Program," "Five Eagles Program," "Wing Growth Plan," "Strong Feather Plan," and "Smart Share Platform." It has built a comprehensive career lifecycle training system for employees, continuously driving high-quality development of the Group's human resources.



Indicators	Unit	2024
Investments in Employee Training	million yuan	2,5094
Employee Training Coverage Rate	%	100
Training Sessions (Organized at Group Level)	Times	148
Total Number of Trainees (at the Group Level)	People	3,255
Total Participation Count in Trainings (at Group Level)	Person-times	7,508
Total Employee Training Hours	Hours	149,730
Average Annual Training Hours per Employee	Hours	46

● Construction of "CCC Cloud Classroom" Online Learning Platform

In 2024, CCC Group implemented full coverage of the "CCC Cloud Classroom" online learning platform to comprehensively enhance the knowledge levels of employees at all levels, requiring all staff to complete 40 online learning points annually.

In 2024, the platform had 4,004 learners, offering a total of 562 courses, with employees accumulating 95,037.38 hours of learning time, averaging approximately 24.85 hours per person. Group departments and subsidiaries released a total of 2,718 learning tasks via the online learning platform, achieving a training coverage rate of 98.4%, with courses focusing on general management, personal development, efficiency management, and professional ethics.

In addition to systematic courses, the CCC Cloud Classroom features an "Internal Courses" section, including "Group Strategy Training," "New Business Modules," "Corporate Culture," "Internal Trainer Courses," and "Workplace safety." At the same time, a special "New Employee Onboarding Training" module is established to help new employees quickly understand and integrate into the Group, learning knowledge and skills through more channels.

● Special Training Program

"Hatch Program" New Employee Onboarding Training



"Five Eagles Program" Management Position Competency Qualification Series Training



"Wing Growth Program" Series Training for Newly Promoted Managers



"Strong Wings Program" Series Training for High-performing Managers



"Hatch Program" New Employee Onboarding Training



"Strong Wings Program" Training for High-Performing Frontline Managers



"Five Eagles Program" Pre-Appointment Competency Training



"Wing Growth Program" Training for Newly Promoted Managers



Vocational Skills Training

During the reporting period, the Group actively conducted training programs such as "Action Learning 'Facilitation Coach' for Solving Business Challenges" and specialized HR training, comprehensively enhancing the professional skills and overall competence of young cadres and HR personnel.

Action Learning Training



Specialized Training on HR Management



Leadership Training

To fully advance the "Yiwu Market's Renewed Glory," actively respond to new developments and challenges in the international trade economy, and further enhance the comprehensive management skills and leadership of the Group's middle and senior managers, the Group conducted three professional training sessions on "International Economic Trends and Enterprise Management" in February-March 2024, with approximately 480 participants.

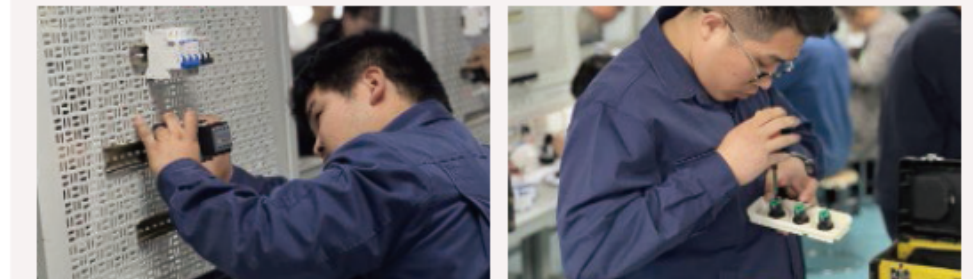
"International Economic Trends and Enterprise Management" Training



Skills Competition

The Group actively planned and hosted the "CCC Craftsman" skills competition for the property management and hotel business lines, providing employees a platform to showcase their talents and hone their skills. Through practical competitions, it continuously taps potential, achieves self-transcendence, and elevates employees' professional skills and service quality.

"CCC Craftsman" Skills Competition for Property Management Business Line



"CCC Craftsman" Skills Competition
for Hotel Business Line



● Support for Academic Advancement

To enhance employees' educational levels and professional competence, the HR center actively promotes academic advancement initiatives, selecting professional institutions to provide high-quality academic upgrading services and disseminating registration information through internal company channels. In 2024, the Company's academic advancement efforts achieved a 100% enrollment rate for high school to college programs and a 94.44% enrollment rate for college to bachelor's programs. In the future, the Company will continue to deepen efforts in academic advancement, expand high-quality educational resources, assist employees in achieving academic upgrades, and lay a solid talent foundation for the Group's development.

● University-Enterprise Cooperation

In 2024, CCC Group's HR Center signed strategic cooperation agreements with universities such as Zhejiang University, Zhejiang University of Technology, China Jiliang University, and Yiwu Industrial & Commercial College, pooling high-quality resources from enterprises and universities to continuously improve the top-level design and system construction of CCC Academy and expand the brand influence of China Commodities City Business School.



Occupational Health and Safety

Health and Safety Management System

The Company adheres to the safety culture concept of "Safety First, Prevention Foremost" and upholds the safety policy of "Safety First, Prevention as Priority, Comprehensive Management." It strictly complies with laws and regulations such as the "Work Safety Law of the People's Republic of China" and the "Occupational Disease Prevention and Control Law of the People's Republic of China," implements various workplace safety and fire safety management systems outlined in the "CCC Group Comprehensive Governance, Fire Safety, and Work Safety Manual," and creates a safe working environment for employees.

The Company continuously improves its workplace safety organizational system, establishing a Workplace safety Committee chaired by the Group's Party secretary and chairman, with other leadership team members as deputy chairs, and heads of group departments and subsidiary units as members. The Safety Committee has established a Workplace Safety Department, dedicated to supervising, guiding, and coordinating workplace safety work. Subsidiary units such as markets, hotels, and parks under the Group have all set up safety management departments. In addition, the Group incorporates workplace safety into operational performance management assessments, linking safety work with corporate benefits, thereby encouraging all units to prioritize workplace safety. During the reporting period, Supply Chain Company obtained ISO45001:2018 Occupational Health and Safety Management System certification.

Workplace Safety Responsibility System



The Company implements an all-employee safety responsibility system, establishes a sound grid-based management system, signs workplace safety responsibility agreements at all levels, and tightens and solidifies safety responsibilities. At the end of 2023, the Group formulated the "2024 Comprehensive Governance, Fire Safety, Counter-Terrorism, Petition, and Safety Responsibility Agreement," completing the signing of 458 safety responsibility agreements with various companies through tiered execution.

Objectives and Plans



Achievement Status of Workplace Safety Objectives for 2024	<ul style="list-style-type: none"> Achieved, with no major or above workplace safety incidents occurring.
Workplace Safety Objectives for 2025	<ul style="list-style-type: none"> Persist in routine and specialized inspections to ensure comprehensive safety management of the Group's construction projects. Conduct monthly routine safety inspections focusing on hazardous major projects and criteria for identifying significant accident risks, supplemented by specialized inspections aligned with holidays, seasonal characteristics, and regulatory requirements, effectively preventing and mitigating liability accidents to ensure the safety of the Group's construction projects. Lead the preparation for new project operations and strengthen security foundations. Provide operational guidance for new projects such as the Cross-Border E-Commerce Logistics Park and Global Digital Trade Center, integrating relevant information into the Group's digital work safety platform to enhance overall safety management standards. Fully ensure the safety of events and exhibitions, building a solid security barrier. Through measures such as refining event plans, strengthening security teams, and conducting emergency drills, provide solid support for the smooth hosting of large-scale events and exhibitions.
Long-term Planning	<ul style="list-style-type: none"> The Workplace Safety Department will continue to strengthen safety management, continuously improve safety systems and emergency plans; enhance safety training and education for employees, and elevate overall safety awareness and emergency response capabilities. Through persistent and long-term efforts, the Group ensures a consistently stable workplace safety situation, laying a solid foundation for sustainable development.

Holding the Safety Line

● Safety Hazard Investigation

CCC Group Leadership Conducted Safety Inspection Before Spring Festival



From January 29 to February 2, 2024, to implement pre-holiday safety measures and ensure sustained stability in fire safety, work safety, and security, the Group leadership conducted safety inspections at key subordinate units, achieving a 100% rectification rate for identified issues.

CCC Group First Quarter Safety Inspection Assessment



The Workplace Safety Department, jointly with Market Operation Company and the Property Management Company, conducted Q1 safety inspections and assessments for key subordinate units, focusing on the implementation of workplace safety responsibilities, safety training for new employees, and management of firefighting facilities and equipment. The rectification rate for issues identified in this safety inspection reached 100%.

CCC Group Pre-May Day Inspection



On April 15, 2024, the Work Safety Department organized inspections of key units ahead of May Day, focusing on fire safety, operational status of electrical equipment, special goods control, and on-site safety management. The rectification rate for issues identified in this safety inspection is 100%.

CCC Group Pre-National Day Safety Inspection for 2024



On September 11, 2024, the Workplace Safety Department organized fire control, engineering, and other relevant key personnel to conduct pre-National Day safety inspections at subsidiary units, achieving a 100% rectification rate for identified issues.

CCC Group 2024 Year-End Safety Inspection and Assessment



In December 2024, the Workplace Safety Department conducted year-end safety inspection and assessment for all subordinate units, comprehensively evaluating their safety management records, implementation of various directives, and night emergency drills. Regarding the issues identified in this inspection, all units are required to attach great importance, effectively strengthen the daily training of emergency personnel, and comprehensively enhance emergency management capabilities.

● Emergency Plan and Drills

CCC Group has formulated multiple emergency plans such as the "CCC Group Fire Alarm and Fire Emergency Response Plan" and "CCC Group Flood, Typhoon, and Drought Prevention Emergency Plan," clarifying emergency response procedures, division of responsibilities, and rescue measures to ensure swift and orderly action in emergencies. Meanwhile, the Group actively conducts various emergency drills, enhancing employees' emergency response capabilities and teamwork through simulated scenarios, providing solid support for the safe operation of Yiwu CCC.

Case Third District Branch Conducted Various Emergency Drills

In 2024, the Third District Branch of the International Trade City actively organized various emergency drills including fire alarms, flood prevention, and e-bike spontaneous combustion, comprehensively enhancing the emergency response and rapid reaction capabilities of all staff.

Full-staff Fire Emergency Drill



Emergency Response and Evacuation Drill for Vehicle Fires



Emergency Response and Evacuation Drill for Basement Fire Alarms



Emergency Response Drill for Electric Bike Spontaneous Combustion



● Digital Management of Work Safety

CCC Group relies on smart technologies such as smart fire protection, smart security, and digital platforms for safe production to build a robust security barrier, achieving comprehensive, real-time monitoring and alerts. Across multiple business sectors including markets, parks, hotels, and logistics warehouses, the Company strictly implements safety standards and strengthens risk management.

Smart Fire Protection



● Occupational Health Management

The Company highly values employee health, strictly adheres to occupational health laws and regulations such as the "Occupational Disease Prevention and Control Law of the People's Republic of China" and the "Workplace Occupational Health Supervision and Management System," and provides employees with medical insurance, annual health checkups, and other safety measures to protect their physical well-being. The Company conducted the 2024 annual health check-up, with participation exceeding 3,000 people (excluding mid-level and above personnel, headquarters employees, and holding company employees).

● Promotion and Trainings on Safety

CCC Group attaches great importance to the construction of safety culture, actively fosters a strong safety atmosphere, regularly organizes activities such as "Workplace Safety Month" and "Fire Prevention Awareness Month," and gradually establishes a distinctive safety culture system, laying a solid safety foundation for the Company's sustainable and stable development.

Trainings and Promotion on Workplace Safety



Indicators	Unit	2024
Workplace Safety Investment Amount	million yuan	20.6167
Number of Safety Emergency Drills	Times	65
Hazard Rectification Rate	%	100
Annual Number of Workplace Safety Incidents	Count	0
Work-related Fatalities	People	0
Total Number of Work-Related Injuries	People	0
Lost Workdays due to Work-Related Injuries	Working days	0
Trainings on Safety Education	Times	70
Participation in Trainings on Safety Education	Person-times	92,330
Total Duration of Trainings on Safety Education	Hours	70
Coverage Ratio of Trainings on Safety Education	%	100
Coverage Rate of Safety Risk Protection Trainings	%	100
Certification Rate for Special Operations Personnel	%	100
Investment Amount in Work Injury Insurance	million yuan	1.013
Coverage Rate of Work Injury Insurance	%	100
Employee Health Inspection Coverage Rate	%	100
New Cases of Occupational Diseases	Cases	0

Practicing Social Responsibility

CCC Group actively responds to national and local policy directions and strategic plans, leverages its strengths to contribute more to rural revitalization and social welfare initiatives, actively participates in the "Belt and Road" construction, fully demonstrates the social responsibility and mission of state-owned enterprises, and contributes to promoting common prosperity and building a harmonious and beautiful society.

Social Contribution

Since its establishment, the Company has consistently practiced corporate social responsibility while achieving steady growth, dedicating itself to social welfare and charity, advocating the spirit of great love, and passing on the baton of kindness. Making due contributions in areas such as poverty alleviation through education, respecting the elderly and caring for the young, demonstrating love through actions, spreading warmth, and fostering hope.

● Volunteer Activities

Case CCC Group Women Volunteers Conduct Legal Awareness Campaign

CCC Group actively responds to the call for national rule of law construction, organizing female volunteers to carry out legal awareness campaigns, further enhancing public legal awareness and promoting social harmony and stability.



Case Case Study: Hotel Management Company Party Branch Conducted Activities for the 36th Patriotic Health Month

April 2024 marks the 36th National "Patriotic Health Month" in China. The Party Branch of Hotel Management Company, in collaboration with the Party Branches of CCC Hotel, Xiashuidui Village, Yiwu Sanxitang, and Yiwu Dental Hospital, jointly carried out the "Healthy Town, Healthy Weight" themed activity.



● Comforting Activities

Case "Welcome the New Year with Warmth" Comforting Activity

In January 2024, all Party members of Hotel Management Company visited the Association for the Elderly of Dafan Village in Dachen Town to carry out the "Welcoming the New Year with Warmth" comforting activity, bringing blessings and care to over 60 elderly people in Dafan Village.



Case

"Double Ninth Day Sparkles with Warm Autumn Colors, Deepening Our Care for the Elderly " Comforting Activity

In October 2024, Hotel Management Company carried out the "Double Ninth Day Sparkles with Warm Autumn Colors, Deepening Our Care for the Elderly " Party member activity, offering care and comfort to the elderly community in Shentan Village, Chi'an Town.



Case

Double Ninth Festival Conforting Activity

In October 2024, the Party Branch of the Fifth Branch of the International Trade Mart, together with the Party Branches of the Yiwu Wenling Chamber of Commerce and the Zhejiang Pet Products Industry Association, visited Nanqingkou Village for a Double Ninth Festival conforting activity, offering care to the elderly and 65 families in the village.



●

Charitable Donation

Case

Charitable Donation

The Company is passionate about public welfare, actively fulfilling social responsibilities through charitable donations, signing a "Donation Agreement" with the Yiwu Charity Federation to donate 200,000 yuan annually.

Case

Delivering Books to Rural Areas

The Party Branch of the Fifth District Branch of the International Trade Mart supported the cultural development of Nanqingkou Village by donating approximately 150 books in a rural book donation initiative.



●

Humanistic Care

○

CCC Group Sets Up "Mom's Warm Heart Cabins" in Market Areas

○





Construction of Barrier-free Facilities
in the Market Area of CCC Group



Visits to Market
Merchants



Indicators	Unit	2024
Participation in Volunteer Activities	Person-times	8,760
Number of Volunteer Activities	Times	12
Total Volunteer Activity Hours	Hours	28,944

Rural Revitalization

The Company thoroughly implements the major strategic decisions made by the 20th National Congress of the Communist Party of China on comprehensively advancing rural revitalization and accelerating the construction of an agricultural powerhouse. It resolutely consolidates and expands the achievements in poverty alleviation, deepens village-enterprise cooperation, actively explores new models for rural revitalization, effectively promotes rural economic development, and contributes to the comprehensive advancement of rural revitalization.

Case Village-Enterprise Co-construction—Dongzhu Village

The Fourth District Branch of the International Trade City actively collaborates with Dongzhu Village to deepen the cooperation mechanism, jointly advance the village-enterprise co-construction project, and support Dongzhu Village's rural revitalization efforts.



Case Village-Enterprise Co-construction – Shentan Village

The Party Branch Committee of Hotel Management Company visited the co-constructed Shentan Village, Chi'an Town to discuss and exchange views with the village's "two committees" on aspects such as customer attraction, business model renewal, and information linkage for the Willow Shadow Restaurant, while also engaging in exchanges on "requirement alignment, information sharing, and joint activities." The Party branch of Hotel Management Company will continue to leverage the red resources of Shentan Village to promote the development of the village collective economy, improve the quality of life of villagers, and add new momentum to creating a healthy, beautiful, and harmonious rural environment.



Case Exploring the "Market + Rural" Path to Common Prosperity, Pioneering a New Model for Rural Shared Wealth

Tourism Company actively promotes the linkage between the 4A tourist shopping scenic area and Chian Town, achieving resource sharing and mutual empowerment, and exploring a "market + rural" model for common prosperity. In collaboration with Huaxia Guolv and Hengfeng Guolv, the Company plans to link "market + rural" tourism routes and study tour routes. Currently, a series of study tour products have been developed, contributing to the construction of a common prosperity path with Yiwu CCC characteristics.

Under “Belt and Road” Initiative, Yiwu Market Project

Yiwu CCC actively implements the "Eight-Eight Strategy," advances the "Sweet Potato Economy" capacity enhancement under the "No. 1 Openness Project," with a urgency sense of "cannot wait," a crisis awareness of "cannot delay," and a responsibility of "cannot do nothing," deeply plans and steadily implements the Yiwu Market Project, promoting Yiwu Market to better serve and integrate into the national "Belt and Road" initiative and the new dual-circulation development strategy. The Company adheres to the concept of "unified name, unified logo, unified standards, unified services, and unified supervision," and implements a brand globalization strategy including "overseas sub-markets, FBC warehouses, overseas websites, overseas exhibition halls, and overseas exhibitions," forming a rationally distributed, competitive, and dynamic brand system to establish "China Commodities City" as an internationally renowned commercial brand.

The launch of the "Yiwu-Xinjiang-Europe" Railway Express has opened a smoother channel for Yiwu to "buy global products, sell products globally". Yiwu CCC leverages the China-Europe Railway Express to accelerate the construction of an overseas trade service system for the Yiwu market, extending its "vines" worldwide and enabling small commodities to reach broader markets.

Five Major Advantages of Yiwu Market Projects						
Global Influence	Brand	Global Chain System	Supply	Global-Reaching International Logistics Network	Systematic Efficient Support Capabilities	And Professional and Leading Digital Market Operation and Management System
Yiwu Market Projects						
Overseas Submarket Brand Export Cooperation	Through two major output models—multi-party cooperation and franchise cooperation—overseas project developers, operators, and others are jointly involved in the development and operation of overseas sub-markets, achieving brand expansion in overseas markets.					
FBC Warehouse Global Delivery System	Adopting two cooperation models of self-owned joint ventures and brand franchising + system output, we aim to build a digital trade-driven overseas comprehensive public logistics infrastructure, providing enterprises that intend to go global with full-coverage, fully transparent cross-border logistics fulfillment services.					
Overseas Websites Digital Cargo Sharing	Collaborating with enterprises in target countries or Chinese companies going global, leveraging the advantages of the Yiwu market, integrating digital cargo manifests, uniting Yiwu trade entities and merchant resources to create the CG (Chinagoods) overseas website cluster model, and building an overseas media matrix to assist the Yiwu market and merchant brands in going global.					
Overseas Exhibition Hall Supply Chain Integration Services	Leveraging the "One-Stop Good Goods" supply chain resources of the Yiwu Market, collaborating with local operational services to create an offline physical exhibition hall integrating product display, trade fulfillment, and digital services, with a focus on advancing the overseas distribution channels for Yiwu products.					
Overseas Exhibition Brand Exhibition & Trade Platform	Organize overseas exhibitions of the China Yiwu International Commodities Fair locally for product enterprises with suitable products for the sub-market countries and surrounding regions. On one hand, testing the feasibility of products and enterprises through exhibitions; on the other hand, leveraging the marketing and traffic-generating functions of exhibitions to provide sustained momentum for the prosperity of overseas branch markets.					

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Reader Feedback

Thank you for taking the time to read the "Zhejiang China Commodities City Group Co., Ltd.'s 2024 Environmental, Social, and Governance Report." We highly value and look forward to hearing your valuable opinions and suggestions on the Company's ESG efforts and sustainable development management. Your feedback is an important basis for our continuous improvement in ESG work and enhancing sustainable development management. We sincerely invite you to assist in completing the relevant questions in the reader feedback and provide your responses through the following channels. Once again, we appreciate your strong support for our ESG initiatives!

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Your relationship with Yiwu CCC:

☐ Shareholders & Investors ☐ Government & Regulatory Agencies ☐ Clients ☐ Partners ☐ Employees ☐ Industry Associations & Organizations ☐ Community, Public & Media ☐ Others

_____(Please specify)

1. Your overall evaluation of this year's ESG report:

☐ Excellent ☐ Good ☐ Average ☐ Poor ☐ Very Poor

2. Do you think the information disclosed in this report is accurate, clear, and complete?

☐ Excellent ☐ Good ☐ Average ☐ Poor ☐ Very Poor

3. Do you find this report readable?

☐ Excellent ☐ Good ☐ Average ☐ Poor ☐ Very Poor

4. Do you think this report comprehensively reflects the Company's significant impacts on the economy, society, and environment?

☐ Excellent ☐ Good ☐ Average ☐ Poor ☐ Very Poor

5. Your evaluation of the logical thinking, structural arrangement, and layout design of this report?

☐ Excellent ☐ Good ☐ Average ☐ Poor ☐ Very Poor

6. Which topics in this year's ESG report attracted your most attention?

7. What other information would you like to obtain from the report?

8. Your opinions on our ESG report or ESG work and sustainability management: