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2024

Palm Eco-Town Development Co., Ltd.
Environmental, Social and Governance (ESG) Report

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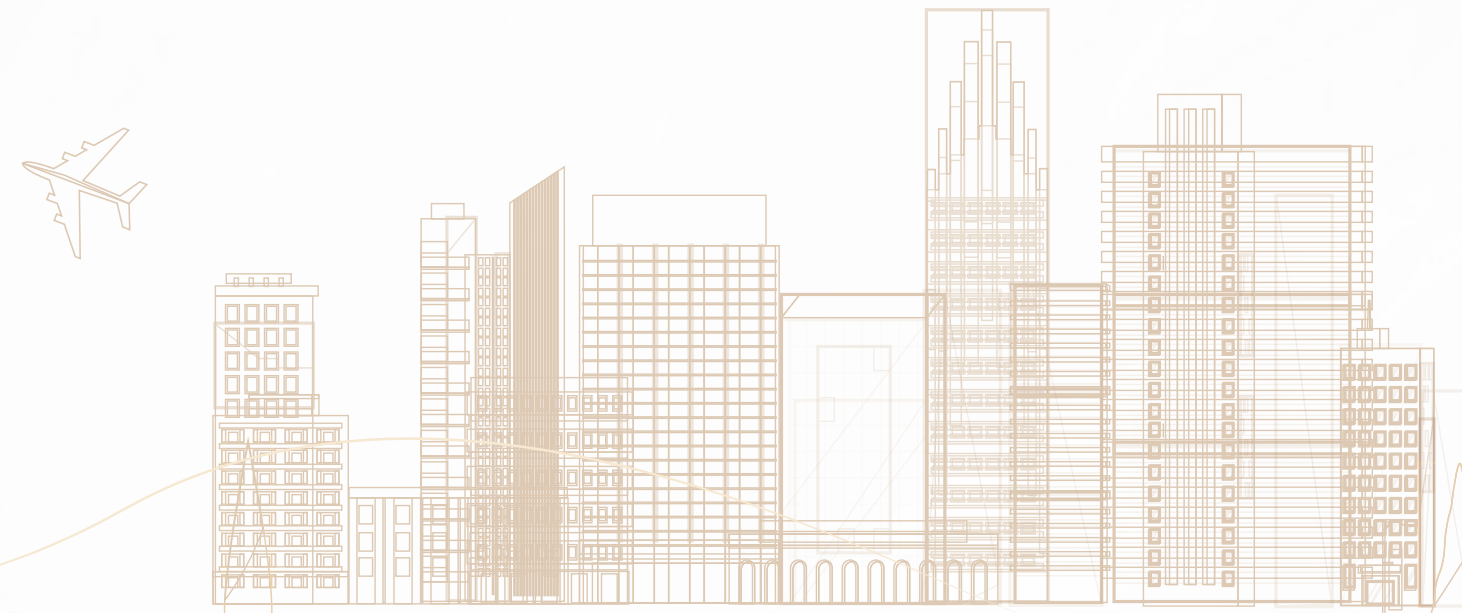
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About This Report

This report is the second Environmental, Social and Governance Report ("ESG Report" or "this report") issued by Palm Eco-Town Development Co., Ltd. ("Palm Eco-Town", "the Company" or "we"). In the principles of objectivity, standardization, transparency and comprehensiveness, this report elaborates on the Company's environmental, social and corporate governance practice and performance in 2024.



Reporting Scope

This report covers Palm Eco-Town and its branches and subsidiaries. Unless otherwise specified, the scope of this report is consistent with that of the Company's Annual Report.

Reporting Period

This report covers a period from January 1, 2024 to December 31, 2024 ("Reporting Period"). To enhance the comparability and foresight of this report, some sections will appropriately refer back to previous years or include forward-looking statements. This report is released on an annual basis to coincide with the annual financial statements.

Preparation Basis

- ▶ Shenzhen Stock Exchange *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange - Sustainability Report (For Trial Implementation)*
- ▶ Shenzhen Stock Exchange *Self-Regulatory Guidance No. 3 for Companies Listed on ChiNext Market of Shenzhen Stock Exchange - Preparation of Sustainability Report*
- ▶ State Council and the State-owned Assets Supervision and Administration Commission *Guiding Opinions on Fulfilling Social Responsibilities According to High Standards by Central Enterprises in the New Era*
- ▶ China Enterprise Reform and Development Society *Guide to Corporate Sustainability Reporting in China (CASS-ESG 6.0)*
- ▶ *UN Sustainable Development Goals (SDGs)*
- ▶ Global Reporting Initiative *Sustainability Reporting Standards (GRI Standards)*

Data Sources

Data sources used in this report include the Company's actual operational data, public data from government agencies, annual financial data, internal statistical reports, third-party questionnaire surveys, etc. The financial data in this report is presented in RMB. For any discrepancy between this report and the financial statements, the financial statements shall prevail.

Definition

Term	Interpretation
Palm Eco-Town, the Company, We	Palm Eco-Town Development Co., Ltd.
Yuzi Affordable Housing	Henan Yuzi Affordable Housing Management and Operation Co., Ltd.
Palm Design Group	Palm Design Group Co., Ltd.
SZSE	Shenzhen Stock Exchange
Country/Government	The People's Republic of China and its administrative agencies
CSRC	China Securities Regulatory Commission

Confirmation and Approval

This report was approved by the Company's Board of Directors on April 24, 2025 and was subsequently released in conjunction with the Annual Report. The Board pledges to exercise oversight over the contents of this report, ensuring its absence of any false records or misleading representations, and assuming responsibility for its truthfulness, accuracy and completeness.

This report is published in Chinese, with the English version derived from the Chinese translation. In the event of any discrepancies between the two versions, the Chinese version shall prevail.

Access to the Report

This report is available for review and download on the official websites of the Company (www.palm-la.com), the website of Shenzhen Stock Exchange (www.szse.cn), and the website of cninfo (www.cninfo.com.cn).

Message from the Chairman

Mountains Ahead, Together We Forge the Path



Liu Jianghua, Party Branch Secretary and Chairman of Palm Eco-Town Development Co., Ltd.

Looking back at 2024, Palm Eco-Town celebrated a significant milestone - its 40th anniversary. "At forty, one has no doubts." This year was of extraordinary significance to us. Although the Company faced severe challenges, with the strong support of our controlling shareholders and the diligent efforts of our management and all employees, we overcame great difficulties and challenges and implemented our strategic decisions with practical actions, ensuring the Company's stable development.

Over the past year, the Company made remarkable progress in the field of ESG (Environmental, Social, and Governance). We actively responded to the country's major development strategies and remained committed to promoting sustainable development. We recognize that, as a responsible corporate citizen, we must lead by example in environmental protection, social responsibility, and corporate governance.

I. Implementing the ESG Philosophy and Defining Development Directions through Party Building

Leading reform in state-owned enterprises through Party building is an essential requirement for implementing the spirit of the 3rd plenary session of the 20th CPC Central Committee. Guided by Party building, we have deeply integrated the ESG philosophy into our corporate development, providing clear direction and uniting our strengths for progress.

1.Learning policies to define direction and align with national development strategies. Party building serves as the soul of enterprise development and our guiding beacon. We closely follow the country's strategic goals in new urbanization, rural revitalization, ecological civilization, and the digital economy. We integrate the ESG philosophy into our "One Core, Two Wings" development strategy, which positions green urban and rural construction as the core and rural revitalization and innovative businesses as the two wings, collectively driving the diversified growth of our operations. In the area of green urban and rural construction, we focused on our primary responsibilities and core business, dedicating efforts to steadily advance the development of our three major business segments: landscape construction, engineering construction, and planning and design. In the area of rural revitalization, we took high-standard farmland construction as the starting point, leveraged collective village economies as the foundation, and prioritized the growth of modern large-scale agriculture. By coordinating the development of technological, digital, quality, and branded agriculture, we aimed to drive integrated progress in industrial prosperity, county strengthening, and citizen enrichment, ultimately fostering shared prosperity between urban and rural areas. In the area of innovative businesses, we actively explored emerging fields such as urban operations and digital technology to incubate advantages in these domains, cultivate fresh growth momentum, and build future core competitive strengths.

2.Learning from the Party's history to seek solutions and gain wisdom and strength. The century-long history of the Communist Party of China serves as a vivid and richly detailed textbook. By drawing lessons from the Party's history, we found answers, gained wisdom and strength, and applied them to the Company's realities. We continuously innovated our management ideas and methods, strengthened technological innovation and the transformation of scientific achievements, and reduced environmental impact during project execution. Moreover, we enhanced our management models to improve operational efficiency and corporate contributions to society. Through exploring innovative business models, we fully leveraged the strategic resources of our controlling shareholders and partners to collaboratively develop operational models for emerging fields.

3.Strengthening corporate culture with Party building and fostering innovation. Party building is embedded in our strategy formulation and decision execution and is deeply integrated into the cultivation of our corporate culture. By strengthening our Party-building efforts, we further advanced our corporate culture and reinforced employee cohesion and unity. We focused on building a strong team of Party members and motivating them to serve as role models in practice. Additionally, we reinforced Party organizations by refining our organizational systems and working mechanisms. Through enhancing our corporate culture, we cultivated a positive and progressive work environment.

At the same time, we upheld cultural confidence by integrating China's 5,000-year cultural heritage into our project designs while fully embodying the ecological philosophies of "promoting harmony between humanity and nature" and "lucid waters and lush mountains are invaluable assets." We drove innovation by drawing upon our cultural inheritance, thereby showcasing China's unique charm and profound cultural legacy.

II. Enhancing ESG Management through Organizational Compliance and Structural Optimization

Organizational compliance is the cornerstone of a company's stable development and a key to improving ESG management. We were committed to building a more efficient and scientific organizational structure, strengthening compliance management, and ensuring that our ESG practices were more standardized and transparent.

1.Optimizing organizational structure to enhance governance. As our business expanded, optimizing the organizational structure became essential. We comprehensively reviewed and adjusted our current organizational structure, clarified the responsibilities and authorities of each department, and enhanced communication and coordination between departments. Additionally, we strengthened team development to enhance employees' professional skills and competencies in the ESG field.

2.Strengthening compliance management to ensure steady growth. We understood that standardized management was both an inherent requirement for corporate development and a key factor in maintaining market competitiveness. We further enhanced our internal rules and regulations to ensure that all operations adhered to established standards and were evidence-based. Moreover, we continuously refined our internal control system, strengthened the oversight and management of operations, and bolstered risk management by implementing robust mechanisms and processes. We also reinforced our compliance culture and improved employees' compliance awareness and capabilities, thereby ensuring the Company's steady growth.

III.Driving Win-Win Cooperation through Platform Construction and Innovation

Platform construction is a key element in advancing ESG practices. We were dedicated to building an open collaboration platform that fostered win-win cooperation. Through innovation-driven growth, we actively expanded ESG-related businesses by focusing on comprehensive innovation in business models, systems, operations, and technology; exploring new commercial models and operational paths; refining our management system and operational mechanisms; and ensuring platform stability and efficiency. In business development, we expanded into ESG-related areas such as green finance and sustainable development consulting to diversify our platform ecosystem. In technological innovation, we increased our investment in research and development to achieve breakthrough results. In 2024, we carried out technological innovations in landscape plants, ecological restoration, and green and low-carbon fields, and conducted research in modern agriculture and green building technologies. These efforts led to 48 patent applications, 25 authorizations, 6 plant variety rights authorizations, the issuance of multiple standards and construction methods, and the publication of 15 papers. We also completed the evaluation of 2 domestically leading scientific achievements. At the same time, we maintained an open attitude and pursued win-win cooperation in ESG. We further strengthened industry-university-research collaborations with governments, colleges and universities, and scientific research organizations to drive technological innovation and the transformation of achievements. We signed 3 new strategic cooperation agreements, secured approval for major science and technology projects, and received multiple Science and Technology Progress Awards. Additionally, our subsidiaries, Palm Design Group Co., Ltd. and Guangdong Sanhang Smart Building Technology Co., Ltd., were both recognized as "National-Level Science and Technology SMEs." Furthermore, we continued to deepen our cooperation with domestic and international enterprises and industry associations to enhance our core competitiveness and industry influence. We also established close partnerships with financial institutions to inject financial momentum into our sustainable development efforts.

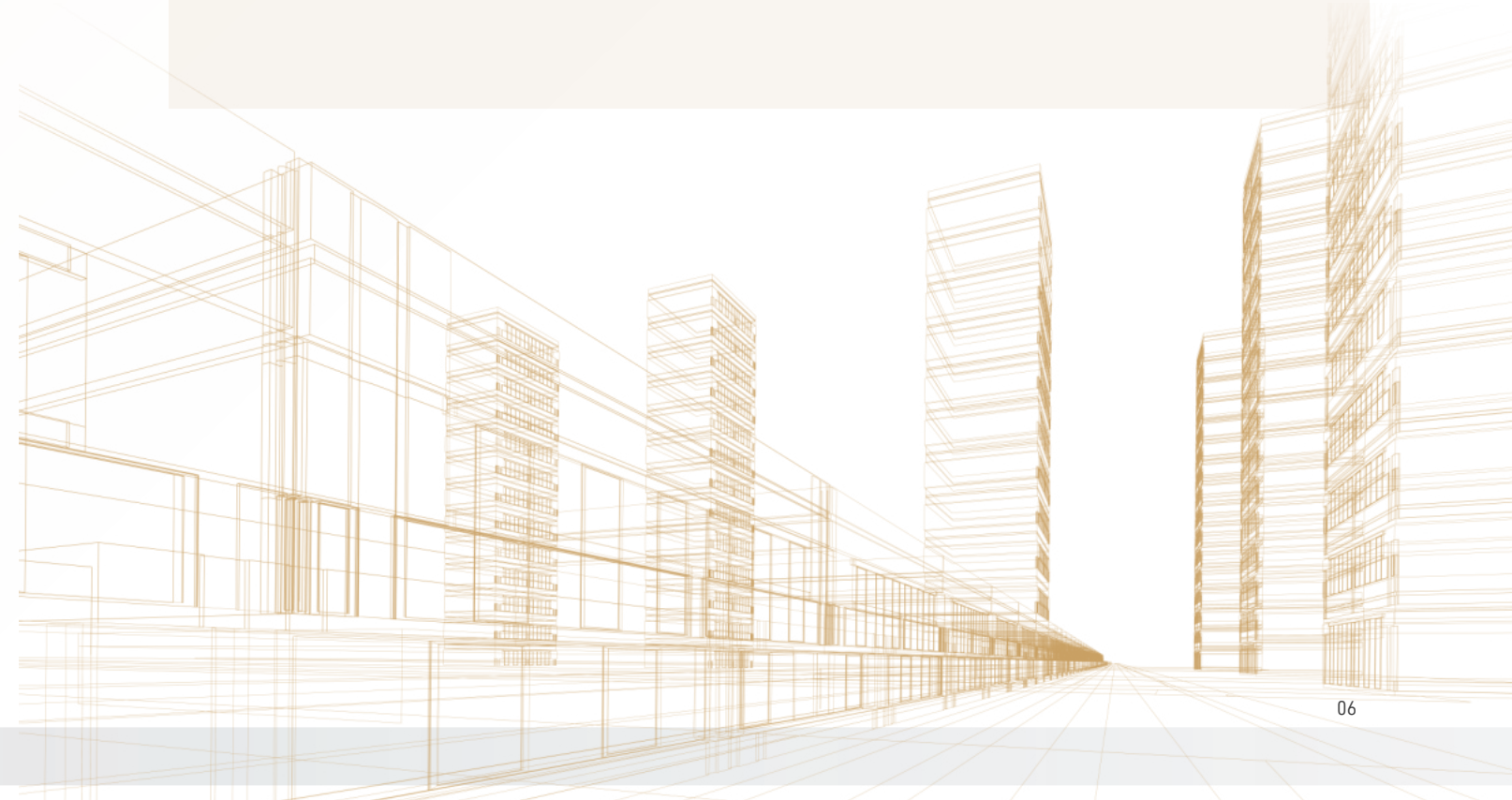
Beyond that, we enhanced our customer service system to improve service quality and efficiency. We actively participated in social welfare initiatives and environmental protection activities, thereby contributing to social harmony and environmental sustainability. Meanwhile, we strengthened communication and collaboration with stakeholders to further advance ESG practices.

IV. Supporting Chinese Modernization by Focusing on National Strategies

In rural revitalization, we remained committed to increasing agricultural efficiency, boosting farmers' incomes, and rejuvenating rural areas. Using high-standard farmland construction as an entry point, we promoted agricultural modernization and rural economic development through scientific planning, technological innovation, and innovative business models. Additionally, we emphasized the development of rural industries with local characteristics and rural tourism, and fostered the integration of primary, secondary, and tertiary rural industries to inject new vitality into rural revitalization.

In environmental governance, we fully implemented national strategies for ecological civilization construction and integrated the green development philosophy into our corporate DNA. We established an environmental governance system that spans the entire life cycle - from planning and design to construction, operations, and maintenance. During the early stages of our projects, we relied on our Ecological Technology Research Institute to implement innovative BIM forward design and Low-Impact Development (LID) techniques. We integrated the sponge city philosophy into over 30 urban renewal projects and employed green infrastructure, such as permeable pavement and rain gardens, achieving an annual rainwater reuse rate exceeding 65%. During the construction phase, we strictly implemented the "Six 100%" standard of green construction and innovatively employed an intelligent dust monitoring system integrated with dust suppression equipment to dynamically control PM2.5 levels. In ecological restoration, we developed a three-in-one model of "ecological revetment + subsurface flow wetland + intelligent monitoring," successfully improving river water quality from Inferior to Class V to Class III. We also pursued our "CarbonX 2025" goal by utilizing digital twin technology to build a carbon footprint tracking system. Our objective was to achieve an 8% annual reduction in carbon emission intensity across our entire industrial chain, thereby contributing to building a modernization of harmony between humanity and nature.

Looking ahead, we will remain unwavering in our commitment to the ESG development philosophy, continuously responding to major national strategies and deeply advancing sustainable development. At the same time, we will further strengthen communication and collaboration with stakeholders, enhance ESG management and practices, and create greater value for both the Company and society.



About Palm Eco-Town

Company Profile

Founded in 1984 and listed on the Shenzhen Stock Exchange in 2010 (Stock Code: 002431), Palm Eco-Town Development Co., Ltd. is the 80th publicly listed company in Henan Province. As a national, group-based enterprise, Palm Eco-Town integrates top-level planning, design, construction, and comprehensive operations. As a national high-tech enterprise, Palm Eco-Town remains committed to the principle of "making research serve practical purposes" and continuously conducts research primarily in four key areas: landscape plants, ecological restoration technologies, four new engineering technologies, and green and low-carbon technologies. The Company has made significant strides in these fields and achieved major breakthroughs in several areas of research, many of which are industry-leading and widely applied across various engineering projects.

Guided by its "One Core, Two Wings" green development strategy, Palm Eco-Town has taken the lead in transitioning into business areas such as rural revitalization, green and low-carbon initiatives, and new urbanization construction. The Company is dedicated to providing high-quality and comprehensive solutions for green urban and rural construction, rural revitalization, and urban operations.

Upholding the philosophy that "lucid waters and lush mountains are invaluable assets," Palm Eco-Town remains true to its commitment to craftsmanship. By refining its entire industry chain - investment, financing, management, construction, and operations - the Company leverages its mature development strategies and strong brand advantages to get stronger, do better, and grow bigger. Positioning itself with high goals, high standards, and high quality, Palm Eco-Town continues to realize its corporate blueprint and vision, write an impressive chapter for the new era, and make its rightful contribution to protecting lucid waters and lush mountains and building a Beautiful China.

Corporate Culture

Development Vision

To become a world-leading comprehensive service provider in green urban and rural construction, urban operations, and rural revitalization.

Mission

To provide clients with high-quality and comprehensive urban and rural construction, urban operations, and rural revitalization solutions and promote harmony between humanity and nature.

Spirits

Adhering to principles, pursuing high quality and efficiency, taking decisive action, and embracing a pioneering and enterprising spirit.



Core Values

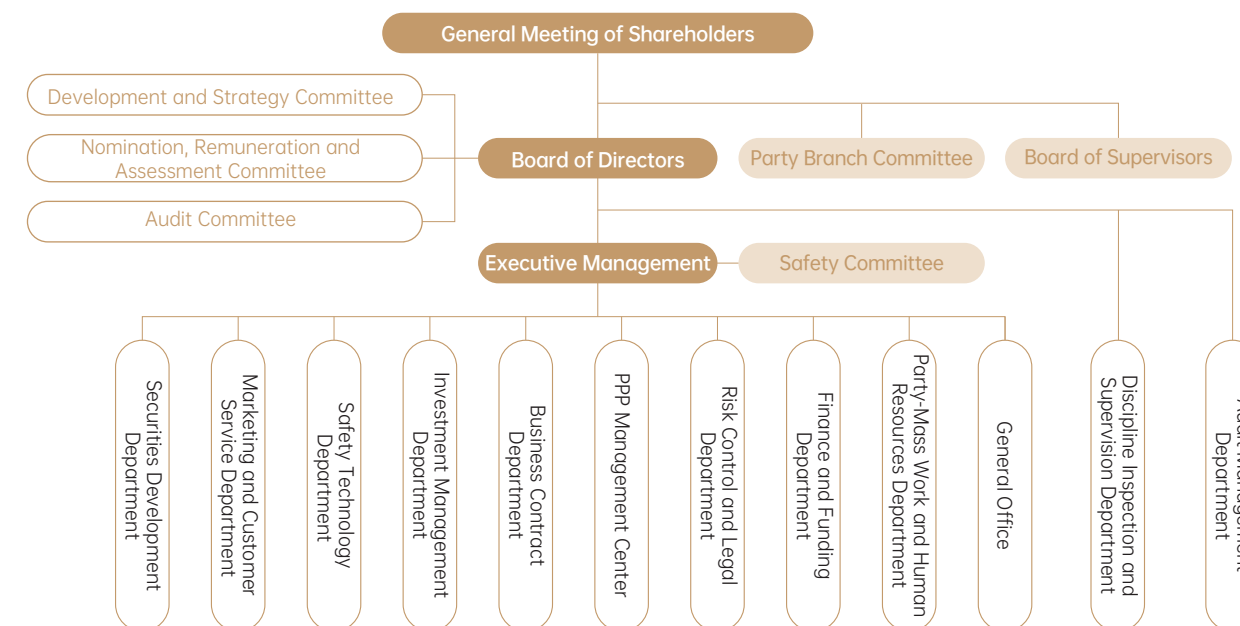
Establishing integrity as the foundation; adhering to fair, just, and transparent business codes of conduct; earning the trust and recognition of customers, employees, and society; and driving sustainable corporate development.

Distinctive Culture

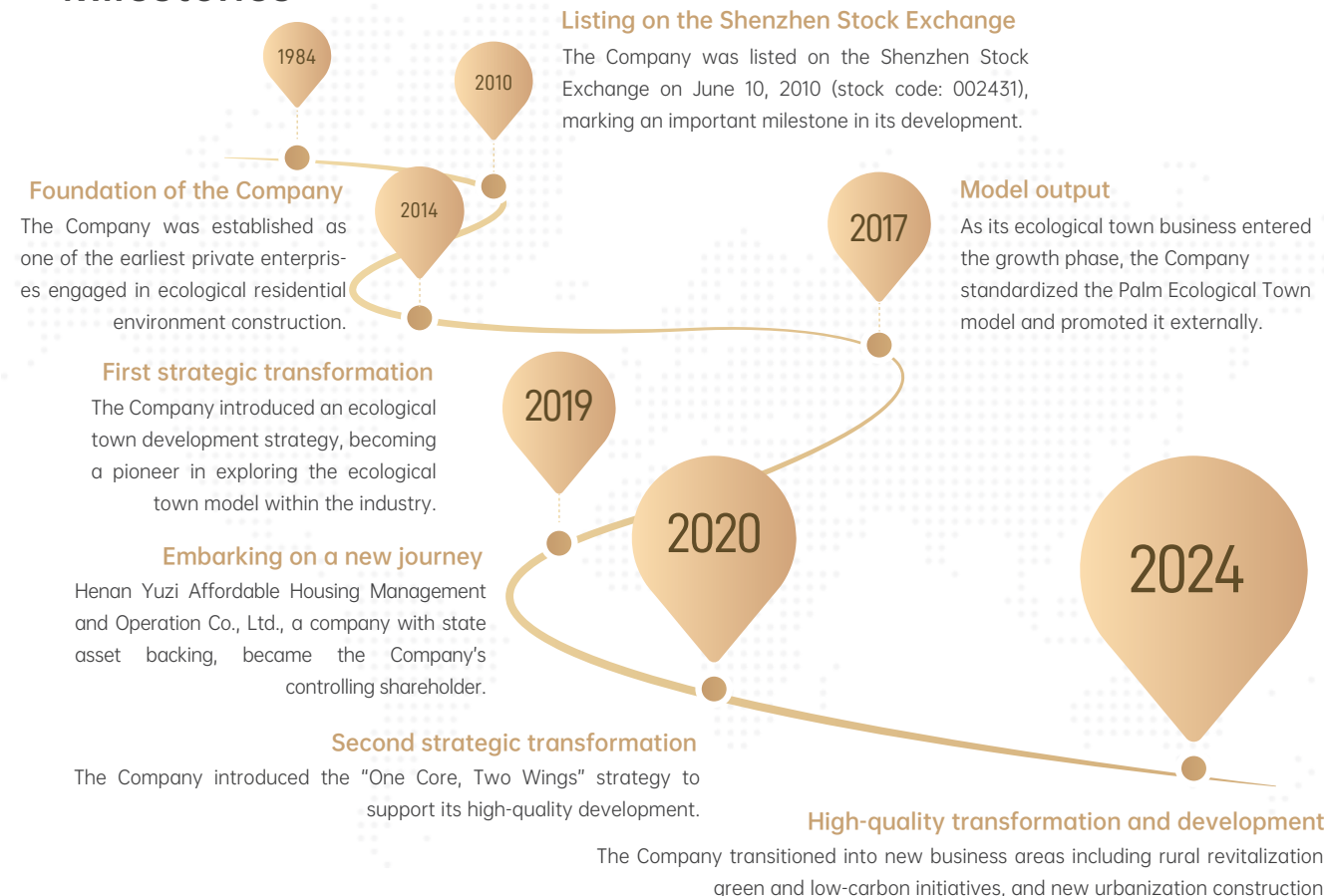
Military culture, school culture, and family culture

Organizational Structure

First-Level Organizational Structure Chart of Palm Eco-Town Development Co., Ltd.



Milestones



Honors and Achievements



State-owned Assets Supervision and Administration Commission of Henan Provincial People's Government, Department of Industry and Information Technology of Henan Province, and Henan Daily

Zhengzhou Municipal Bureau of Urban-Rural Development

China Association for Quality



National Business Daily



Chinese Society of Landscape Architecture



Henan Society of Landscape Architecture



IFLA AAPME



Organizing Committee of the Yuanye Awards



Landscape Week and the Organizing Committee of the Asia Habitat Landscape Award



Performance in 2024



Governance Performance

0

Total Number of Anti-corruption and Anti-bribery Incidents Reported

100%

Percentage of Directors and Senior Managers Participating in the Training on Anti-commercial Bribery and Anti-Corruption

0

Number of Filed and Concluded Legal Cases Regarding Corrupt Practices



Environmental Performance

304.05 tCO₂e

Total Emission of Greenhouse Gases

0

Number of Incidents in which Major Administrative Penalties were Imposed by Ecological and Environmental Authorities as a Result of Environmental Incidents



Social Performance

RMB 200,000

Total Investment in Employee Training

0

Number of Labor Discrimination Incidents

100%

Social Insurance Coverage Rate

100%

Coverage of Employee Training

0

Number of Safety Production Accidents

0

Total Number of Work-Related Deaths

1.42

(in RMB 100,000,000)
Investment in R&D

100%

Customer Complaint Resolution Rate

Sustainable Development Governance

Sustainable development is key to the long-term success of an enterprise. We integrate the philosophy of sustainable development into our strategy and management, identify and evaluate risks encountered during our management and development processes, actively seek and seize opportunities, and explore a sustainable development strategy tailored to our circumstances. Through continuous optimization of resource allocation and the promotion of technological innovation, we strive to create greater value for society while protecting the ecological environment and advancing sustainable development.

ESG Governance System

The Board of Directors, as the highest decision-making body for ESG governance, is responsible for formulating ESG strategies, plans, systems, and policies, ensuring their effective implementation, and assuming full responsibility for all related policies, systems, and information disclosure. Managers from various functional departments and subsidiaries have formed an ESG Reporting Working Group, which is responsible for preparing our annual ESG report and for collecting and verifying pertinent information. During the Reporting Period, to enhance ESG understanding among our management and functional departments and to improve employee competence and standards, we engaged a third-party agency to conduct ESG-specific training.

We have formulated a *Social Responsibility System* to guide the conduction and implementation of our CSR-related work, normalize related practices, proactively assume responsibilities toward the environment, society, and stakeholders, and foster the harmonious and coordinated development of both the Company and society as a whole.

Case Study

Organization and Conduction of ESG Training Meetings



We adhere to the green development philosophy that "lucid waters and lush mountains are invaluable assets" and promote the advancement of ecological civilization. In project development, construction, and operation, we prioritize environmental protection, ensuring the preservation of the site's original natural character and preventing any form of destructive development.



Upholding the philosophy of "boundless enterprise, boundless love," we actively engage in social welfare efforts by launching various projects and helping vulnerable groups. Additionally, we contribute to national public welfare development in areas such as ecological protection, social care, and industry-university-research collaboration.



In our project operations, we follow the guiding principles of "thriving industries, eco-friendly livability, civilized rural customs, effective governance, and enhanced living standards". By introducing highly adaptable industrial resources according to local conditions, we aim to achieve sustainable operations and address livelihood challenges such as regional employment and income growth.



We advocate a healthy lifestyle that promotes both efficiency and well-being, consistently focusing on our employees' growth and development. Through a variety of cultural activities, we have normalized and institutionalized employee care as an integral part of our daily management mechanisms, helping employees enhance their skills and realize their personal value.

Communications with Stakeholders

We place great emphasis on maintaining close communication and engagement with both internal and external stakeholders. We actively establish diverse communication channels, listen to stakeholders' expectations and demands, and respond proactively to collaboratively advance ESG practices and build a sustainable future.

Stakeholders	Expectations and Demands	Communication Channels	Company Response
 Shareholders and investors	<ul style="list-style-type: none"> Stable operation Enhanced return on investment Steady performance growth 	<ul style="list-style-type: none"> Information disclosure Performance briefing Investor survey General Meeting of Shareholders Investor hotline irm.cninfo.com.cn 	<ul style="list-style-type: none"> Improve corporate governance Enhance information disclosure quality Strengthen investor communication Boost profitability
 Employees	<ul style="list-style-type: none"> Compensation and benefits Training and promotion Rights protection Occupational health and safety 	<ul style="list-style-type: none"> Employee communication Employee training Employee care activities 	<ul style="list-style-type: none"> Comply with employment laws and regulations Enhance the compensation and benefits system Strengthen the construction of talent teams Ensure occupational health and safety
 Customers	<ul style="list-style-type: none"> Product quality assurance High-quality products and services Protection of customers' privacy 	<ul style="list-style-type: none"> Customer communication and feedback channels After-sales service Customer satisfaction surveys 	<ul style="list-style-type: none"> Strengthen quality management Deepen R&D and innovation Firmly protect customers' privacy
 Suppliers	<ul style="list-style-type: none"> Mutual trust and win-win cooperation Stable partnerships 	<ul style="list-style-type: none"> Bidding activities Supplier communication 	<ul style="list-style-type: none"> Enhance communication Conduct clean procurement
 Industry partners	<ul style="list-style-type: none"> Fair competition Technical exchange Win-win cooperation 	<ul style="list-style-type: none"> Industry cooperation activities Exhibitions and symposiums 	<ul style="list-style-type: none"> Vigorously oppose unfair competition Strengthen communication and cooperation Actively promote industry collaboration
 Communities and the public	<ul style="list-style-type: none"> Sustainable development Engagement in social welfare 	<ul style="list-style-type: none"> Media communication Community public welfare activities Rural revitalization activities 	<ul style="list-style-type: none"> Practice social welfare activities Improve community environment
 Governmental or regulatory agencies	<ul style="list-style-type: none"> Implementation of national policies Response to climate change Rural revitalization Compliant operation 	<ul style="list-style-type: none"> Information disclosure Cooperate with supervision authorities 	<ul style="list-style-type: none"> Implement national policies Respond to the Belt and Road Initiative Support rural revitalization Promote green urban and rural development Operate in compliance with laws Pay taxes legally

Management of Material Topics

In accordance with the assessment methods of domestic and international disclosure standards such as the *Shenzhen Stock Exchange Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange - Sustainability Report (For Trial Implementation)* and the *GRI 3: Material Topics*, the Company introduces the analytical perspectives of impact materiality and financial materiality. We have identified five topics with financial materiality and 17 topics with impact materiality and provided crucial responses in this report.

Assessment Process of Material Topics



Step 1: Learn about the background of the Company

Analyze the macro trends of the region where the Company operates, the industry in which the Company operates, and the Company's business model, and identify the Company's stakeholders, as well as the impacts, risks, and opportunities it faces.

01



Step 2: Conduct preliminary issue screening

Identify 21 material topics and form an ESG topic pool for 2024 by reference to the guidelines of the Shenzhen Stock Exchange, Global Reporting Initiative (GRI) Standards, UN Sustainable Development Goals (SDGs), as well as related topics in the same industry domestically and internationally.

02



Step 3: Assess the materiality of topics

Impact Materiality Assessment

Sort through the potential or actual positive and negative impacts of each topic on the external environment, society, and economy. Conduct a survey and analysis of stakeholders using a questionnaire. Based on the survey results, expert opinions, and the nature of the industry, a total of 17 topics with high and medium impact materiality were identified.

Financial Materiality Assessment

Identify and evaluate 5 topics of financial materiality by analyzing their impact, dependence, and other factors, combined with expert judgment and questionnaire surveys conducted across departments within the Company to assess the likelihood and potential financial impact of each topic.

03



Step 4: Confirm material topics

Create a matrix of material topics based on the impact materiality and financial materiality assessment data from Step 3. Ensure that the relevant topics are disclosed in a transparent, balanced, and comprehensive manner in the report.

04

2024 Topic Pool



Note: The Company is not involved in scientific research, technology development, or other activities sensitive to technology ethics; therefore, "Science and Technology Ethics" has not been listed as a material topic. Additionally, the Company does not have accounts payable exceeding RMB 30 billion or accounting for over 50% of total assets, nor has it disclosed overdue payments to small and medium-sized enterprises through the National Enterprise Credit Information Publicity System; hence, "Equal Treatment of Small and Medium-Sized Enterprises" has not been listed as a material topic.

Matrix of Important Issues



Steady Operations: Enhancing Compliance Governance

01

The Company has always upheld the Party's leadership, fulfilled its responsibilities in accordance with the law, managed the enterprise in a compliant manner, continuously improved its corporate governance structure, enhanced various management systems, strengthened internal controls and risk management, and strictly observed business ethics to ensure steady operations while committing to achieving sustainable development and creating value for the Company.

Responded Topics

Anti-Bribery and Anti-Corruption,
Anti-Unfair Competition

Adhering to Party Building

The Company adheres to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly implements the guiding principles of the 20th National Congress of the CPC and the 3rd Plenary Session of the 20th CPC Central Committee, and upholds party building. It steadily advances party building tasks to achieve the mutual integration and promotion of party building with production and operations, thereby injecting momentum into the Company's high-quality development.

Strengthening Organizational Construction

Based on the requirements of the *Regulations on CPC Grassroots Organization Work of State-Owned Enterprises (for Trial Implementation)* and other relevant documents, and in line with the actual conditions of the Party branches, the Company has formulated five party building systems, including the *Rules of Procedures and Decision-Making Guidelines for Meetings of the Party Branch Committee*, the *Party Building Expenditure Guarantee System for Party Branches*, and the "First Topic" System of Party Branches, to continuously improve its Party branch management system and further standardize and normalize the operations of Party branches. In 2024, the Company convened **48** Party Branch Committee meetings, with 166 agendas undergoing pre-decision review procedures, ensuring all operations advance orderly under the Party's leadership.

The Company places great emphasis on strengthening its Party member team. Through the "Three Meetings and One Lecture" system and centralized training, it has enhanced education for Party member development, improving the ideological and political qualities as well as the Party spirit of the team. During the Reporting Period, there were 4 activists applying for Party membership, 2 prospective members, 2 probationary members, and 3 Party membership applicants, which boosted the vitality of the Party member team. By the end of the Reporting Period, the Company had established **8** Party branches, comprising a total of **208** Party members.

Enhancing Theoretical Study

The Company's Party branches earnestly implement the "First Topic" and centralized theoretical study systems. They have formulated a detailed annual study plan and checklist to promote regular education. Additionally, they have developed a work plan for Party discipline study and education, as well as for learning and implementing the spirit of the 3rd Plenary Session of the 20th CPC Central Committee, focusing on key learning areas. At the same time, they actively diversify educational methods by combining theoretical study with practical activities and integrating online and offline learning, thereby deepening and solidifying theoretical understanding.

In 2024, the Company held 14 collective study sessions, 4 special discussions, 4 special Party lectures delivered by Party members, and 24 Party group meetings, effectively strengthening the ideological and political education of Party cadres.



Case Study



Organization of the Study of the Spirit of the 3rd Plenary Session of the 20th CPC Central Committee



Advancing Strict Party Governance

The Company has continuously deepened its Party integrity construction. By implementing the "Four Areas of Focus and Four Areas of Strengthening", it has effectively carried out Party discipline education to alert Party members, clarify bottom lines, and instill a sense of reverence. At the same time, it has consistently strengthened its ideological work by strictly implementing the ideological work accountability system, incorporating ideological learning into centralized study sessions for Party members, and fully utilizing the Company's OA system, WeChat official account, and other online platforms to publicize comprehensive strict Party governance and Party integrity construction. Party branch members are strictly required to maintain political resolve, enhance political sensitivity, and actively promote positive energy. In 2024, the Company organized four special sessions on ideological work and published 29 pieces of ideology-related content through its "Party Building" section in the OA system.

Creating a Party Building Brand

The Company has established its exclusive Party building brand (LOGO) and forged an innovative pathway for the deep integration of Party building under the motto "Palm Eco-Town's Dual Commitment: Integrity in Action, Accountability in Execution". In line with the specific conditions of its Party branches, the Company has developed a distinctive "Three-Three-Six" methodology for its Party building brand. By focusing on the creation of an excellent Party building brand as the central approach, the Company actively advances the integration of Party work with business operations, consolidates its foundation, cohesion, and centripetal force, and continuously improves the quality and standard of Party building work, providing a strong political guarantee for the Company's high-quality development.



Through the "Party Building +" co-construction model, the Company's Party branches effectively integrate resources from various sources to enhance the overall effectiveness of Party building work. They actively leverage the role of incumbent Party members by engaging in joint construction activities with street communities and other Party organizations. For example, by establishing "Party Member Model Posts" and "Party Member Commandos", they promote substantial and effective participation in community grassroots governance, drive Party members to excel in their primary roles, and pioneer new initiatives through exemplary performance.

In 2024, the Company held **18** Themed Party Day events with a total attendance of approximately **489**.

Case Study

Volunteer Fire Safety Inspection Service by the Company's Party Branches



Advancing Steady Operations

Governance Structure

In strict compliance with the requirements of the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Governance Code for Listed Companies*, and other applicable laws and regulations, the Company has formulated internal rules and regulations, such as the *Articles of Association and Measures for the Implementation of the Decision-making System for Important Issues, Important Appointments and Removals, Important Projects and the Use of Large Amounts of Funds*, to continuously improve its corporate governance structure and establish a mechanism characterized by clearly defined rights and responsibilities, mutual collaboration, and checks and balances, thereby ensuring the Company's standardized operations. During the Reporting Period, the Company's General Meeting of Shareholders, Board of Directors, Board of Supervisors, and executive management strictly carried out management decision-making and operational oversight in accordance with the governance norms and requirements for listed companies established by the China Securities Regulatory Commission and the Shenzhen Stock Exchange. Meanwhile, each specialized committee of the Board of Directors fulfilled its respective duties in accordance with the law.

During the Reporting Period

The Company convened **6** General Meetings of Shareholders and deliberated and approved **18** proposals.

The Board of Directors convened **12** meetings and deliberated and approved **47** proposals.

The Board of Supervisors convened **4** meetings and deliberated and approved **18** proposals.

The Audit Committee convened **9** meetings.

The Development and Strategy Committee convened **1** meeting.

The Nomination, Remuneration and Assessment Committee convened **3** meetings.

Our independent directors convened **6** special meetings.

General Meeting of Shareholders

The convocation, convening, requisite qualifications for attendees, and voting procedures of the General Meeting of Shareholders comply with the provisions of the *Company Law of the People's Republic of China*, the *Rules of the Shareholders' General Meeting*, and other applicable laws and regulations. The Company treats all shareholders equally by employing both on-site and online voting methods in accordance with relevant regulations, facilitating the participation of minority shareholders and ensuring that every shareholder can fully exercise their rights. Additionally, significant matters affecting the interests of minority investors are subject to separate voting to effectively safeguard the rights and interests of minority investors.



Board of Directors

The Board of Directors serves as the Company's decision-making body and is accountable to the General Meeting of Shareholders. All directors carry out their duties in strict accordance with the *Articles of Association*, the *Rules of Procedure of the Board of Directors*, and the *System of Work of Independent Directors*. They actively participate in both the meetings of the Board of Directors and the General Meeting of Shareholders and fulfill their responsibilities diligently. The Company established a special meeting mechanism for independent directors. During the Reporting Period, the independent directors independently fulfilled their obligations by conducting advance reviews of matters such as related party transactions.

The Company's Board of Directors has established three special committees: the Development and Strategy Committee, the Nomination, Remuneration, and Assessment Committee, and the Audit Committee. Corresponding working rules have been formulated for each. To ensure that the decision-making of the Board of Directors is both scientific and standardized, each committee includes at least 2 independent directors.

Specialized Committee	Members (person)	The Number of Independent Directors (person)	Whether the Independent Director(s) Serves as Chairman of the Committee
Development and Strategy Committee	5	2	No
Nomination, Remuneration and Assessment Committee	5	3	Yes
Audit Committee	3	2	Yes

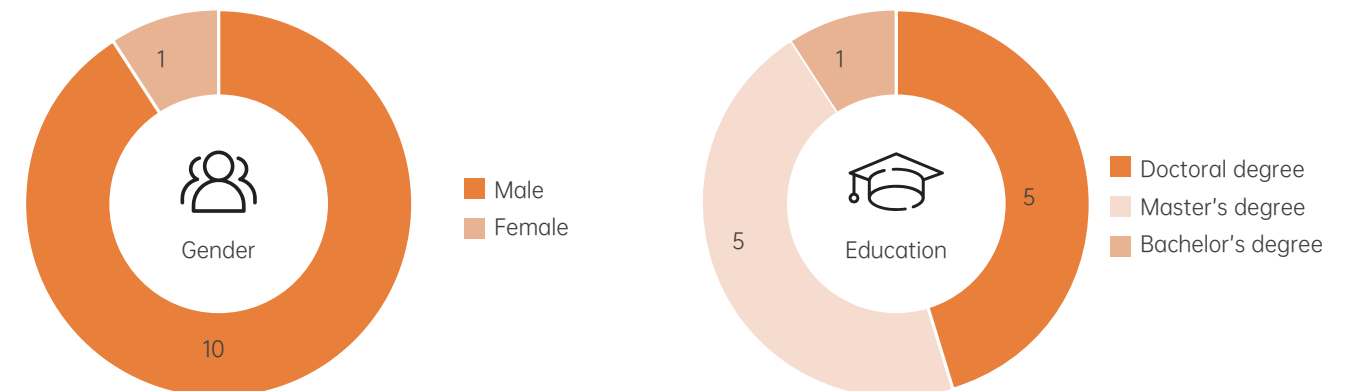
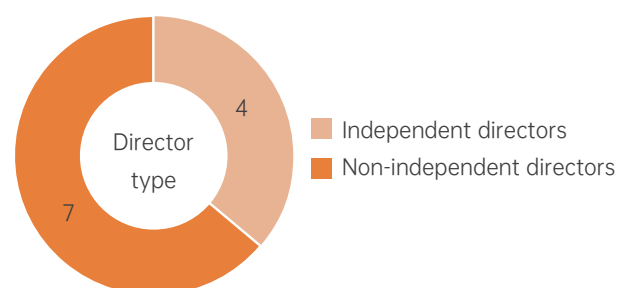
Case Study

From December 13 to 15, 2024, the Company's independent directors visited a project site to conduct an on-site investigation of the Company's asset management and operation project, thereby deepening their understanding of and oversight over the Company's business.

The Company has comprehensively considered factors such as age, educational background, and professional experience to ensure a diversified composition of its Board of Directors while meeting its business needs. The current directors possess deep industry expertise and extensive corporate management experience, enabling them to make governance decisions from multiple perspectives.

Diversity of the Board of Directors

Number of the members of the Board of Directors



Board of Supervisors

The Board of Supervisors is the Company's permanent supervisory body and is accountable to the General Meetings of Shareholders. All supervisors strictly carry out their duties in accordance with the *Rules of Procedure for the Board of Supervisors* and other applicable regulations, diligently supervising significant matters, the Company's financial conditions, and the lawfulness of the performance of duties by directors and officers. The Board of Supervisors is composed of 3 members: 2 non-employee representatives and 1 employee representative.

Management of Remuneration for Directors, Supervisors, and other Officers

In accordance with the *Articles of Association* and other applicable regulations and considering the income levels in the industry and region where the Company operates, as well as the Company's actual operating conditions, the Company has comprehensively determined the remuneration scheme for directors (including independent directors) of the Sixth Board of Directors, supervisors, and officers based on their fulfillment of responsibilities and annual performance. This scheme was deliberated and approved in 2023. The Company's directors and officers receive their compensation on an annual salary basis, with the allocation of remuneration and the incentive system for the variable portion determined by the Company's overall annual operating performance as well as the operating performance during their tenure. Supervisors are compensated on a fixed annual salary basis, with a one-time payment issued at the end of the year in accordance with the *Supervisor Appointment Agreement*.

Principles of the Remuneration Scheme

Linking Compensation to Performance

An individual's annual salary should be tied to performance targets, a *Commitment to Performance Goals* should be executed, and an appraisal should be conducted to incentivize both the Company's and the individual's performance.

Prioritizing Efficiency while Considering Fairness

The annual salary level should not only motivate management personnel and key talents but also consider the Company's management conditions and industry salary benchmarks.

Providing Comprehensive Incentives

Fixed income and risk compensation, short-term and long-term incentives, and material and non-material rewards should be combined based on a pragmatic, transparent, fair, and scientific evaluation.

Internal Control and Risk Control

Internal Control

The Company, in accordance with the *Basic Standard for Enterprise Internal Control* and other applicable laws and regulations, has formulated systems such as the *Internal Audit Specifications* and the *Manual for Internal Audit Specifications* to continuously improve its internal control management system. The Company conducts annual evaluations of internal controls, follows up on corrective actions, engages external firms to perform internal control audits, and generates *Internal Control Evaluation Reports* and *Internal Control Audit Reports* to promote continuous internal control improvement, enhance their effectiveness, and bolster the Company's risk prevention capabilities.

During the Reporting Period, the Company's Internal Audit Department conducted internal audits in accordance with its work plan. These audits covered engineering audits, economic responsibility audits, special investigations, as well as the audit, inspection, and evaluations of the internal control management system. A total of **15** internal audits were performed, **85** issues were identified, and **79** audit recommendations were proposed.

During the Reporting Period, no significant or material deficiencies in the design or implementation of internal controls were identified.



Risk Management

The Company continuously improves its risk prevention and control mechanisms by regularly conducting risk investigations to identify and evaluate internal and external risks that may affect its operations and management, such as those related to production, operations, external guarantees, litigation, and safety production. It formulates *Risk Investigation Reports*, proposes countermeasures for identified risks, manages risks dynamically, and promptly addresses routine risk issues to ensure the effective operation of its risk prevention and control mechanisms. Additionally, by organizing seminars and conducting specialized training sessions, the Company enhances risk prevention awareness and strengthens its ability to prevent and mitigate risks, thereby safeguarding its compliant operations.

Tax Management

The Company has consistently adhered to lawful and compliant tax practices. It strictly observes national tax policies and regulations, has implemented a Tax Management System and management processes for various taxes, and has established a *tax risk management system* centered on comprehensive systems, professional support, and dynamic compliance. By integrating internal controls with external communication, the Company has developed a comprehensive mechanism that spans the entire process from risk prevention to response, effectively preventing and managing tax risks.

To strengthen internal control and system development, the Company has established specialized management systems and internal control processes to standardize financial practices and mitigate potential risks. Concurrently, it has implemented comprehensive financial and accounting management systems to ensure the accuracy of tax filings through rigorous financial record-keeping and accounting. When handling the final settlement of annual taxes and complex transactions, the Company obtains professional compliance advice from tax advisors to avoid non-compliant practices resulting from policy misinterpretation. In response to significant changes in tax laws and policies, the Company dynamically adjusts its tax strategies and promptly revises contract provisions, invoice management procedures, and tax-specific management processes. The Company conducts regular self-assessments of tax risks, formulates risk response strategies in advance, and reviews tax risks to take corrective actions, while maintaining effective communication with tax authorities to stay informed of policy updates and mitigate risks stemming from information asymmetry.

The Company places great importance on training its tax management personnel, actively monitoring policy changes, organizing tax-related training sessions, and promoting tax policies. Additionally, it has introduced digital tax management tools by incorporating a tax management module into its ERP system, embedding tax rules to enable automatic alerts and audits.

Protection of the Rights and Interests of Investors

Investor Relations Management

The Company places great emphasis on protecting the rights and interests of investors and strictly complies with applicable laws and regulations. It has established systems such as the *Investor Relations Management System*, the *Investor Complaint Handling System*, and the *Three-Year (2023-2025) Shareholder Return Plan* to standardize its investor relations management. The Company communicates with investors through various channels, including on-site investor surveys, performance briefings, and its official website, to promptly address investor concerns and foster a strong trust relationship between the Company and its investors.

Key Performance

The Company hosted **2** on-site surveys for institutional investors, conducted **1** online performance briefing for the Annual Report, and interacted with investors **109** times on irm.cninfo.com.cn of the Shenzhen Stock Exchange, achieving a **100%** response rate.

Case Study

2023 Online Performance Briefing



Information Disclosure

The Company strictly complies with the *Measures for the Administration of Information Disclosure by Listed Companies* and other applicable laws and regulations. It has established systems such as the *Measures for the Administration of Information Disclosure* and the Insider Information and *Insider Registration and Reporting System* to regulate external disclosure practices, ensuring that information disclosures are timely, true, accurate, and complete. Additionally, it strengthens insider information management to prevent insider trading. The Company remains committed to enhancing its information disclosure management, improving the quality of its disclosures, and safeguarding the legitimate rights and interests of its investors.

Protection of Creditors' Rights and Interests

The Company places great importance on protecting the rights and interests of creditors. It strictly fulfills contracts signed with creditors and promptly communicates significant information affecting their rights and interests to safeguard their legal rights fully. During the Reporting Period, the Company did not issue any publicly traded bonds. With an issuer credit rating of AA and an issue credit rating of AAA, the Company actively expanded its financing channels, maintained no overdue interest-bearing debts, and did not incur any detriment to the interests or rights of any creditor.

Key Performance

The Company issued **4** regular reports

121 interim announcements (excluding regular reports)

161 online documents (including regular reports, interim announcements, and all externally disclosed documents, such as intermediary agency reports)

Strengthening Compliance Management

Cultivation of a Culture of Compliance

The Company adheres to the principle of compliant operations and incorporates compliance management into its business practices. Through compliance training, it enhances employees' awareness of compliance. During the Reporting Period, the Company invited external experts to deliver themed lectures to all employees, covering topics such as key provisions of the new *Company Law of the People's Republic of China*, approaches for clarifying facts in construction engineering disputes, legal due diligence, and critical aspects of transaction documents. These training sessions provided employees with a more systematic and in-depth understanding of legal knowledge, further strengthening their compliance awareness and professional capabilities.



Key Performance

The Company conducted **4** legal training sessions.

Anti-Bribery and Anti-Corruption

The Company advocates for integrity, continuously promotes a culture of integrity, and strictly prohibits any form of corruption or fraudulent behavior. During the Reporting Period, the Company continuously improved its system for preventing and controlling integrity risks, strictly adhered to anti-corruption laws and regulations, and revised its disciplinary and supervisory systems, including the *Integrity Management Regulations*, the *Interim Measures for Conversations and Inquiries*, the *Interim Measures for Cautionary Conversations*, and the *Internal Supervision Management System*.

The Company actively promoted a culture of integrity through various initiatives aimed at enhancing employees' awareness of integrity and fostering a clean and upright working environment. During the Reporting Period, the Company organized **4** integrity training sessions, held **9** integrity culture events, and conducted **4** disciplinary education sessions prior to major holidays to reinforce employee discipline. Additionally, the Company carried out comprehensive self-assessments of departments, subsidiaries, and project companies in accordance with the *Post Integrity Risk Prevention and Control* to ensure that integrity risk prevention and control measures are implemented at every level.



Integrity Culture Campaign



The Company actively promotes the dissemination and training of a culture of integrity, steadily enhances employees' understanding of integrity, and continuously fosters a clean and upright cultural environment. These efforts aim to establish a solid defense against corruption by deterring, preventing, and disincentivizing corrupt behavior.

Case Study

Integrity Culture Promotion Project

The Company actively promoted the integration of a culture of integrity into projects by organizing online meetings for 5 pilot projects focused on this theme. During these meetings, the Discipline Inspection and Supervision Department presented the work plan and clarified the responsibilities of each project team. Additionally, a themed training session titled "Adhering to Career Bottom Lines and Maintaining Integrity" was conducted to strengthen the integrity awareness of project personnel. Following the meetings, the Company displayed integrity culture promotional boards at project sites to further embed a culture of integrity at the front line, thereby fostering a clean and upright working atmosphere.



Anti-Unfair Competition

The Company strictly adheres to the *Anti-Unfair Competition Law of the People's Republic of China* and the *Anti-Monopoly Law of the People's Republic of China*. It participates in commercial competition in a fair, just, and transparent manner, maintaining and safeguarding a fair business environment. During the Reporting Period, the Company did not face any litigation or major administrative penalties related to unfair competition practices.

Whistleblowing and Whistleblower Protection

The Discipline Inspection and Supervision Department serves as the Company's independent supervisory body and is responsible for handling and investigating complaints and reports, ensuring independence and objectivity. It also strictly keeps whistleblowers' personal information and reported details confidential. For individuals who prefer not to report under their real names, anonymity or the use of pseudonyms is allowed.

Key Performance

42 employees signed the Commitment to Integrity Construction and the Commitment to Integrity.

The Company posted a total of **183** integrity-related promotional messages on its OA system.

Case Study

The 2024 Seminar on the Significance and Key Points of Governance through "Compliance and Discipline" in State-funded



Reporting Methods

- Reporting hotline** 020-85189496/85189209 (Landline) 13825186571 (Mobile)
- Reporting email** zljc2021@163.com
- Reporting mailbox** 17th Floor, Building 3A, Haihui Center, Zhengzhou City, Henan Province, China; 6th Floor, Block B, Zhuguang Xincheng International Center, Guangzhou City, Guangdong Province, China (east side of the fire escape staircase)
- Reporting website** <https://www.palm-la.com/jjjc>
- Correspondence address** 16-18th Floors, Building 3A, Haihui Center, at the intersection of Dongfeng South Road and Kangning Street, Zhengdong New District, Zhengzhou City, Henan Province, China (Discipline Inspection and Supervision Department), Zip Code: 450000

Green Design: Creating a Harmonious Ecosystem

The Company has consistently embraced the green development philosophy that "lucid waters and lush mountains are invaluable assets" and actively responds to the national policy of "carbon peaking and carbon neutrality." It has established a robust environmental management system, advanced energy conservation and emissions reduction efforts, and extensively developed technologies in landscape plant cultivation, ecological restoration, low-carbon innovation, and environmental protection. These initiatives aim to promote the construction of ecological civilization and comprehensively advance harmony between humanity and nature.

02

Responded Topics

Response to Climate Change, Environmental Compliance Management, Energy Utilization, Water Resource Utilization, Pollutant Emission, Waste Disposal, Circular Economy, Ecosystem and Biodiversity Protection



Responding Climate Change

In recent years, climate-related risks have been intensifying and global environmental issues have become increasingly severe. Against this backdrop, our country has implemented the "carbon peaking and carbon neutrality" policy, aiming to achieve peak carbon emissions and carbon neutrality through carbon reduction and sequestration. The Company actively responds to the challenges and opportunities posed by climate change by identifying climate-related risks and opportunities relevant to its operations and formulating corresponding measures to gradually build long-term capacity to address climate change.

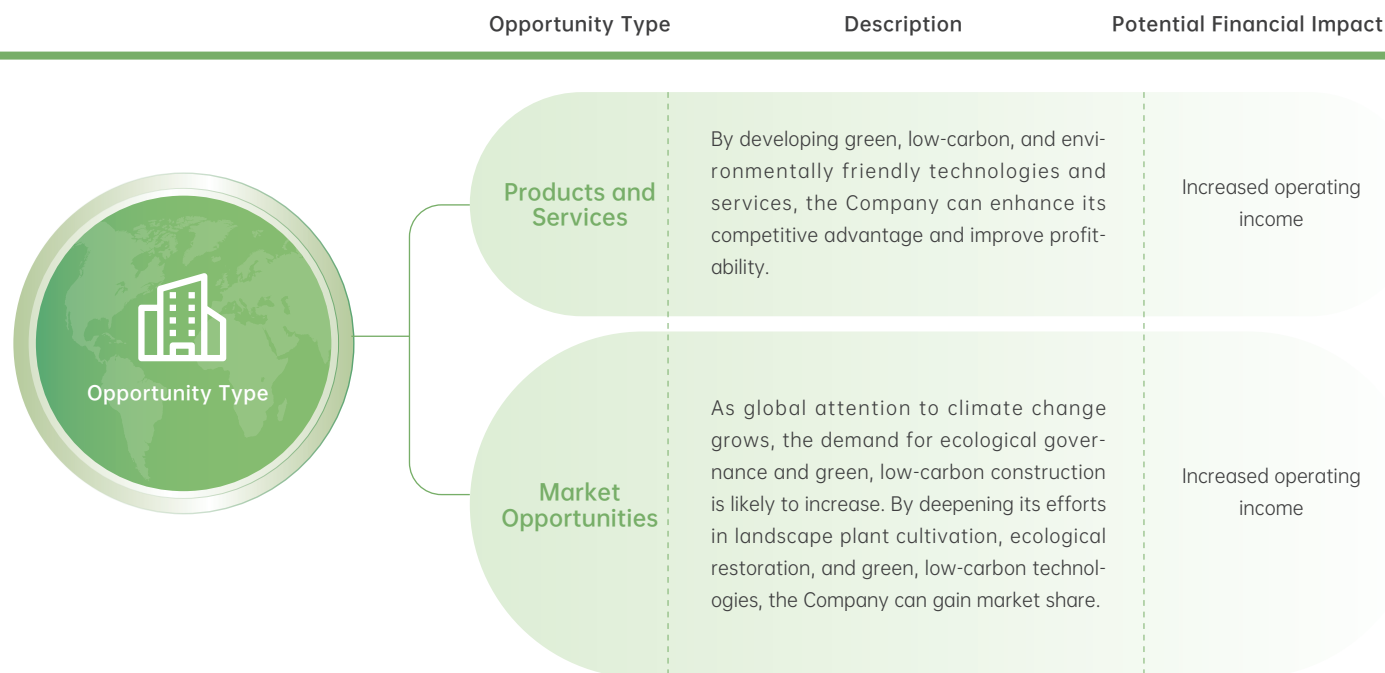
Governance

The Company's Board of Directors is responsible for comprehensive oversight and coordination, while each functional and business department is tasked with implementing and advancing climate change actions. Together, these efforts systematically promote the development of the Company's climate change governance system.

Risk Identification Checklist

Risk Type		Risk Description	Impact Duration	Potential Financial Impact	Response Measures
 Physical Risks	Acute Physical Risks	These risks include acute extreme weather events, such as typhoons, floods, and blizzards, which may cause damage to infrastructure and project structures or trigger water and power outages, resulting in work stoppages, delayed project delivery, and adverse effects on the Company's operations and customer relationships. Employees may face safety risks or be unable to report for duty during such events, leading to labor shortages and reduced work efficiency.	Short- and medium-term	Increased operating costs; decreased operating income	<ul style="list-style-type: none"> Enhance weather forecast monitoring, strengthen measures to prevent extreme weather disasters, and flexibly adjust project schedules in response to weather changes; Purchase appropriate insurance for employees to enhance safety; Develop and implement a detailed disaster emergency plan to ensure rapid resumption of operations.
	Chronic Physical Risks	These risks include long-term climate change risks, such as rising temperatures and sea-level rise, which may impact the Company's business activities. Prolonged high temperatures could increase operational difficulties and negatively affect employee health.	Long-term	Increased operating costs; decreased operating income	Reasonably arrange working hours, enhance protection for high-temperature work, and improve working conditions.
 Transition Risks	Policy and Legal Risks	Domestic and international policies and requirements related to climate change and energy management are continuously evolving, placing higher demands on enterprises for low-carbon development. Noncompliance with local legal requirements, whether operational or disclosure-related, could expose the Company to regulatory penalties and other risks.	Short- and medium-term	Increased compliance costs	Closely monitor the latest domestic and international climate-related policies and regulations, and respond in a timely manner.
	Market Risks	Shifting market customer preferences toward lower-carbon, environmentally friendly products, services, and design concepts may lead to increased design complexity and higher operating costs. The inability to meet customer demands could adversely affect the Company's business performance.	Short-, medium-, and long-term	Increased operating costs; increased R&D costs	Actively adopt eco-friendly materials and green building technologies, and incorporate low-carbon and environmentally friendly considerations into designs.
	Reputation Risks	As stakeholders place greater emphasis on climate change, the Company's reputation could suffer if timely improvements or enhancements are not made.	Medium- and long-term	Increased management costs; decreased operating income	Strengthen communication with stakeholders and promptly and accurately disclose the Company's efforts to address climate change.

Opportunity Identification Checklist



Indicators and Goals

Based on its actual conditions, the Company has established carbon reduction targets and implemented a series of administrative measures to reduce greenhouse gas emissions and promote the achievement of these targets.

Carbon Reduction Goals

Significantly enhance the level of green construction, effectively reduce energy consumption in construction, and achieve reductions in carbon emissions by 2030.

Key Performance

Total emission of greenhouse gases **304.05** tCO_{2e}

Indirect greenhouse gas emissions (Scope 2) **304.05** tCO_{2e}

The statistical scope covers the electricity consumption at the Zhengzhou headquarters and the Guangzhou office.

Support for the Carbon Peaking and Carbon Neutrality Goals

The Company has long been committed to the development, promotion, and application of green, low-carbon, and environmentally friendly technologies. By leveraging its platform advantages and collaborating with scientific research institutions, the Company has successfully developed multiple green technologies. In the design and construction phases of projects, the Company strictly complies with environmental regulations, actively utilizes eco-friendly materials and green building technologies, and integrates environmentally friendly design and construction methods. These efforts facilitate the continuous adjustment and optimization of the industrial structure, leading to the creation of a high-technology, resource-efficient, and low-pollution industrial structure, thereby driving the green and low-carbon transformation of the industrial, agricultural, and service sectors and advancing the achievement of carbon peaking and carbon neutrality goals.

Carbon Sink Projects

The Company actively participates in carbon sink projects to enhance the carbon sequestration capacity of ecosystems. During the Reporting Period, the Company further developed and utilized "low-carbon, high-efficiency landscaping construction technology," increased the development of new materials, and diversified the application scenarios for related technologies. These initiatives have effectively boosted environmental benefits and laid a solid foundation for achieving low-carbon development goals.

Case Study

Project Closure Acceptance Carbon Sink Training for "Research on Carbon Source/Sink Accounting for Urban Green Spaces Based on the Whole Life Cycle"

In November 2024, the Company, in collaboration with the Shanghai Academy of Landscape Architecture Science and Planning, jointly carried out the project closure acceptance for "Research on Carbon Source/Sink Accounting for Urban Green Spaces Based on the Whole Life Cycle" and organized related carbon sink training. Focusing on the Longhu Outer Ring Park Project, the related research and training identified the primary sources of carbon sinks within the study area, evaluated the carbon sink capacity, proposed a scientific plan for constructing an urban green space carbon sink monitoring system, and clarified the methodology for carbon sink accounting for urban green spaces from sample plots to regional scales.



Case Study

Project Closure Acceptance and Carbon Sink Training for "Screening and Evaluation of Tree Species with High Carbon Sequestration Capacity for Landscaping in Henan Province"

The Company, in partnership with Henan Agricultural University, established a Joint Laboratory for Forestry Carbon Sink and, in October 2024, carried out the project closure acceptance and carbon sink training for "Screening and Evaluation of Tree Species with High Carbon Sequestration Capacity for Landscaping in Henan Province". By conducting the screening and evaluation of tree species with high carbon sequestration capacity in urban landscaping across Henan Province, the Company comprehensively assessed the carbon sink capacities of common landscaping tree species, identified those with high carbon sequestration potential, and accurately estimated the carbon storage of green spaces in Zhengzhou City. These efforts resulted in the creation of plant landscapes with high carbon sequestration capacity and provided a theoretical basis for selecting tree species for afforestation and estimating carbon storage in Zhengzhou City.



Extreme Weather Management

In its project construction management, the Company has refined its emergency response plans, clarified responsibilities, and strengthened communication with meteorological departments to proactively guard against extreme weather. A 24-hour leadership duty system has been established to ensure smooth information flow and timely reporting of emergencies, disasters, and subsequent response measures.



Typhoons and strong wind

Secure barricades, temporary structures, and other facilities in advance; clear items that could be blown away by the wind; and stabilize lifting equipment. Suspend high-altitude and outdoor lifting operations during typhoons or high winds, and promptly evacuate personnel to safe indoor areas.



Torrential rain and intense downpours

Clear drainage pipes and ditches before construction; establish water diversion ditches and collection wells around foundation pits; and ensure that sufficient water pumps are available. Suspend outdoor activities such as earthworks and concrete pouring, and cover excavated areas for protection.



Low temperatures, rain, snow, and freezing conditions

Provide workers with cold-weather clothing and implement insulation measures for temporary facilities. Promptly clear accumulated snow and water; apply anti-slip materials on slippery surfaces; and inspect the stability of equipment used for high-altitude operations. Prohibit high-altitude work during severe weather, ensuring that indoor operations also adhere to safety protocols.



Flood Prevention Inspections



On-site Flood Prevention Measures

Strengthening Environmental Compliance Management System

The Company strictly complies with the *Environmental Protection Law of the People's Republic of China* and other applicable laws and regulations and has established and continuously improved its environmental management system in accordance with the GB/T24001 standard. It has developed an environmental management organizational framework led by the General Manager, with the Deputy General Manager in charge of production, and the Technical Safety Department, regional offices/subsidiaries, and project teams responsible for implementing specific responsibilities for the Company's environmental management efforts. This framework ensures that all activities and services related to the environment meet the Company's environmental management policies, goals, and indicators, effectively reducing pollution and protecting the environment. During the Reporting Period, the Company did not incur any major administrative penalties or face criminal charges from environmental authorities due to environmental incidents.

As of the end of the Reporting Period, both the Company and its subsidiary, Palm Design Group, have obtained certification under the GB/T 24001-2016/ISO 14001:2015 standard system.



Emergency Response Plan

The Company has established an emergency response mechanism for sudden environmental incidents. Project teams are responsible for identifying environmental risk factors, such as chemical spills, floods, waterlogging, heavy rains, and severe weather, and implementing the necessary emergency preparedness and response measures in accordance with project implementation and management requirements. An *Environmental Pollution Emergency Response Plan* has been developed, and emergency drills are regularly conducted in accordance with this plan. In the event of an incident, the Company continuously monitors the environmental impact and actively implements appropriate mitigation measures to minimize any adverse effects to the environment.

Environmental Inspections

The Company has established a three-tier environmental inspection mechanism covering the corporate headquarters, subsidiaries/regional offices, and project teams. Inspection items include the key characteristics of operational activities related to major environmental factors, the implementation and effectiveness of environmental management plans, and the efficacy of environmental protection facilities. Through routine patrols, key project inspections, and special inspections, the Company examines the implementation and operation of its environmental management systems at its subsidiaries/regional offices and project teams, analyzes and summarizes the factors affecting its environmental management work, and proposes corrective action plans to strengthen environmental management and promote continuous improvement. During the reporting period, the Company conducted a total of **202** inspections.



Pollutant Emissions

The Company strictly adheres to the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, and other applicable laws, regulations, and standards in carrying out environmental management work. It rigorously controls the generation and discharge of wastewater, exhaust emissions, solid waste, and noise during production and operations, thereby reducing its environmental footprint.

Wastewater Discharge Management

The Company adheres to the principle of "separating rainwater from sewage" and discharges wastewater strictly in accordance with relevant requirements. It employs a combination of physical, chemical, and biological treatment methods to purify wastewater in a targeted manner and reduce wastewater discharge volumes.

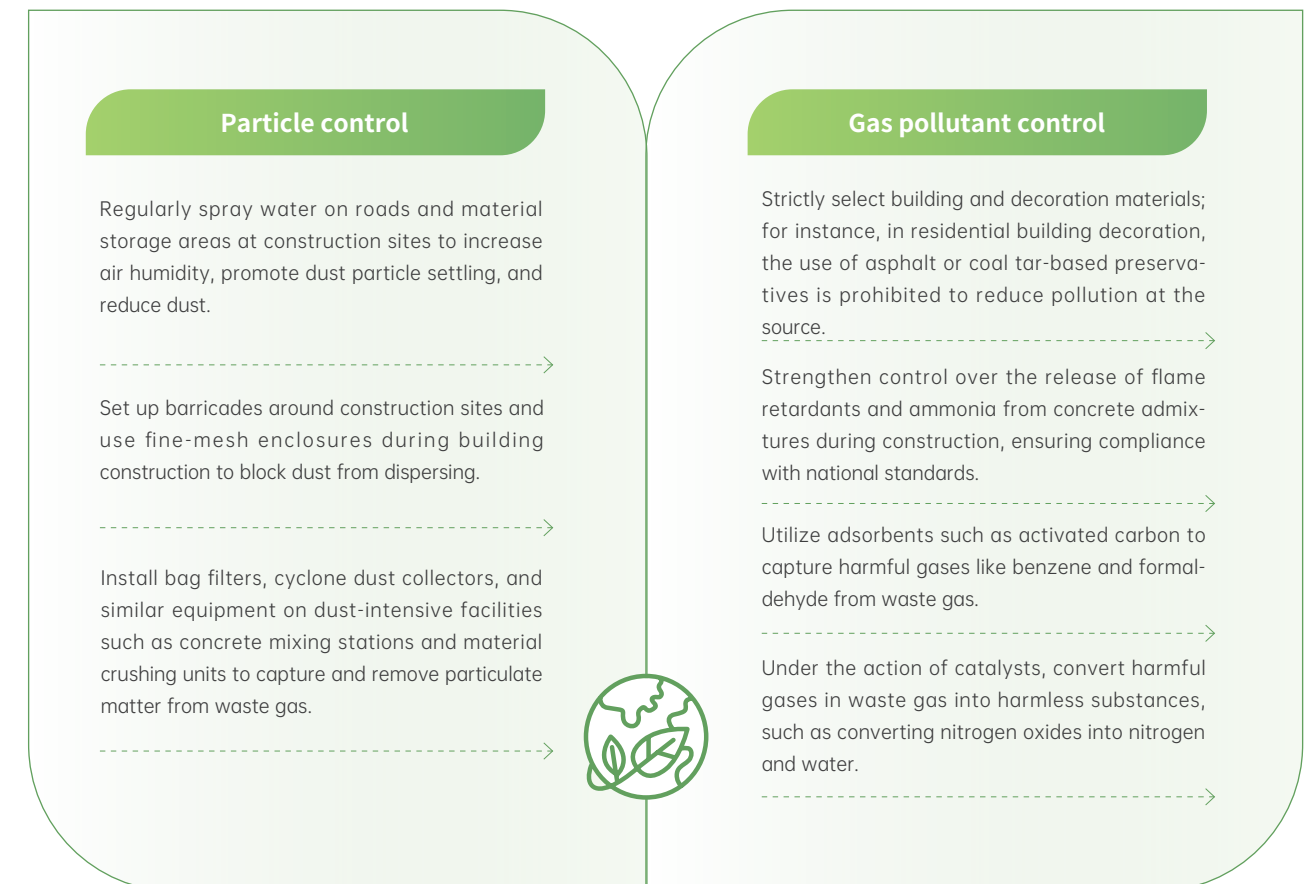
Wastewater Control Measures

- When formulating construction plans, fully consider reasonable technological or economically feasible methods to reduce water consumption and the use of chemicals and oils, thereby reducing the generation of wastewater at the source.
- Install sedimentation tanks at construction site wastewater outlets and adopt multiple treatment measures to purify wastewater. Following treatment, reuse the water or utilize treated wastewater for dust suppression, promoting water resource recycling and reducing discharge. Ensure treated wastewater is properly discharged into sewage pipelines.
- Implement surface anti-leakage treatments to prevent oil from seeping, splashing, dripping, or leaking, thereby mitigating the risk of contamination to surrounding water bodies.

Waste Gas Management

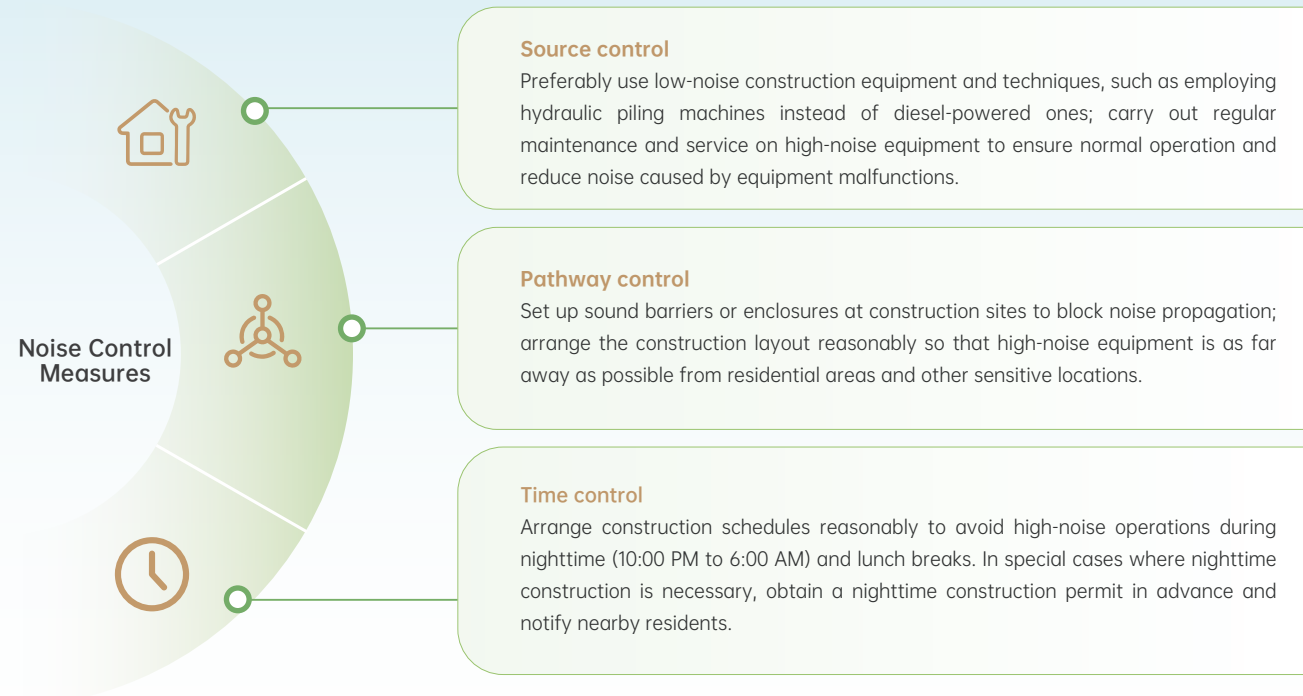
Waste gas generated during the Company's production and operational activities primarily includes dust from construction sites and emissions from construction vehicles and machinery. The Company strictly complies with applicable laws, regulations, and standards, and has developed and implemented a series of measures to control and treat dust and harmful gas emissions. It is dedicated to minimizing the generation of dust and waste gas, ensuring that atmospheric pollutants are discharged in compliance with regulations, and reducing impacts on the surrounding environment.

Waste Gas Control and Treatment Measures



Noise Pollution Management

The Company has formulated and implemented a series of noise reduction measures in strict accordance with the requirements of *GB/T 12524 Measurement Method for Noise from Construction Sites* and *GB/T 12523 Noise Limits for Construction Sites*. It also enhances the monitoring and recording of noise levels at construction site boundaries to ensure that noise emissions remain within national standards. For projects in urban areas that may generate environmental noise pollution during construction, the Company is required to report specific project details to the relevant environmental protection administrative authorities at least fifteen days before commencement.



Lighting Pollution Management

The Company ensures that work schedules are planned reasonably to minimize nighttime construction whenever possible. For necessary nighttime construction, it strictly adheres to the requirements of construction administrative authorities and other relevant bodies. It carefully controls the types and brightness of construction lighting, adjusts the direction of light exposure as needed, and implements shielding measures. These actions ensure sufficient illumination for construction activities while minimizing disturbances to nearby residents.

Improving Resource Efficiency

Energy Management

The Company's primary energy consumption sources include purchased electricity, gasoline, and similar resources. It strictly complies with the *Energy Conservation Law of the People's Republic of China* and other applicable laws and regulations, maintaining a strong focus on energy management and efficiency. By implementing measures such as installing LED energy-saving lamps in office restrooms, the Company actively reduces its energy consumption. Looking ahead, the Company will continue to strengthen energy management practices and pursue its energy management goals.

Energy Management Target

Reduce energy consumption by 30% compared with 2024 by 2030.

Key Performance

Total water consumption **1,658** tons Total purchased electricity **566,618** kWh

The statistical scope covers the Zhengzhou headquarters and the Guangzhou office.

Water Resource Utilization

The water consumed in the Company's daily operations and construction projects primarily comes from purchased municipal water. Upholding the principle of water conservation, the Company installs water-saving sensor faucets in offices and restrooms to reduce water usage in its internal operations. For its projects, it adopts water-saving technologies and equipment to minimize water waste. The Company has successfully won bids and executed several high-standard farmland projects, including integrated water and fertilizer facilities. These initiatives effectively reduce water wastage caused by flood irrigation methods in agriculture, contributing to agricultural water conservation.

Case Study

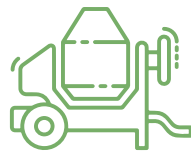
Intelligent Irrigation System Promoting Efficient Water Conservation

The intelligent irrigation system is a standout feature of the Company's high-standard farmland construction projects. By utilizing sensors buried in the soil, the system continuously monitors soil moisture, temperature, and crop growth. These data points are wirelessly transmitted to a big data analysis platform in the central control room in real-time. Based on this information, the intelligent irrigation system accurately controls irrigation volume and timing to meet the actual needs of crops, achieving the dual goals of water conservation and efficiency. Compared to traditional irrigation methods, the intelligent irrigation system reduces water usage by over 30% while improving crop yields by 10% to 15%.



Waste Disposal

Waste generated during the Company's production and operations primarily includes construction waste, domestic waste, and hazardous waste. The Company strictly classifies waste in accordance with relevant regulations and implements measures such as continuously improving construction quality standards and promoting recycling and reuse. These efforts reduce waste generation at its source, enhance resource utilization, minimize the production of solid waste, and ensure its complete utilization and safe disposal.



Waste Type

- For recyclable construction waste, such as concrete blocks and bricks, the waste is processed into recycled aggregates, which can be used to produce recycled concrete or serve as material for road base construction. Additionally, some construction waste is converted into environmentally friendly bricks that, after undergoing mature processing techniques, achieve sufficient strength and performance for use in non-load-bearing walls.
- Non-recyclable construction waste is safely disposed of in landfills, in strict accordance with local environmental protection requirements.



Domestic waste

- At construction sites, different types of garbage bins are provided to classify domestic waste:
- Recyclable waste: items such as waste paper, plastics, and metals are regularly sold to recycling stations;
 - Kitchen waste: this is collected centrally and processed by professional food waste treatment companies;
 - Other waste is periodically transported to municipal waste treatment facilities for proper processing.



Hazardous waste

- Dedicated temporary storage areas are set up for hazardous waste, such as waste oil, waste paint, and waste coatings. These materials are stored separately with anti-leakage measures to prevent environmental contamination.
- Hazardous waste is collected and disposed of by qualified professional companies to ensure it is rendered harmless.
- A waste management register is maintained to record details such as the quantities, types, and disposal methods of waste, ensuring that all waste management and disposal activities at construction sites comply with regulations.

Case Study

Creating a "Zero-Waste Construction Site" Project for the Henan Food Industrial Park

The Henan Food Industrial Park Project aims to serve as a demonstration project for a "zero-waste construction site." By optimizing construction plans and processes, the project reduces construction waste generation at its source. In addition, through the implementation of smart site modules, such as an intelligent sprinkler system and an environmental monitoring system, the project enables real-time monitoring and management of the construction site, effectively reducing resource waste and environmental pollution. Furthermore, a comprehensive waste recycling system is established to sort and recycle recyclable waste, thereby enhancing resource utilization.



Case Study

Henan Blood Center Project

A series of administrative measures have been implemented for the Henan Blood Center Project to effectively reduce waste generation and increase resource utilization.

·Waste reuse: a centralized waste storage area is established on the construction site for the sorted and unified collection of waste. Recyclable waste, such as concrete pieces and stone fragments, is processed into materials that can be used as sub-base layers in buildings; crushed stone is used for backfilling drainage channels; and mortar residue generated from masonry and plastering is screened and reused as an auxiliary additive for plastering mortar. These measures significantly improve resource utilization.

·Improved construction quality standards: the construction quality of frameworks is enhanced to help avoid or reduce mortar leakage; the layout efficiency of formwork materials is improved to reduce the generation of scrap.

·Resource conservation measures: non-archived paper is printed or photocopied double-sided, and waste paper is eventually recycled along with other paper products. Refillable ink cartridges are used, and spent cartridges are collected and recycled by suppliers.



Material Management

To strengthen material control, the Company has developed the *Administrative Measures for Materials for Self-Operated Construction Projects in the Construction Segment (for Trial Implementation)* based on its actual business model. This system clearly defines procedures for the procurement, storage, use, maintenance, and scrapping of materials for self-operated construction projects. The Company also regularly inspects the management of materials by project teams to ensure that material management is carried out in a standardized and effective manner.

For packaging materials generated during projects, the Company strictly follows construction technical specifications to achieve recycling whenever possible; packaging materials that cannot be recycled are stored in designated areas to prevent environmental pollution.

Protecting Ecosystem and Biodiversity

Governance

The Company actively responds to the *Convention on Biological Diversity of United Nations* and complies with applicable laws and regulations, including the *Law of the People's Republic of China on the Protection of Wildlife*, and local ecological protection policies. It is actively developing ecological restoration technologies to minimize the direct and indirect impacts of its production activities on nature and biodiversity. At the same time, the Company prioritizes enhancing the expertise of teams through specialized technical training, thereby improving employees' awareness and capability in biodiversity protection.

Case Study



Technical Training

In 2024, to protect valuable tree species and enrich germplasm resources, the Company conducted technical training sessions, including "Introduction to Palm Eco-Town's Honors in the R&D of Multi-Season Camellia and New and Superior Varieties," "Key Points of Off-Season Planting and Maintenance Techniques for Landscaping Plants," and "Distribution and Cultivation Techniques of Major Grain Crops in Henan Province." These sessions effectively enhanced employees' awareness of species protection and local plant cultivation techniques, thereby promoting plant diversity protection efforts.



Strategy

Risk Type	Risk Description	Impact Duration	Potential Financial Impact	Response Measures
 Market risks	As consumer attention to ecological and biodiversity protection grows, the Company may lose market share if it does not promptly adapt to these evolving preferences.	Long-term	Decreased operating income	Monitor consumer preferences and actively implement biodiversity protection measures.

Opportunity Type	Opportunity Description	Impact Duration	Potential Financial Impact	Response Measures
 Products and services	For areas with damaged ecosystems, the Company can offer ecological restoration services, such as saline-alkali land remediation and polluted soil remediation. These services not only help protect the ecological environment but also enhance the Company's social reputation and generate economic benefits.	Medium-term	Increased operating income	Actively develop technologies for landscaping plant cultivation and ecological restoration; adhere to sustainable development principles throughout the planning, design, construction, and operational processes; implement measures such as green building and ecological restoration; and participate in projects related to ecological restoration, pollution prevention and control, green and low-carbon initiatives, and urban ecology to protect the ecological environment.
 Reputation opportunities	By actively fulfilling its biodiversity protection responsibilities, the Company can establish a strong brand identity and enhance its image as a corporate citizen, boost its market competitiveness and consumer acceptance, and attract more business opportunities and partnerships.	Long-term		

Risk and Opportunity Management

Construction projects may affect native plant habitats, disturb micro-ecosystems, and disrupt the established ecological balance. The Company assesses and identifies ecosystem diversity risks using scientific methods, such as the Shannon-Wiener Index and Simpson Index, and utilizes its proprietary ecological protection technologies to carry out ecological restoration, thereby enriching species diversity and bolstering ecological stability.

Simultaneously, the Company continuously monitors ecological stability. In projects related to river and lake management or comprehensive rural environmental improvements, it conducts preliminary surveys of local plant and biological resources, analyzes the findings, and incorporates them into project designs. Ecological restoration technologies are integrated into project plans, and during construction, these technologies, or close-to-nature approaches, are employed to enrich local species resources, ensure on-site species protection, and achieve ecological balance.

Protection of the Ecological Environment

The Company has developed a series of ecological protection technologies, including the "Multi-Coupled Long-Term Low-Carbon Water Ecological Restoration Technology", "Sponge City Green Space Water Landscape and Water Ecological Comprehensive Restoration Technology", and "Urban-Rural Green Space Landscape and Water Body Comprehensive Ecological Restoration Technology". These innovations have been successfully applied in projects, effectively enriching species diversity, enhancing ecosystem stability, and improving the efficiency of ecological restoration.

Case Study

Yellow River Ecological Corridor Demonstration Zone in the Kaifeng Section

The Kaifeng Yellow River Ecological Corridor Demonstration Zone Project is a core component of Henan Province's broader Yellow River Ecological Corridor Demonstration Project. Planned by the subsidiary Palm Design Group and constructed by the Company, the project employs advanced ecological restoration technologies to mitigate the severe salinization and fragile ecology of the Yellow River beach area in the Kaifeng section. By planting locally adapted native tree species, such as paulownia, cedar, and willow, the project establishes a multi-layered, multi-species ecological shelterbelt that effectively prevents wind erosion and sand fixation, conserves soil and water, and withstands extreme weather conditions.



Protection of Biological Genetic Diversity

The Company continuously carries out the development, breeding, and protection of new plant varieties to effectively enrich species diversity and contribute to the conservation of biodiversity.

The Company has organized five domestic entities to carry out research on Magnolia germplasm innovation, high-resistance germplasm screening, and efficient, safe breeding technologies. In doing so, it has not only cultivated new varieties of Magnoliaceae plants with high ornamental value and strong resistance, thereby addressing challenges in cultivation and propagation, but also achieved industrial-scale production of these new varieties. These efforts promote the upgrading of the domestic Magnolia industry and the protective, promotional utilization of native Magnolia resources. By employing techniques such as natural variation selection, distant and near hybridization, as well as physical and chemical mutagenesis, the Company has bred **16** new Magnoliaceae varieties. These include series such as dwarf multi-flowered varieties, multi-season flowering varieties, and evergreen cold-resistant varieties, which have significantly enriched the genetic diversity of China's Magnolia resources. In addition, the Company has established the most comprehensive joint germplasm resource garden in China for both wild and cultivated Magnolia varieties. Through the introduction of inflorescence clusters, seeds, or seedlings, it has collected and preserved **135** wild-type species (including variants) of Magnoliaceae, spanning 10 genera, along with **210** cultivated varieties from both domestic and international sources. Moreover, the Company has progressively conducted extensive field surveys and ex situ conservation of wild populations of several rare Magnolia species, researching their endangered mechanisms and developing strategies for their protective and promotional utilization, thereby providing a model for the protective development and sustainable utilization of rare plants.



Key Performance

As of the end of 2024, the new varieties and key technologies developed by the Company have been promoted and applied in over **100** greening projects across **15** provinces and cities nationwide.

10 demonstration bases have been established,

the production and promotion area for the new and superior Magnolia varieties has reached **3,450** mu, and a total of over **20** million Magnolia seedlings have been produced.

Innovation for Empowerment: Focusing on Collaborative Industry Advancement

The Company, closely aligned with its “One Core, Two Wings” development strategy, continuously innovates and strengthens its R&D to empower industry development. By consistently enhancing its performance to earn customer trust and diversely boosting its core competitiveness, the Company actively collaborates with partners to jointly pursue a path toward sustainable development.

03

Responded Topics

Innovation-Driven Development, Safety and Quality of Products and Services, Supply Chain Security, Data Security and Customer Privacy Protection

Deepening R&D and Innovation

The Company adheres to the philosophy of “making research serve practical purposes and driving technological empowerment,” continuously pursuing technological innovation in areas such as landscaping plants, ecological restoration, green construction, and modern agriculture. These efforts strengthen the Company's core competitiveness and drive high-quality development through innovation.

R&D Governance System

The Company has established a robust R&D management framework and formulated management systems, including the *Administrative Measures for R&D Projects*, *Administrative Measures for the Transformation of Scientific and Technological Achievements (for Trial Implementation)*, and *Technology Innovation Incentive Scheme*. These systems standardize R&D project management and establish an innovation-oriented incentive system that provides tiered rewards to R&D teams and core personnel achieving breakthrough technological results. This effectively stimulates employees' proactivity and energizes the Company's innovation drive.

The Company has also established the Ecological Technology Research Institute, which is responsible for initiating, implementing, inspecting, and approving R&D projects, as well as managing achievement declarations and rewards. Additionally, it oversees patents and trade secrets, ensuring the smooth progress of the Company's scientific and technological R&D and intellectual property-related efforts, while supporting the achievement of the Company's development objectives.

In 2024, the Company rigorously implemented project management in line with its incentive mechanisms. R&D personnel applied for rewards multiple times under the relevant regulations, and all approved rewards have been disbursed.

R&D Platform Construction

The Company has successively established **14** R&D platforms at the national, provincial, and municipal levels, including the Palm R&D and Promotion Center of the National Engineering Research Center for Floriculture, the Henan Provincial Ecological Landscaping Engineering Technology Research Center, and the Guangdong Provincial Ecological Landscaping Engineering Technology Research and Development Center. Leveraging these platforms, the Company has cultivated strong partnerships with universities, research institutes, and scientific organizations. This has advanced the Company's R&D innovation efforts and facilitated the consistent launch of new products and technologies.

Key Performance

As of the end of the Reporting Period:

The Company operates **1** national-level R&D platform, **7** provincial-level R&D platforms, and **6** municipal-level R&D platforms;

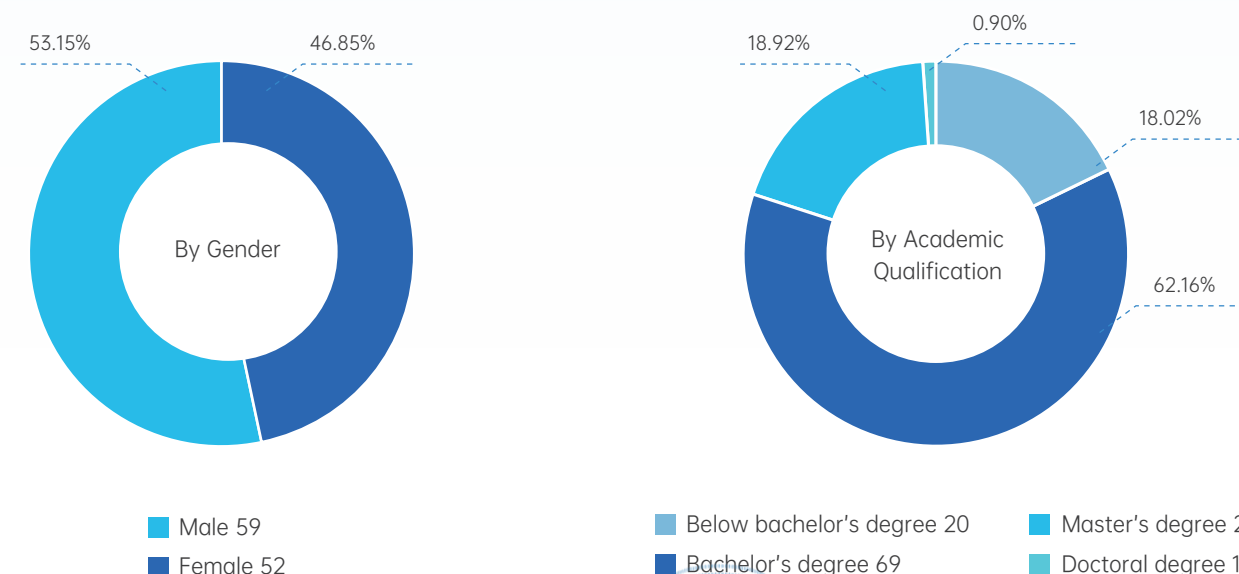
The Company has been recognized as a National High-Tech Enterprise;

Its subsidiary, Palm Design Group, has been certified as both a National High-Tech Enterprise and a Specialized and Sophisticated Enterprise Producing Novel and Unique Products in Guangdong Province.











R&D Team

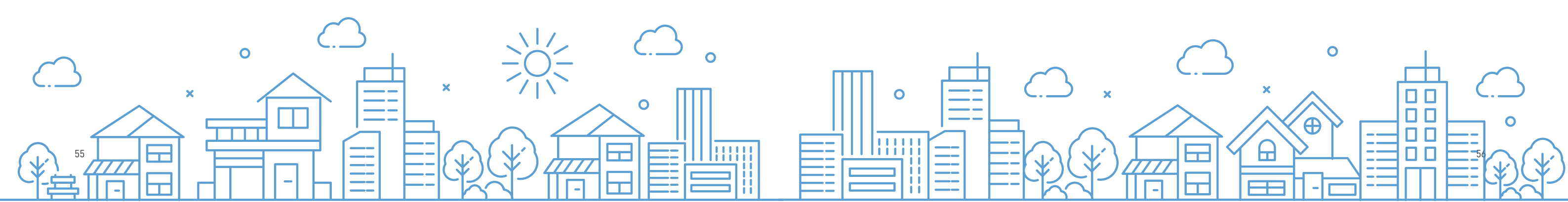
The Company continues to enhance its technological innovation workforce by recruiting top-tier talent and fully leveraging their expertise. As of the end of the Reporting Period, the Company employs **111** R&D personnel, accounting for **12.18%** of its total workforce.



R&D Strategy

The Company pays close attention to market trends, technological advancements, and other internal and external factors to identify potential risks and opportunities in innovation and R&D. It also develops corresponding countermeasures to strengthen its core competitiveness.

Risk Type		Risk Description	Reporting Period	Potential Financial Impact	Response Measures
		The competitive environment and changing market demand may lead to a decline in market share if new products and technologies do not meet market expectations.	Medium- and long-term	Decreased operating income	Monitor and promptly grasp market trends; conduct product R&D in accordance with business needs; establish and improve an innovation and R&D mechanism while continuously increasing R&D investment to enhance internal R&D capabilities.
		The Company's R&D efforts in its main business span multiple interdisciplinary fields, posing significant challenges in achieving breakthroughs in core technologies. These complexities may lead to R&D cycles that are longer than initially anticipated.	Medium- and long-term	Increased R&D investment costs	Actively introduce new talent, accelerate the construction of R&D platforms, and continuously strengthen industry-university-research cooperation to drive breakthroughs in key technologies and facilitate achievement transformation.
Opportunity Type		Opportunity Description	Reporting Period	Potential Financial Impact	Response Measures
		Policies advancing new urbanization, rural revitalization, and ecological restoration have created significant demand for projects such as smart agriculture transformation and urban green space development. Supported by these policies, the Company can enhance its innovation capacity and reputation, leading to substantial profitability.	Long-term	Increased operating income and decreased R&D costs	Proactively identify policy changes and align project R&D efforts with them; continuously advance the development of ecological restoration technologies and strategically plan modern agricultural technology deployment.
		The introduction of digital, intelligent, and green technologies can drive the Company's industrial transformation and upgrading.	Long-term	Increased operating income and decreased operating costs	Actively apply information and digital technologies, deepen smart empowerment, and accelerate the process of digital transformation.



R&D Risk Management

Prior to initiating R&D projects, project leaders conduct both online and offline research to gain insights into industry development trends and the Company's growth needs. They prepare an R&D project initiation report aligned with the Company's long-term development plans. Once the report is completed, the Ecological Technology Research Institute organizes expert reviews, adjusting R&D directions based on feedback to mitigate risks. Throughout the R&D process, project leaders employ dynamic management and prepare annual summary reports to monitor project progress and prevent R&D risks.

R&D Objectives

Aligned with strategic development goals, the Company has established R&D objectives focusing on four key areas: patent quantity, patent transformation efficiency, industry–university–research collaboration, and government projects.

Objectives	Achievements in 2024
Increase the number of patent applications year over year	Over 10% year-over-year growth
Achieve a patent technology transformation efficiency of at least 95%	Achieved
Expand and maintain no fewer than two industry–university–research cooperative relationships annually	Achieved
Apply for at least three government projects each year	Achieved

R&D Achievements

The Company is committed to plant germplasm innovation, ecological restoration technology R&D, and green carbon peaking and carbon neutrality technology R&D, while also actively advancing modern agricultural technology R&D. During the Reporting Period, the Company steadily increased its R&D investments and steadily implemented projects such as "Magnoliaceae Plant Germplasm Innovation, Breeding, and Industrial Utilization," "Multi-Coupled Long-Term Low-Carbon Water Ecological Restoration Technology," and "High-Standard Farmland Construction," achieving the effective transformation of its technological achievements.



Key Performance

Investment in R&D: 1.42 (in RMB 100,000,000)

The Company applied for 48 patents and published 15 papers;

As of the end of the Reporting Period, the Company held a total of 117 authorized patents, including 22 invention patents, 2 design patents, and 93 utility model patents. In addition, it holds 24 software copyrights and 202 trademarks.

Technology Achievement Awards



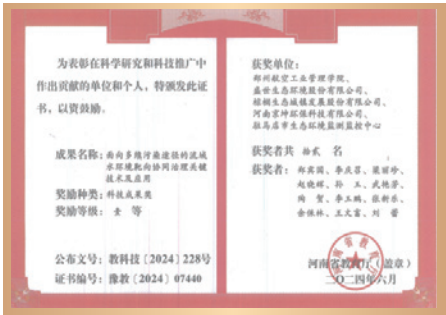
First Prize in Science and Technology Progress Awards of the Chinese Society of Landscape Architecture

Comprehensive Research on Restoration Technologies for River and Lake Green Corridors and Waterside Ecosystems



Second Prize in Science and Technology Progress Awards of the Chinese Society of Landscape Architecture

Research on Key Technologies for Green Construction in Hardscape Projects



First Prize in Science and Technology Achievement Award of the Education Department of Henan Province

Key Technologies and Applications for Targeted Collaborative Management of Basin Water Environments Addressing Multidimensional Pollution Pathways



Third Prize in Science and Technology Progress Awards of the Chinese Society of Landscape Architecture

Magnoliaceae Plant Germplasm Innovation, Breeding, and Industrial Utilization

Key R&D Projects

Development of New Plant Varieties

- ① The Company has cultivated 80 new Magnolia varieties, of which 16 have obtained national plant variety rights, 1 has obtained plant variety rights in the United States, and 17 are registered with the International Magnolia Association. These achievements have injected new momentum into the revitalization and development of China's magnolia industry.
- ② For the first time in China, the Company conducted a systematic study on the waterlogging tolerance of Magnoliaceae plants. It also, for the first time, utilized nuclear and plastid data to establish a clearly defined phylogenetic framework for the Magnolia genus, thereby testing the concept of a northern subtropical flora for Magnolia.
- ③ The Company has established a key technology system for the industrialization of new and superior Magnolia varieties, overcoming challenges in standardized production. To date, it has been granted 1 invention patent and 7 utility model patents, and it has formulated 1 local standard.
- ④ The Company has collected and preserved 135 wild-type species (including variants) of Magnoliaceae, spanning 10 genera, along with 210 cultivated varieties from both domestic and international sources. This effort has resulted in the establishment of the most comprehensive joint germplasm resource garden for Magnolia varieties in China.
- ⑤ The Company has built 10 demonstration bases, with the production and promotion area for new and superior Magnolia varieties reaching 3,450 mu. In addition, over 20 million seedlings of these varieties have been produced.
- ⑥ Project teams have published a total of 42 related papers and compiled 2 professional books.



Water Ecological Restoration Technology R&D

In 2024, the Company continued its research on water ecological restoration technology by integrating a "Multi-Coupled Long-Term Low-Carbon Water Ecological Restoration Technology". In collaboration with the Institute of Biology Co., Ltd., Henan Academy of Sciences, the Company conducted research on a "Microorganism - Native Plant Joint Restoration Technology for Black and Odorous Water". This technology leverages the characteristics of common plants, organisms, and microorganisms in nature to build a low-cost, low-maintenance, green, ecological, purification, and recycling system. It fills the gap in the Company's product R&D for microbial restoration of black and odorous water and provides a systematic solution for the restoration of rural black and odorous water.



In this project, the Company developed 2 types of multifunctional microbial agents for soil restoration and 2 supporting substrates, filed 6 patents (including 1 invention patent), and published 2 papers.

Precision Agriculture Management Technology

This technology employs unmanned aerial vehicle remote sensing, the Internet of Things, and other advanced tools to achieve comprehensive, real-time monitoring and management of farmland. Through the system, farmers can observe crop growth conditions and monitor pest and disease occurrences, enabling them to take timely actions for scientific management. The application of precision agriculture management technology has enhanced agricultural production efficiency, reduced costs and risks, and, via high-standard farmland construction projects, boosted crop yields by over 20% in some demonstration areas, thereby significantly increasing farmers' incomes.



Industry Collaboration and Advancement

As a leader in ecological co-construction in the industry, the Company actively establishes a three-dimensional interactive mechanism of "peer exchange – industry – university – research cooperation – standard formulation". It actively participates in various industry-related academic exchange conferences, promotes comprehensive technical cooperation with colleges and universities, and takes the lead in formulating multiple industry standards to inject vitality into industry development.



Industry exchange

The Company has joined 11 industry organizations. Via academic conferences, exhibitions, and other platforms, it shares its frontier technologies, innovative philosophies, and practical experience, engages in discussions about industry trends and challenges, and fosters robust information flow and intellectual dialogues. These efforts help propel technological advancements and support the overall growth of the industry.

Industry-University-Research Cooperation

Leveraging the strong research capabilities and abundant talent resources of partner universities, the Company has undertaken a series of joint projects in industry – university – research collaboration. During the Reporting Period, it partnered with institutions such as the Henan Academy of Sciences, Zhengzhou University, the Institute of Advanced Agricultural Sciences of Peking University, and Henan Agricultural University. These collaborations have accelerated the conversion of research breakthroughs into tangible production outputs, offering solid support for the Company's product innovation and technological upgrading.

Standard formulation

During the Reporting Period, in cooperation with authoritative industry institutions and enterprises, the Company conducted in-depth research on sector needs and spearheaded the formulation and publication of four enterprise standards. One such standard is the *Technical Specification for Microbial Remediation Technology for Heavy Metal Contaminated Soil in Farmland*. Additionally, the Company contributed to the issuance of three group standards, such as the *Commonly Used Herbaceous Potted Flower Product Grade Standards*.

Key Industry-University-Research Projects

The Company partnered with the Shanghai Academy of Landscape Architecture Science and Planning to conduct "Research on Carbon Source/Sink Accounting for Urban Green Spaces Based on the Whole Life Cycle." This project filled a critical gap in urban green space carbon sink accounting and further enhanced the Company's industry influence.

Achievements: the Company established a comprehensive whole life cycle carbon accounting method for urban green space construction, published 2 research papers, and formulated 1 standard related to urban green space carbon sinks.

Case Study



Annual Meeting and Industry Exhibition of the Chinese Society of Landscape Architecture

In November 2024, the Company was invited to the Annual Meeting and Industry Exhibition of the Chinese Society of Landscape Architecture, held for the first time in South China under the theme "People's Gardens, Shared Scenery." The Company showcased its expertise and extensive practical experience in landscape planning and design, engineering construction, and integrated operations through rich visual presentations and videos. Company representatives actively participated in thematic forums and seminars, discussing emerging issues and development trends in the landscape architecture industry, and sharing insights on the Company's explorations and practices in transformation, upgrading, and green development.



Protection of Intellectual Property Rights

The Company places great emphasis on intellectual property management. To protect its own intellectual property rights and to ensure it does not infringe on the rights of others, it has formulated and implemented the *Administrative Measures for Intellectual Property Rights* along with other relevant rules and regulations. In 2024, the Company's R&D personnel routinely accessed the official website of the China National Intellectual Property Administration to review patent application trends in related industry fields. This proactive approach helps prevent potential intellectual property infringement incidents. The Company also engaged intermediary agencies to compile and review its intellectual property applications, ensuring comprehensive oversight of its IP portfolio. During the Reporting Period, the Company held in-depth discussions with intellectual property agencies to consult on key technological aspects of IP applications. These interactions have significantly enhanced the expertise of its IP management team members, project technicians, and R&D personnel.

To further strengthen its IP management and to mitigate risks such as trademark infringement that can lead to economic losses, the Company supplemented the registration for 32 trademark categories across four trademarks. In addition, it completed copyright registrations for trademarks in 16 sub-categories. Comprehensive investigations were also conducted on enterprises suspected of trade name infringement. Following legal analysis to define the scope and scale of these infringements, administrative and legal actions were taken; these efforts resulted in successful litigation and enforcement, thereby further safeguarding the Company's IP rights and legal rights and interests.

Strengthening Quality Management

The Company has always adhered to the principles of excellence in craftsmanship, building its brand on a foundation of responsibility and earning trust through outstanding service. By continuously improving product quality, strictly ensuring engineering safety, and enhancing service excellence, the Company strives to deliver exceptional projects and services that establish a positive corporate image and earn long-term customer trust.

Quality Management System

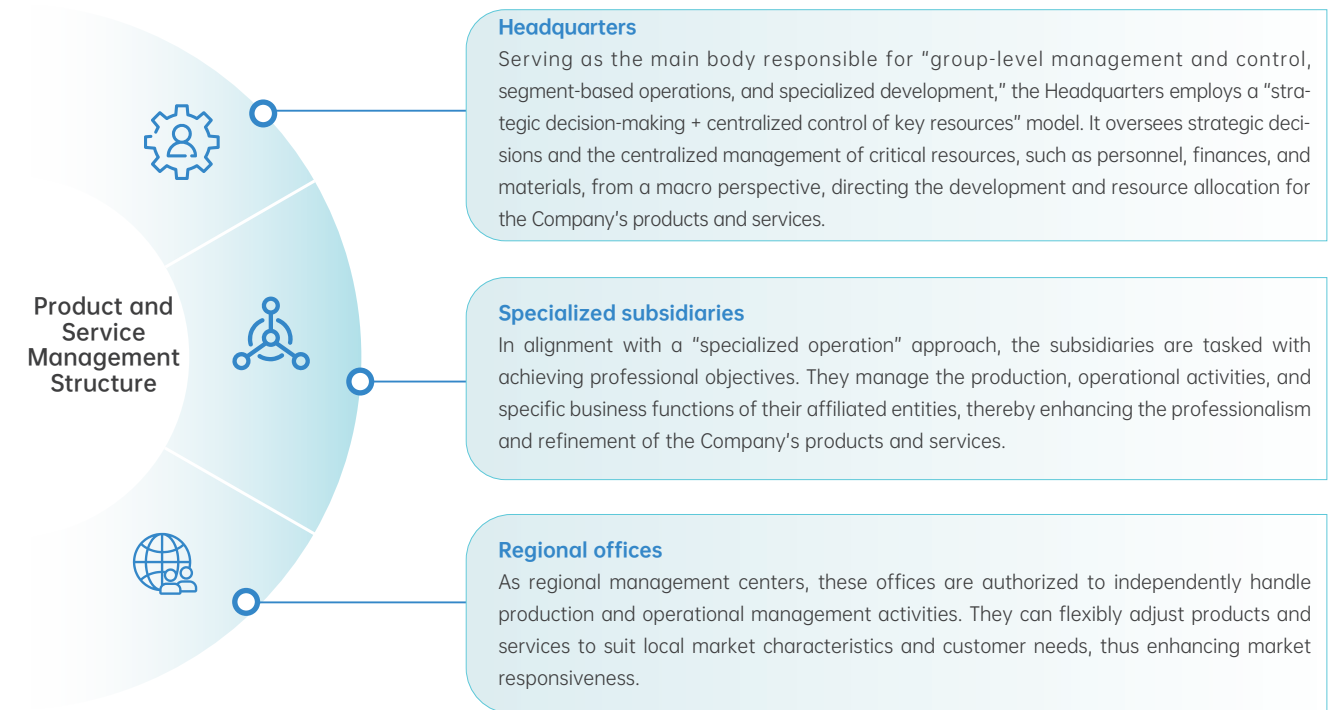
The Company upholds the business philosophy of "quality first, with quality as the cornerstone" and strictly complies with the ISO 9001 quality management system. In combination with its own circumstances, the Company has established a comprehensive framework of policies, procedures, and performance evaluation systems that create a fully functional, streamlined quality management system with clearly delineated responsibilities. This framework bolsters management capability, strengthens governance, and improves risk control, providing robust institutional support for the quality of its products and services. To date, the Company has passed the ISO 9001 quality management system certification. During the Reporting Period, the Company did not incur any major quality incidents.



ISO 9001 Quality Management System
Certificate

The Company has developed a *Quality Responsibility System* that defines the roles and authorities of various departments and positions involved in quality management to standardize and continuously improve quality management work. The legal representative of the Company is designated as the first person responsible for the quality management of the Company and bears ultimate leadership responsibility for engineering quality. To further enhance engineering quality management, the Company has formulated and implemented quality control specifications, such as the *Administrative Measures for Construction Projects (for Trial Implementation)* and the *Construction Project Quality Management System*. These measures ensure standardized control across the entire project life cycle, from project initiation to final acceptance. Additionally, by relying on the *Construction Quality Supervision, Inspection, and Evaluation Measures*, the Company has established rigorous quality acceptance and assessment standards to reinforce supervision and management.

Based on its organizational structure and business orientation, the Company has established a three-tier management system to ensure that the products and services across each business line are developed and delivered in an orderly manner.



Quality Culture Development

The Company attaches great importance to quality management and continually promotes quality culture through various initiatives, including quality training sessions and Quality Month. These efforts are designed to boost overall quality awareness among all employees and to nurture a strong quality culture exemplified by the "compete, learn, collaborate, and excel" spirit. During the Reporting Period, the Company conducted quality training following the *Quality Education and Training Measures*, achieving excellent outcomes.

Case Study

Quality Training on High-Standard Farmland

To ensure engineering quality and deliver exemplary projects, the Company places strong emphasis on enhancing the construction quality awareness and professional skills of its workforce. It has organized comprehensive, in-depth training sessions that cover the interpretation of policies, regulations, and foundational knowledge related to high-standard farmland construction, training on technologies and processes relating to the construction of agricultural water facilities, field roads, and drainage systems, and detailed review of quality standards and norms, including case studies and problem-solving methodologies. These initiatives empower construction personnel with the key technologies, quality standards, and operational procedures necessary for high-standard farmland projects, ensuring strict adherence during project execution and reducing the incidence of quality issues.

Case Study

2024 Quality Month

On September 24, 2024, the Company hosted a Quality Month project observation event in Lankao, Henan Province. The event brought together project teams from subsidiaries covering Henan, Central China, North China, and the general contracting platform. Through a format combining on-site observations with group discussions, participants engaged in hands-on experiences and in-depth exchanges to explore new methods and ideas for enhancing engineering quality.

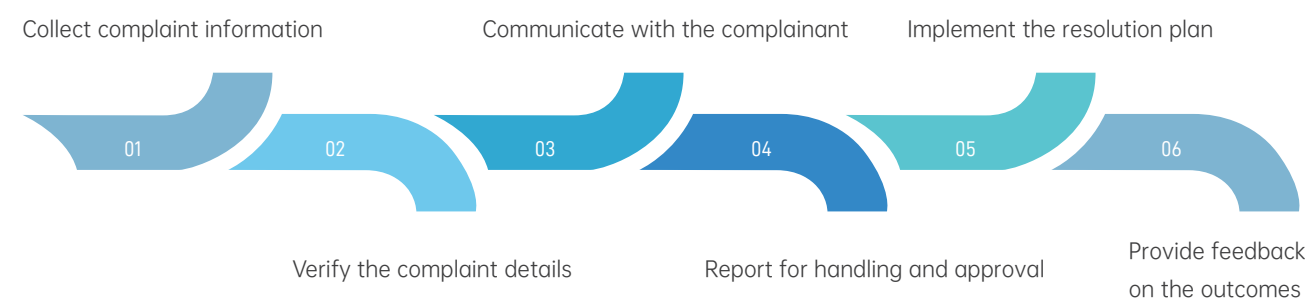


Protection of Customers' Rights and Interests

The Company has always made customer satisfaction the core objective of its operations. It has built a comprehensive customer service system covering the entire service cycle and actively broadened its communication channels through online platforms, offline follow-up visits, and questionnaires to gather customer feedback and suggestions. The Company is committed to maintaining strong customer relationships and continuously improving the quality and level of its service. At the same time, it has established a complaint management mechanism based on the principles of "seeking truth from facts, fairness, reasonableness, and prompt resolution." This mechanism standardizes the customer complaint handling procedures to maximize the fulfillment of legitimate customer demands and to resolve issues effectively.

During the Reporting Period, the Company received 21 customer complaints and achieved a **100%** resolution rate.

Customer Complaint Process



Maintaining Stable Supply Chain

The Company's procurement activities cover construction projects; key equipment; critical materials; and services, including surveying, design, and operations. The Company strictly complies with all applicable laws and regulations, fully standardizing the end-to-end process of supplier admission, evaluation, and exit. It continually improves the supply chain management system and actively collaborates with supplier partners, aiming to minimize supply risks and ensure stable production and operations.

Supply Chain Management System

The Company strictly adheres to the requirements of the *Law of the People's Republic of China on Tendering and Bidding* and the *Regulations on the Implementation of the Tendering and Bidding Law of the People's Republic of China*. It has formulated systems such as the *Administrative Measures for Tendering and Procurement for Construction Projects in the Construction Segment (for Trial Implementation)* and the *Administrative Measures for Materials for Self-Operated Construction Projects in the Construction Segment (for Trial Implementation)*. These measures clarify the roles and responsibilities for tendering, procurement, material management, and supplier management, thereby standardizing work processes and procurement behaviors, standardizing procurement work, achieving systematic supplier management, and continuously enhancing the Company's ability to prevent supply chain risks.

The Company's procurement management organization comprises the Procurement and Bidding Leading Group and the Bid Evaluation Group. The Company's General Manager serves as the Head of the Leading Group and bears full responsibility for the management, decision-making, and coordination of the entire bidding and procurement process. The Bid Evaluation Group is tasked with reviewing the bidding process for compliance, assessing bidder qualifications, and evaluating the rationality of pricing. Meanwhile, the Construction Management Center, along with regional subsidiaries and project teams, is responsible for managing and evaluating suppliers.




Key Indicators

Total number of suppliers: **17,465** ;

Total number of newly contracted suppliers that have signed the Integrity Agreement: **808** (achieving a **100%** signing rate among newly contracted suppliers).



Supply Chain Security Strategy

Risk Type		Risk Description	Impact Duration	Potential Financial Impact	Response Measures
	»»»	Changes in market demand may lead to rising raw material prices and increased procurement costs.	Short-term	Increased procurement costs and decreased sales revenue	Integrate supplier chain resources to enhance bargaining power and lower procurement costs. Generate procurement orders as planned to reduce material waste at the source.
	»»»	Major suppliers may be unable to deliver normally due to natural disasters or insufficient production capacity, affecting project progress, potentially causing delays or necessitating additional re-procurement, thereby increasing procurement costs.	Short-term	Increased procurement costs and decreased sales revenue	Strengthen the management of reserve suppliers for key raw materials and establish long-term cooperation with high-quality suppliers to improve supply chain stability.
	»»»	Inadequate quality control by suppliers may result in product quality issues that affect project construction progress or quality, potentially damaging the Company's reputation and customer satisfaction, and even leading to legal liabilities.	Short- and medium-term	Increased procurement costs and decreased sales revenue	Implement strict supplier admission management; regularly review and monitor suppliers' quality standards to ensure products meet required specifications; set up acceptance teams to rigorously verify material quantities and conduct sample quality tests, ensuring material quality and safety.

Opportunity Type		Opportunity Description	Impact Duration	Potential Financial Impact
	»»»	Through advanced technologies such as the Internet of Things and big data analytics, supply chain management can be made intelligent and more efficient.	Long-term	Decreased operating costs
	»»»	Prioritize suppliers that have obtained green certifications, promote the use of renewable materials and the recycling of waste building materials, and reduce the supply chain's carbon footprint, thereby enhancing the Company's reputation.	Long-term	Increased operating income

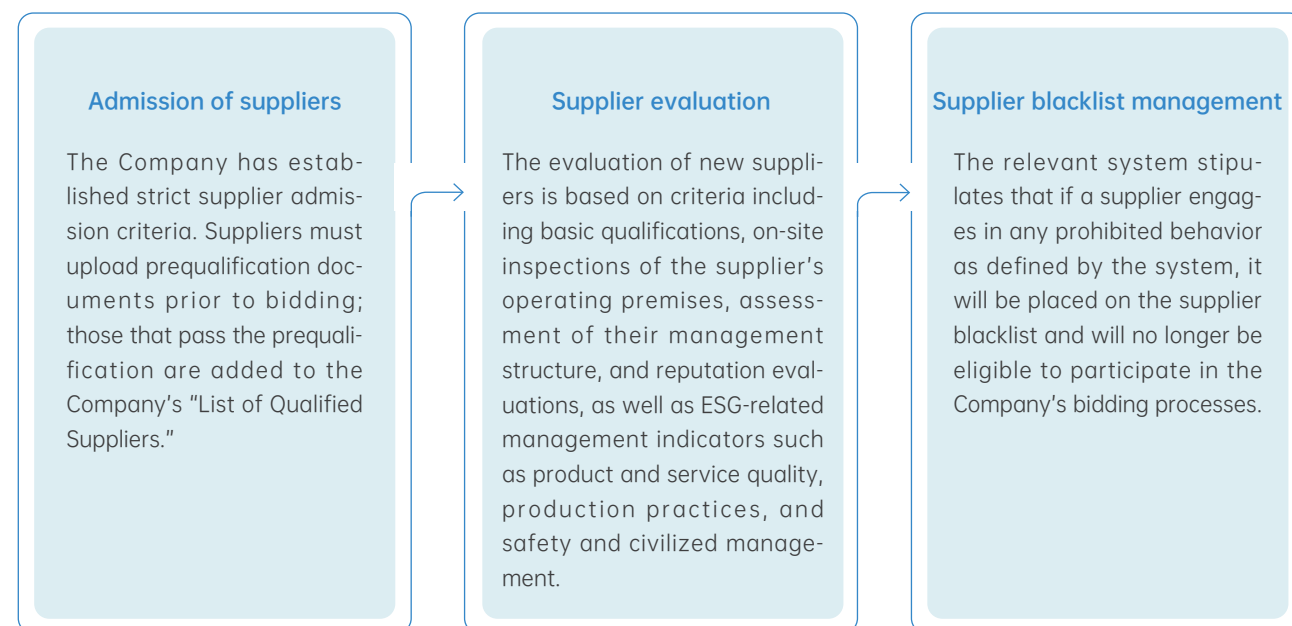
Impact, Risk, and Opportunity Management

The Company reviews and evaluates supplier qualifications, reputation, product and service quality, as well as production and safety management practices to mitigate the risks posed by substandard suppliers. In addition, a dedicated Acceptance Team has been established to rigorously monitor material quality and safety.

Sustainable Supply Chain Management

The Company is committed to establishing a fair, transparent, and sustainable supply chain management system. It requires suppliers to comply with applicable laws and regulations, strengthens supplier admission and evaluation processes, and actively promotes the enhancement of suppliers' own sustainable development capabilities to ensure the long-term sustainability of the supply chain.

Supplier Management



Clean Procurement

The Company continuously strengthens the compliance awareness of its procurement personnel, promotes clean procurement practices, and signs the *Integrity Agreement* with suppliers to clearly define the ethical standards that both parties must adhere to in commercial activities. This ensures that the collaborative process is legal, fair, and transparent, safeguarding the Company's high-quality development.

Case Study

Special Training on Key Issues and Countermeasures in Compliance Management and Audit Inspections for the Bidding and Procurement of State-Owned Enterprises

To drive lawful and compliant operations and standardize the tendering and bidding process, hereby enhancing the bidding and procurement capabilities of relevant professionals, improving procurement efficiency, clarifying applicable laws and regulations, and mitigating legal and other operational risks, the Company's Human Resources Department organized a three-day training session. This session focused on "Strict Management," state-owned enterprise bidding and procurement, the cultivation of new quality productive forces, as well as the main issues and countermeasures in compliance management and audit inspections during bidding and procurement for state-owned enterprises.



Protecting Data Privacy

Data Security Management

The Company attaches great importance to information security protection and strictly complies with the *Network Security Law of the People's Republic of China* as well as other applicable laws and regulations. It has established policies and procedures such as the *Administrative Measures for Changes in Information Systems*, *Administrative Measures for IT Assets*, and *Administrative Measures for the Use of Computer and Basic Office Systems* to rigorously regulate information management and usage. These efforts continually enhance the Company's information security management level and technical safeguards, ensuring network security and the smooth operation of production and business activities. During the Reporting Period, the Company did not experience any significant network security incidents.

Information Security Protection Measures

System encryption and access control

The Company encrypts all application system data and interface transmissions. It strictly prohibits the external disclosure of customer and employee personal information, controls internal access rigorously, and permits privacy information queries only by employees authorized by the management.

Data backup and system protection

The Company performs daily incremental backups at the operating system and data levels, conducts full backups weekly, and carries out monthly recovery drills. All business systems are secured with firewalls, antivirus software, bastion hosts, and routine vulnerability scans.

Information security education

The Company conducts weekly information security education on its internal OA portal and regularly provides information system operation security training for all employees. Over the year, the Company held **6** training sessions that reached more than **1,400** participants.

Information security emergency drills

The Company restores production system data to test systems on a monthly basis and conducts internal emergency drills every month.

Customer Privacy Protection

The Company places great emphasis on safeguarding customer information confidentiality and protecting customers' privacy rights. Throughout the entire application life cycle, from requirements analysis to system implementation, each application undergoes joint evaluation by the Business, Internal Control, and IT departments before measures such as data encryption and output desensitization are implemented.

Caring for Employees: Ensuring Safety and Health

The Company always adheres to a "people-oriented" philosophy, fostering an equal and inclusive corporate culture. It safeguards the legitimate rights and interests of its employees, prioritizes talent development, and provides effective incentive mechanisms and comprehensive welfare benefits to create a safe and healthy working environment, thereby striving for the mutual progress of the Company and its employees.

04

Responded Topics

Protection of the Rights and Interests of Employees, Employee
Training and Development, Occupational Health and Safety

Protecting the Rights and Interests of Employees

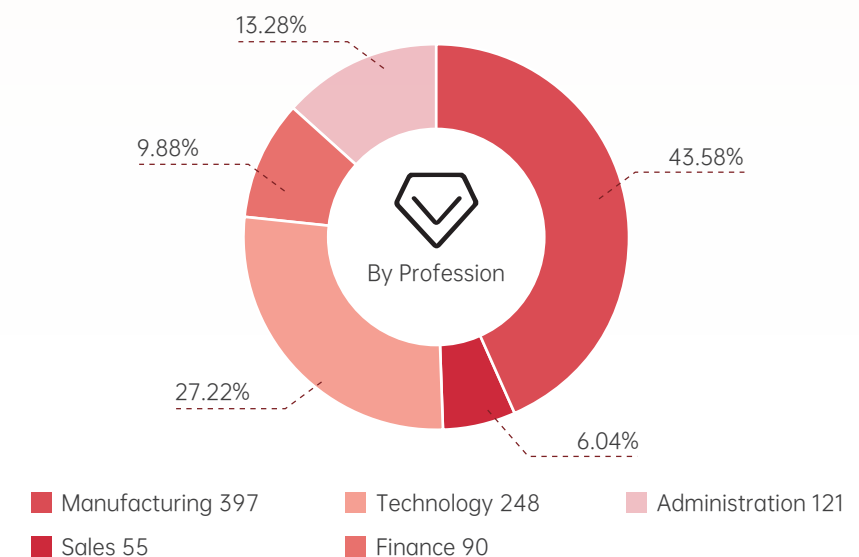
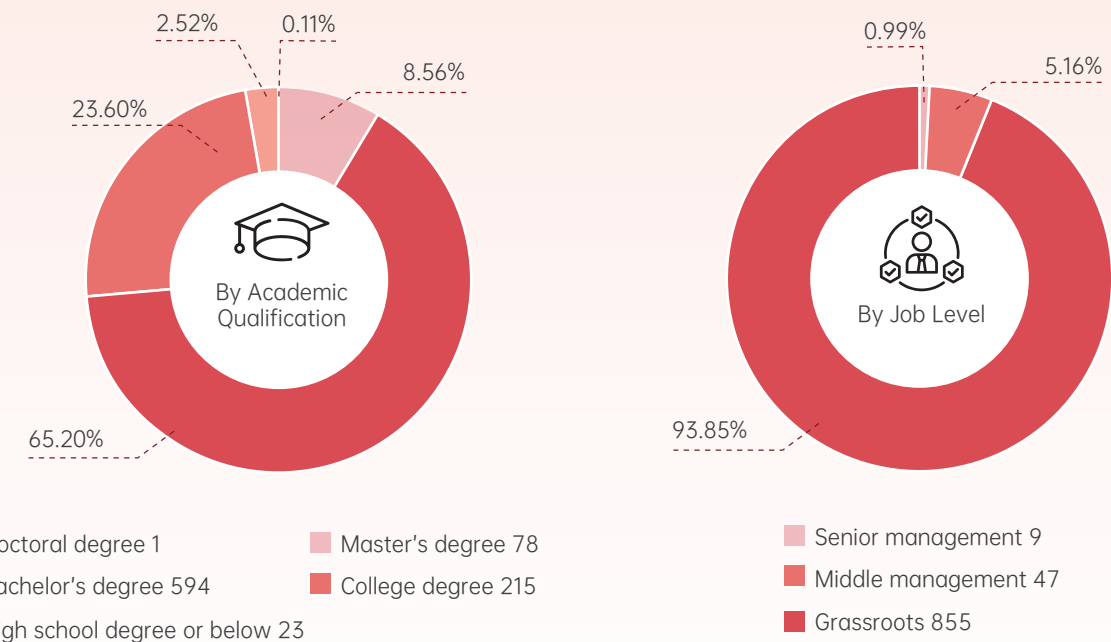
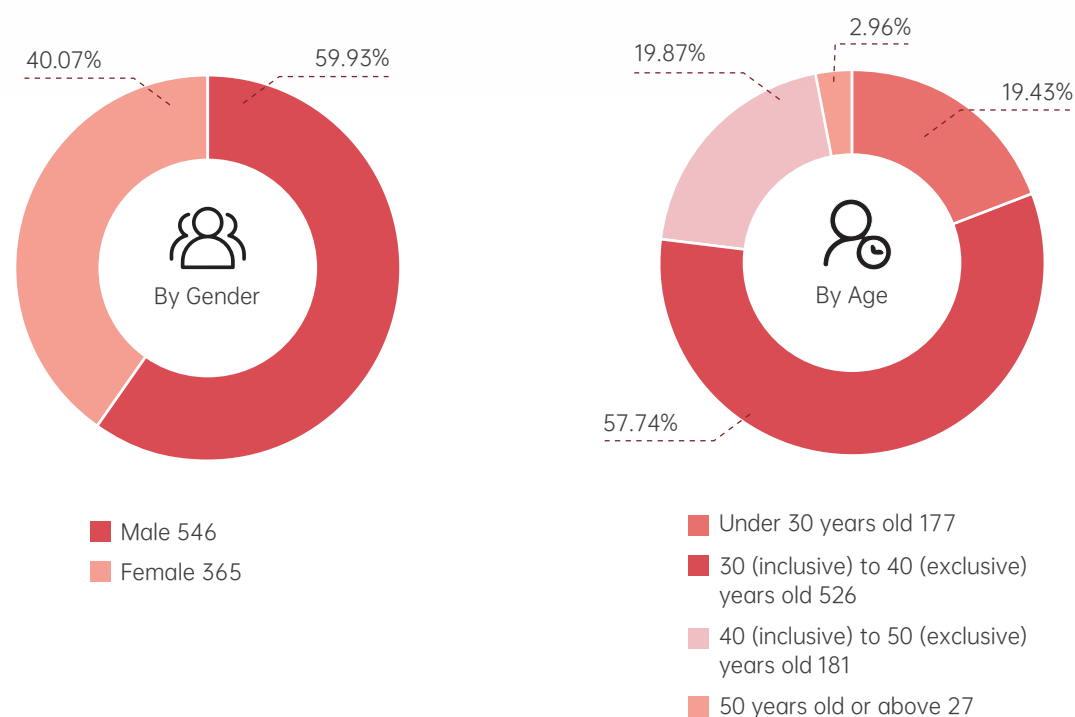
The Company insists on lawful employment and strictly complies with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and other applicable laws and regulations. It continuously refines its human resource management system by formulating and implementing systems such as the *Human Resources Operations Manual*, *Employee Code of Conduct*, and *Attendance and Leave Management System*. By standardizing recruitment, termination, compensation, promotion, work hours, and leave, and by signing labor contracts with employees in accordance with the law, the Company respects and safeguards employees' rights and interests while actively fostering harmonious and stable labor relations.

The Company is committed to providing equal opportunities to every employee, promoting inclusive employment, and respecting diverse backgrounds. It strictly prohibits any form of discrimination based on gender, ethnicity, age, nationality, marital status, or other factors, thereby ensuring that all employees enjoy equal opportunities in recruitment, compensation, training, promotion, and other aspects. During the Reporting Period, there were no incidents of employing child labor or forced labor, and the labor contract signing rate was **100%**.

Recruitment and Employment

The Company upholds the principles of fairness, openness, and impartiality, and has established comprehensive recruitment management policies that clearly define recruitment and selection processes, ensuring procedural compliance and eliminating employment discrimination. It employs diversified recruitment channels, including online recruitment on platforms such as 51Job and Zhaopin.com, internal and external referrals of outstanding talent, and targeted headhunting services, to attract exceptional professionals from across society.

As of the end of the Reporting Period, the Company employed a total of **911** individuals, including **7** employees with disabilities and **23** employees from minority groups. In 2024, **140** new employees were hired.



Protection of the Rights and Interests of Female Employees

The Company strictly complies with all applicable national laws and regulations to actively safeguard the legal rights and interests of female employees during pregnancy, childbirth, and breastfeeding. It ensures that female employees receive their entitled paid leave for prenatal examinations, maternity, and breastfeeding, with wages paid according to standard rates. In 2024, on International Women's Day, female employees were granted a half-day off and received Women's Day benefits.

Compensation and Benefits

Compensation Management

The Company highly values the contributions of its employees and has established systems such as the *Administrative Measures for Compensation* and *Administrative Measures for Performance*. It has built a compensation and performance management system that links pay with performance, ensuring that employee compensation is commensurate with job value, individual performance, and market rates. The Company's remuneration structure comprises fixed pay, variable pay, and benefits, with variable pay being linked to both Company performance and individual outcomes. This approach aims to align responsibility with interests, capability with value, risk with return, and performance with rewards, thereby promoting the continuous, stable, and healthy development of the Company.

The Company has established a clear performance appraisal and feedback mechanism. It conducts annual performance appraisals that cover all employees to assess the achievement of key indicators and to objectively and fairly evaluate overall performance across all levels. Additionally, it has instituted a performance feedback and grievance procedure that allows employees who disagree with their appraisal results to file an appeal in writing or via email to the Human Resources Department within 3 working days of receiving their evaluation.

Employee Benefits

The Company adopts diversified strategies to provide employee benefits. In addition to statutory benefits, it offers comprehensive health benefits, meal subsidies, and organizes various employee events that enhance employees' sense of belonging, recognition, and cohesion.

- The Company contributes to social insurance and housing funds for all employees;
- The Company ensures that employees enjoy statutory rest days, public holidays, and paid leave;
- The Company provides incentive allowances and education and training opportunities to encourage the enhancement of professional skills;
- The Company offers communication and meal allowances;
- The Company supplies holiday benefits and organizes various cultural and entertainment activities;
- The Company arranges annual physical examinations to ensure the physical and mental well-being of employees;
- The Company purchases group commercial insurance for employees, thereby improving its insurance system and effectively reducing the financial burden on employees' families in the event of accidents or illness.



Employee Care

To further enrich employees' cultural lives, foster a positive corporate culture, and enhance employee happiness, the Company organizes a variety of cultural and recreational activities.

Case Study

Team Building Activity



Democratic Management

The Company adheres to the principles of "lawfulness, compliance, orderly advancement, transparency, fairness, and justice." It has established a democratic management system based on Employee Congresses and implements an employee supervisory system in accordance with the law, thereby ensuring that employees have the right to participate in management decision-making. This approach further promotes the harmonious integration and collaborative development between the Company and its employees. Additionally, the Company's Trade Union strictly complies with the *Trade Union Law of the People's Republic of China*, the *Constitution of the All-China Federation of Trade Unions*, and the *Implementation Procedures for the Financial Management of Grassroots Trade Unions in Henan Province*, as well as other applicable laws, regulations, and guidelines for daily management.

The Company also places a high priority on communication with its employees by establishing multiple channels to listen to grassroots voices, thereby actively cultivating a positive corporate cultural atmosphere.

Key Performance

During the Reporting Period, the Company's Trade Union had **191** members, convened **3** Employee Congresses, and deliberated and approved **3** proposals.

Supporting Employee Growth

Talent is the core driving force behind the Company's development. The Company places great importance on talent development by continuously enhancing its training system and building platforms that ensure systematic and sustainable professional growth. It provides equal opportunities for promotion to all employees to meet their career development needs and to reinforce the Company's competitiveness in talent.

Employee Training

The Company adheres to the philosophy that "the appreciation of human capital is paramount to that of other forms of capital" and encourages every employee to adopt a lifelong learning mindset to continuously enhance their abilities and competencies. It actively creates comprehensive, multi-tiered learning opportunities and growth spaces with the aim of building a learning-oriented organization centered on "application-oriented learning".

To support these objectives, the Company continually enhances its employee training system by integrating both online and offline methods. It employs external experts in conjunction with internal instructors to deliver a diverse range of training courses that cater to the development needs of different talent groups, thereby continuously empowering employee growth and advancement.

Additionally, to accelerate the building of a learning-oriented workforce and foster a positive learning environment, the Company has formulated the *Administrative Measures for Encouraging Employees to Advance Their Education and Obtain Vocational Qualification Certificates (for Trial Implementation)*. These measures provide support and incentives for employees to upgrade their academic qualifications and skills, motivating them to continuously realize their potential and value.

KEY PERFORMANCE

The Company invested RMB **200,000** in employee training.

Training Platform Construction

The Company has actively developed an O2O learning ecosystem under the guiding principle of "providing employees with efficient and convenient training services." It established an internal training and learning platform, "Palm Eco-Town's Cloud Academy (the 'Cloud Academy')", and implemented the *Administrative Measures for the Operation of the Employee Training and Learning Platform* to ensure robust institutional support for the platform.

The Company continuously operates "Palm Eco-Town's Cloud Academy" and has implemented a monthly premium course recommendation strategy as part of its operating model. It has built a comprehensive digital knowledge system that currently offers over 700 courses, more than 100 internal courses and 640 external courses, ensuring the efficient dissemination and reuse of premium knowledge while documenting every step of employee growth. Since the launch of the platform, the Company has conducted over 20 training projects, cumulatively providing efficient digital training to more than 400 participants.



Palm Eco-Town's Cloud Academy

Implementation of the Training System in 2024

01

Training of new employee

The Company organized 5 induction and empowerment training sessions for new employees through the Cloud Academy, with a total of 72 trainees participating. These sessions reached 20 different business units.



02

Special training courses

The Company organized and coordinated 61 specialized training sessions in alignment with business initiatives, covering 15 distinct professional categories. These sessions accumulated a total training duration of 5,002 hours, with 3,900 trainee attendances recorded and a satisfaction rate of 90%.



03

Instructor team development

The Company continuously cultivates and maintains an internal team of outstanding instructors aligned with its business needs. In accordance with established systems and standards, it conducts annual evaluations of instructor levels and awards honor certificates. During the Reporting Period, 4 new junior instructors were added, bringing the total number of certified instructors to over 100.



Case Study

Induction Training for New Employees in 2024

To help new employees better integrate into the Palm family and adapt to the organization's development, the Human Resources Department organized five rounds of induction training during the Reporting Period. The training curriculum encompassed four major modules: An Overview of Palm Eco-Town's Development and Corporate Culture, Human Resource Management and Development Mechanisms, Company Systems and Process Management, and Financial Information Platform Construction - Expense Management. These sessions provided new hires with a deeper understanding of the Company's organizational structure, systems, processes, corporate culture, and core values.



Case Study

Training for Human Resources Teams

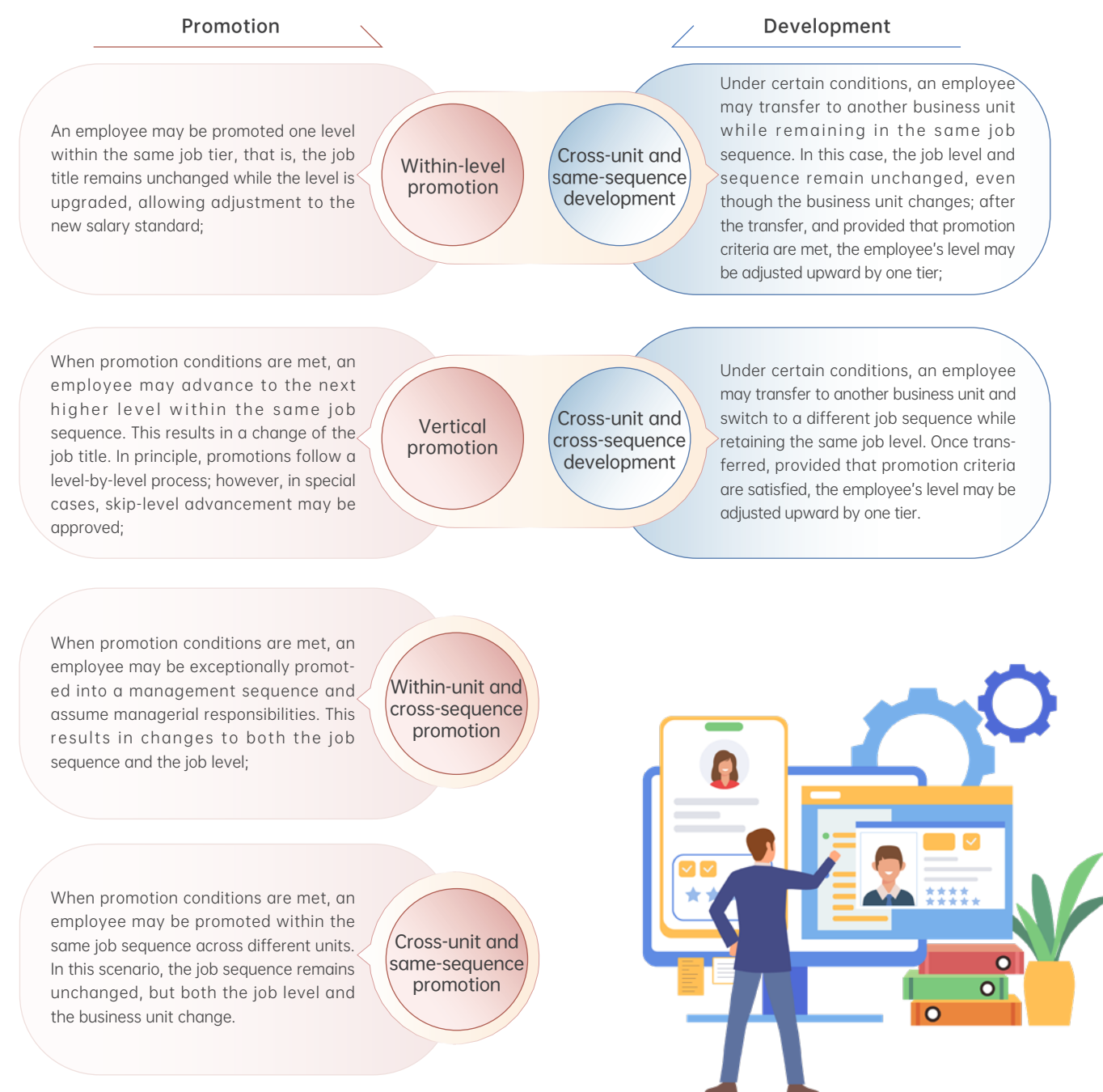
In 2024, the Company conducted targeted training focused on "Risk Management in the Implementation of Human Resource Systems by HR Teams in Subsidiaries and the Application of HR Expertise in Business." Upon completion of the empowerment training, an online examination was administered, with an average score of 80.8. This post-training assessment deepened participants' understanding of key concepts and, more importantly, enabled them to apply their knowledge to practical work. The initiative helped improve work efficiency, reduce employment risks, and support the achievement of the Company's operational objectives.



Streamlined Promotion Pathways

The Company has established a multidimensional employee development mechanism and constructed a scientific, transparent career progression matrix. Based on differences in job complexity and professional requirements, the framework defines 21 job levels and eight major job sequences. In addition, dynamic growth ladders, ranging from 5 to 7 levels, are established based on job authority and responsibilities. This system supports both horizontal and vertical career development, enabling employees to chart clear developmental paths. Through promotion incentives, the Company continuously motivates employees and helps them realize their full potential and self-worth.

Promotion and Development Pathways



Safeguarding Safety Production

The Company deeply recognizes the critical importance of safety production and has always regarded it as a fundamental principle of its operations. It fully embraces the philosophy of "giving first place to safety, laying stress on prevention, and taking comprehensive measures" to provide employees with all-encompassing occupational health protection and is steadfastly committed to creating a healthy and safe working environment.

Occupational Health and Safety Governance

Adhering to the principle of "specific accountability with comprehensive coverage," the Company has established an occupational health and safety management system that "reaches every corner horizontally and extends to all levels vertically". The Safety Technology Department serves as the primary responsible unit, with designated agencies further subdividing safety production functions. The Company has developed annual safety production key points and emergency response plans, and established a hierarchical responsibility and cascading accountability mechanism. By continuously perfecting its safety management system, the Company has ingrained the consensus that safety responsibilities are paramount, ensuring that all aspects of production and operations proceed safely and orderly.

Indicators and Goals

The Company firmly adheres to the "Double Zero" target of "zero accidents and zero casualties" and commits to building a safe Palm.

Objectives	Achievement in the Reporting Period
100% special operators licensed	Achieved
Zero work-related injuries	Achieved
Zero new occupational disease cases	Achieved
Zero penalties for safety violations	Achieved
Regular employee health check-ups	Achieved

Key Performance

The Company has achieved **100%** coverage for safety production liability insurance as well as **100%** coverage for work-related injury insurance.

Occupational Health and Safety Strategy

Risk Type	Risk Description	Reporting Period	Potential Financial Impact	Response Measures
Legal risks	If the Company fails to establish a sound occupational health and safety management system or conduct necessary health check-ups, risk assessments, and preventive actions, it may violate applicable laws and regulations.	Short- and medium-term	Increased compliance costs	<ul style="list-style-type: none"> Continuously improve the occupational safety management system, establish a dual prevention mechanism for occupational health and safety production, implement the primary responsibility of enterprises, and sign the <i>Commitment to Safety Production</i>.
Operational risks	In the event of a major safety accident or a significant occupational disease incident in a project, the Company's operations may be interrupted or delayed.	Short- and medium-term	Increased operating costs; decreased operating income	<ul style="list-style-type: none"> Actively conduct risk assessments, hazard investigations, occupational disease examinations, and other efforts aiming to guarantee safety production.
Reputation Risks	If a project results in personal injury or even fatality, subsequent exposure may erode market trust in the Company and damage its image.	Medium- and long-term	Increased operating costs; decreased operating income	<ul style="list-style-type: none"> Formulate emergency plans, strengthen drills, and equip sufficient emergency rescue and fire-fighting facilities and apparatus.

Opportunity Type	Opportunity Description	Reporting Period	Potential Financial Impact
Technological opportunity	Emerging technologies, such as the Internet of Things, big data, and artificial intelligence, can achieve real-time monitoring and early warning of safety risks across all production stages, thereby improving safety management efficiency.	Medium- and long-term	Decreased operating costs
Reputation opportunities	By delivering excellent occupational health and safety production outcomes, the Company can establish a responsible corporate image and enhance customer trust. Providing a safe and healthy work environment also helps attract and retain top talent, reducing employee turnover.	Medium- and long-term	Increased operating income

Impact, Risk, and Opportunity Management

According to the industry classification standards for listed companies established by the China Association for Public Companies, the Company belongs to the civil engineering and construction industry. This sector is characterized by complex work environments, diverse job types, and significant seasonal influences. At every stage of project execution, there are inherent occupational health and safety risks. In particular, construction activities generate dust, noise, vibration, high-altitude work, and chemical toxins, factors that pose threats to employee health and safety.



Safety risk grading and control measures

Centering on the principles of "self-inspection, scientific evaluation, classification and grading, and graded control," the Company has formulated and issued the *Safety Risk Grading and Control Measures* to establish a differentiated and dynamic risk management mechanism. Through systematic inspections and scientific assessments, the Company precisely classifies and grades safety risks and then implements targeted control measures to effectively reduce the incidence of accidents. Additionally, the Company pays special attention to the source control of occupational hazard factors, thereby reducing instances of health damage and safeguarding employee safety. This standardized risk control process provides an essential institutional guarantee for the Company's safety production efforts.



Dual prevention system

The Company has developed and issued the *Implementation Plan for the Construction of a Dual Prevention System for Safety Production Risk Identification and Hazard Identification and Remediation*. This plan establishes a three-tier (Company, regional offices, and project teams) linkage mechanism for the operation of the dual prevention system. By combining safety risk assessments with graded control measures, the Company is able to accurately identify risk points and implement differentiated responses. When integrated with hazard identification and remediation, this mechanism enables the dynamic monitoring and closed-loop management of safety hazards. To ensure the system's effectiveness, project managers are required to sign a *Commitment to the Construction of the Dual Prevention System*, thereby fully assuming their responsibilities. Spanning the entire construction and production process, and bolstered by intelligent management methods, this system ensures traceability, complete coverage, and consistently controlled safety hazards while significantly enhancing the Company's inherent safety level and employee behavioral safety.

Implementation of Safety Production

The Company earnestly implements the important directives on safety production set forth by General Secretary Xi Jinping. It rigorously enforces all relevant safety production management measures and provides a robust foundation for high-quality development through systematic hazard identifications, regular emergency drills, and comprehensive safety awareness training for all employees.

Hazard Identification

The Company conducts hazard identifications using both online and offline methods. Patrol inspection reports and rectification notices are promptly issued, ensuring that all identified hazards are communicated to the relevant units for immediate corrective action. The Company also closely monitors the implementation of these corrective actions to ensure full accountability. During the Reporting Period, the Company organized 208 inspection sessions, issued 165 patrol inspection reports and rectification notices, identified 333 safety issues, and achieved a **100%** hazard rectification rate.

Case Study

Special Safety Production Inspection

To ensure safety and stability during the Spring Festival and the subsequent resumption of work, the Company proactively conducted a focused and comprehensive firefighting safety inspection and rectification campaign. On February 7, 2024, senior management personally led a team to carry out a thorough safety inspection at the Phase I Project of the Henan Hospital of Cancer Hospital Chinese Academy of Medical Sciences, the South Campus of Henan Provincial People's Hospital, and Henan Red Cross Blood Center in the Zhengzhou Airport Economy Zone. This initiative was aimed at enhancing the project's safety prevention capabilities, completely eliminating safety hazards, and ensuring that no production safety incidents occur.



Emergency Drills

Following the principle of "giving first place to safety and laying stress on prevention", the Company continuously updates its *Compilation of Emergency Rescue Plans for Production Safety Accidents* and strengthens the conduct of emergency drills. These measures are designed to minimize property loss and mitigate adverse impacts on construction projects, ensuring that building constructions proceed safely and in an orderly manner.

Stakeholder Safety Management

The Company strictly enforces national safety production laws and the requirements set by superior competent authorities. It has formulated the *Administrative Measures for Subcontractor Safety*, which clearly outline regulations for subcontractor admission, the allocation of safety personnel, and the use of protective equipment. Additionally, the Company organizes an annual special safety inspection and evaluation of subcontractors to ensure strict compliance with these measures. This initiative helps to establish a long-term safety management mechanism for subcontractors, effectively preventing safety incidents.

Occupational Health Protection

In strict compliance with the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*, the Company adheres to the policy of "laying stress on prevention and combining prevention and treatment". It implements an occupational health management model that integrates classified management with comprehensive governance. Based on its certified occupational health and safety management system, the Company has established a scientific and standardized mechanism for the prevention and control of occupational diseases. This mechanism addresses three key dimensions: prevention at the source, process control, and hazard elimination. Additionally, the Company conducts regular testing and evaluations of occupational hazard factors, provides personalized health protection plans for its employees, and maintains detailed occupational health records for dynamic tracking and management.

Safety Awareness Cultivation

The Company places great emphasis on cultivating safety awareness among employees as a core element of its safety production management. It has established a comprehensive safety education system characterized by "full participation, complete coverage, and all-round integration." The Company also regularly conducts safety education and training and fosters a robust safety culture, significantly enhancing overall employee safety literacy through systematic and diverse initiatives.

Case Study

Safety Education and Training

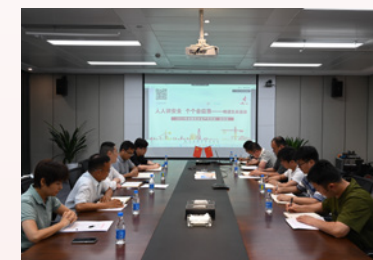
During the Reporting Period, the Technical Safety Department meticulously organized and implemented the 2024 Annual Safety Training and Education Program. The program comprised 22 company-level safety courses totaling 22 class hours, with a total attendance of 1,000. Course topics include, among others: Safety Training for Temporary Electric Power on Construction Sites, Fire Safety Training, Guidelines for Identifying High-Risk Projects and Preparing Plans, Prevention of Falls in Building and Municipal Engineering. The curriculum covered a broad range of subjects such as applicable laws and regulations, the Company's safety management systems, emergency response plans, specialized techniques for lifting and temporary electrical safety, general safety knowledge, and reviews of frequently occurring case studies.



Case Study

2024 Safety Production Month

On May 30, 2024, the Company launched its 2024 Safety Production Month event at its Zhengzhou headquarters under the theme "Ensuring Everyone Have Safety Awareness and Know Emergency Response – Smoothing Life Passage". The kick-off meeting was attended via video conference by the General Manager, representatives from the Technical Safety Department and the Construction Management Center, as well as delegates from various departments, subsidiaries, and project teams. Throughout Safety Production Month, the Company organized a series of activities, including safety management observation exchanges, emergency drills, and safety knowledge competitions, designed to ensure that every employee deeply recognizes the importance of safety production and internalizes a safety-first mindset with robust bottom-line thinking.



Acting in Good Faith: Building a Responsible Society

The Company actively assumes corporate social responsibility by fully leveraging its resource advantages and professional expertise. It contributes to key areas such as ecological protection, rural revitalization, and the Belt and Road Initiative. Moreover, the Company engages in public welfare activities, such as flood control and disaster relief, to help create a more harmonious and sustainable societal environment.

05

Responded Topics

Contribution to Society, Rural Revitalization

Supporting Rural Revitalization

Responding enthusiastically to the national call for "agriculture, rural areas, and farmers," the Company has seamlessly integrated its corporate social responsibility efforts with its rural revitalization strategy. Under the "Green Rural Revival Program" banner, the Company has developed a series of exemplary rural revitalization projects that substantially contribute to modernizing agriculture and rural regions. Furthermore, by promoting industry-driven initiatives, providing technical support, and cultivating local talent, the Company helps stimulate economic prosperity, social progress, and a more sustainable ecological environment in rural areas.

Leveraging its expertise in industrial planning, project design, construction, and comprehensive operations, the Company offers holistic solutions for rural industry development, igniting endogenous growth and vitality in rural areas and thereby significantly contributing to rural revitalization. In recent years, the Company has been actively involved in developing high-standard farmland and has consecutively secured contracts to develop over 1.2 million mu of such farmland.. These endeavors not only augment the Company's revenue but also markedly enhance agricultural production efficiency and crop yields, ultimately increasing farmers' incomes and driving robust rural economic development.

Case Study

Assistance for Rural Revitalization in Lankao County

Agriculture

In Lankao County, the Company has established 5 high-standard farmland demonstration projects covering more than 210,000 mu of arable land. By harnessing the potential of land resources and technological innovation, providing both immediate benefits and long-term self-sufficiency, the large-scale development of high-standard farmland transforms small plots into expansive fields and turns barren areas into fertile croplands. These initiatives effectively address issues of fragmented arable land and low levels of mechanization. Moreover, the accompanying construction of irrigation channels not only enhances watering efficiency and saves time and labor but also significantly improves water utilization and strengthens previously weak agricultural infrastructure.



Case Study

Assistance for Rural Revitalization in Lankao County

Ecology

The overall project planning places a strong emphasis on environmental protection and restoration. With a focus on industrial upgrading and improving people's livelihoods, the Company strives to achieve a harmonious coexistence between economic development and ecological conservation.

Cultural and Tourism Development

In Yifeng Town, Lankao County, the Company has pioneered an integrated development model that unites farmland, gardens, and villages. This innovative approach enables villagers to generate additional income without leaving their hometowns by operating cultural and creative outlets, such as boutique shops, restaurants, homestays, bakeries, and tea shops, thus enriching the rural landscape and bolstering community vitality.



Responding to the "Belt and Road" Initiative

The Company actively supports the national "Belt and Road" initiative by fully leveraging its business advantages to engage in environmental and landscape design projects across multiple countries along the route. These projects encompass urban parks, commercial districts, residential developments, hotels, and other sectors, contributing to economic and social development while building bridges of friendship and connectivity.



Case Study

Laos Saysettha Project

The Saysettha Low-Carbon Demonstration Zone project marks the first collaborative initiative between China and Laos to address climate change. This project offers valuable insights into achieving low-carbon, sustainable development in industrial parks along the "Belt and Road", adding a prominent new dimension of green, low-carbon, and mutually beneficial cooperation to the shared community of destiny between China and Laos. Currently, the development zone hosts 145 enterprises and serves as an essential platform for Chinese companies actively participating in the China-Laos community of shared destiny. Moreover, the project has created over 7,000 local jobs in Laos, making it not only the preferred destination for foreign investment but also the first choice for local residents for employment, leisure, recreation, and sports, thereby significantly enhancing the well-being of the Lao people and fostering mutual understanding between the peoples of China and Laos.



Practicing Social Welfare

The Company actively fulfills its social responsibilities by encouraging employees to participate in initiatives such as emergency relief, poverty alleviation, community development, and environmental protection. By demonstrating its corporate commitment, the Company spreads love and warmth throughout society. To regulate its external donation practices, the Company has established the *Administrative Measures for External Donation*, ensuring that assistance activities are carried out in a legal, compliant, efficient, and transparent manner.

During the Reporting Period, when natural disasters struck, the Company responded swiftly, providing practical support to affected areas.

Case Study

Kind Support for Flood Control and Disaster Relief in Meizhou

In June 2024, Meizhou City in Guangdong Province was hit by severe flooding caused by heavy rains. In a race against time to deliver disaster relief, the Company promptly assumed its social responsibilities by donating 5,000 jin of rice to Meixian, offering immediate material support to those affected by the floods.



Case Study

Regional Efforts for Post-Disaster Reconstruction Following Typhoon "Capricorn"

In September 2024, Typhoon "Capricorn" caused sudden devastation in multiple areas of Hainan Province. The Company's Hainan Regional Office Team united with an immense sense of responsibility and mission, working resolutely on the front lines of post-disaster reconstruction. Concurrently, the team undertook a government-as-signed project to repair a 7-kilometer stretch of coastal road (from Haikou South Port to Changbin Road). Upon notification, personnel and machinery were quickly deployed, enabling the team to rapidly complete tree stabilization and site clearance, thereby restoring road access and ensuring safe, unobstructed travel for local residents.



Afterword to this Report

Key Performance Form

Governance Performance

Indicator	Unit	2024
Remuneration for Directors, Supervisors and Senior Managers (including current and former members)	In RMB 10,000	489.30
Number of Employees Participating in Training on Anti-commercial Bribery and Anti-Corruption	Person	825
Total Duration of Training on Anti-Commercial Bribery and Anti-Corruption	Hour	44.50
Average Duration of Training on Anti-Commercial Bribery and Anti-Corruption	Hour	4.94
Number of Directors and Senior Managers Participating in the Training on Anti-commercial Bribery and Anti-Corruption	Person	10
Percentage of Directors and Senior Managers Participating in the Training on Anti-commercial Bribery and Anti-Corruption	%	100
Total Duration of Training on Anti-Commercial Bribery and Anti-Corruption for Directors and Senior Managers	Hour	22.50
Average Duration of Training on Anti-Commercial Bribery and Anti-Corruption for Directors and Senior Managers	Hour/Person	3.75
Total Number of Anti-corruption and Anti-bribery Incidents Reported	Times	0

Social Performance

Employees' Rights and Interests

Indicator	Unit	2024
Labor Contract Signing Rate	%	100
Social Insurance Coverage Rate	%	100
Number of Employees with Disabilities	Person	7
Number of Employees of Minority Nationalities	Person	23
Proportion of Female Managers	%	34.00

Indicator	Unit	2024
Number of Employees on Maternity Leave	Person	57
Return Rate from Maternity Leave	%	100
The Number of Projects Approved by the Employee Congress	Piece	3
Number of Projects Approved by the Trade Union	Piece	3
Proportion of Trade Union Members to In-Service Employees	%	21

Employment

Indicator	Unit	2024
Total Number of Employees	Person	911
Number of Employees (by Gender)		
Number of Female Employees	Person	365
Number of Male Employees	Person	546
Number of Employees (by Age)		
Under 30 years old	Person	177
30 (inclusive) to 40 (exclusive) years old	Person	526
40 (inclusive) to 50 (exclusive) years old	Person	181
50 years old or above	Person	27
Number of Employees (by Employee Level)		
Senior Management	Person	9
Middle Management	Person	47
Others	Person	855

Number of Employees (by Education Level)

Doctoral degree	Person	1
Master's degree	Person	78
Bachelor's degree	Person	594
College degree	Person	215
High school degree or below.	Person	23

Number of Employees (by Function)

Manufacturing	Person	397
Technology	Person	248
Sales	Person	55
Finance	Person	90
Administration	Person	121

Number of New Employees

Person 140

Number of New Employees (by Gender)

Number of New Female Employees	Person	50
Number of New Male Employees	Person	90

Number of New Employees (by Age)

Under 30 years old	Person	55
30 (inclusive) to 40 (exclusive) years old	Person	69
40 (inclusive) to 50 (exclusive) years old	Person	15
50 years old or above	Person	1

Employee Training and Development

Indicator	Unit	2024
Investment in Employee Training	in RMB 10,000	20.00

Employees Health and Safety

Indicator	Unit	2024
Identification and Rectification Rate of Hidden Danger	%	100
Total Number of Work-Related Deaths	Person	0
Total Number of Work-Related Injuries	Person	0
Number of Safety Production Accidents	Case	0
Number of Security Emergency Drills	Session	40
Total Hours of Safety and Quality Training	Hour	1,200
Number of safety and Quality Training Sessions	Session	22
Number of Participants in Safety and Quality Training	Person	1,100
Coverage Rate of Safety Production Liability Insurance	%	100
Coverage Rate of Work-Related Injury Insurance for Employees	%	100
Coverage Rate of Physical Examinations for Employees	%	100
Percentage of Special Operators Licensed	%	100

Innovation-Driven Development

Indicator	Unit	2024
Investment in R&D	in RMB 100,000,000	1.42
Total R&D Team Members	Person	111
Number of Employees (by Academic Qualification)		
Bachelor's degree	Person	69
Doctoral degree	Person	1
Master's degree	Person	21
Below bachelor's degree	Person	20

Number of Employees (by Gender)			
Female	Person	52	
Male	Person	59	
Ratio of R&D Personnel to Total Employees	%	12.18	
Number of patent applications	Piece	48	
Cumulative Number of Granted Patents (In-Force Patents)	Piece	117	

Patents (by Type)			
Cumulative Number of Granted Invention Patents	Piece	22	
Cumulative Number of Granted Design Patents	Piece	2	
Cumulative Number of Granted Utility Model Patents	Piece	93	
Cumulative Number of Published Papers	Piece	186	
Cumulative Number of Software Copyrights	Piece	24	
Cumulative Number of Trademarks	Piece	202	
Specialized and Sophisticated Enterprise that Produces Novel and Unique Products	/	1	
National High-Tech Enterprise	/	2	

Safety and Quality of Products and Services

Indicator	Unit	2024
Product Percent of Pass	%	100
Number of Customer Complaints	Times	21
Customer Complaint Resolution Rate	%	100

Supply Chain Security

Indicator	Unit	2024
Total number of suppliers	/	17,465
Percentage of New Suppliers that Have Signed the <i>Integrity Agreement</i>	%	100
Total Number of New Suppliers that Have Signed the <i>Integrity Agreement</i>	/	808
Number of Incidents with Significant Risks and Impacts in the Supply Chain	Piece	0

Environmental Performance

Indicator	Unit	2024
GHG Emissions	tCO ₂ e	304.05
Total Purchased Electricity	KWh	566,618
Total Water Consumption	Ton	1,658
Number of Incidents in which Major Administrative Penalties were Imposed by Ecological and Environmental Authorities as a Result of Environmental Incidents	Piece	0



Indexes


Shenzhen Stock Exchange *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange - Sustainability Report (For Trial Implementation)*


Disclosure Requirements	Corresponding Sections of This Report
Response to Climate Change	Green Design: Creating a Harmonious Ecosystem - Responding to Climate Change
Pollutant Emissions	Green Design: Creating a Harmonious Ecosystem - Strengthening Environmental Compliance Management
Waste Disposal	Green Design: Creating a Harmonious Ecosystem - Strengthening Environmental Compliance Management
Ecosystem and Biodiversity Protection	Green Design: Creating a Harmonious Ecosystem - Protecting Ecosystem and Biodiversity
Environmental Compliance Management	Green Design: Creating a Harmonious Ecosystem - Strengthening Environmental Compliance Management
Energy Utilization	Green Design: Creating a Harmonious Ecosystem - Improving Resource Efficiency
Water Resource Utilization	Green Design: Creating a Harmonious Ecosystem - Improving Resource Efficiency
Circular Economy	Green Design: Creating a Harmonious Ecosystem - Improving Resource Efficiency
Rural Revitalization	Acting in Good Faith: Building a Responsible Society - Supporting Rural Revitalization
Contribution to Society	Acting in Good Faith: Building a Responsible Society - Responding to the “Belt and Road” Initiative Acting in Good Faith: Building a Responsible Society - Practicing Social Welfare

Disclosure Requirements	Corresponding Sections of This Report
Innovation-Driven Development	Innovation for Empowerment: Focusing on Collaborative Industry Advancement - Deepening R&D and Innovation
Technology Ethics	Not Applicable
Supply Chain Security	Innovation for Empowerment: Focusing on Collaborative Industry Advancement - Maintaining Stable Supply Chain
Equal Treatment of Small and Medium-Sized Enterprises	Not Applicable
Safety and Quality of Products and Services	Innovation for Empowerment: Focusing on Collaborative Industry Advancement - Strengthening Quality Management
Data Security and Customer Privacy Protection	Innovation for Empowerment: Focusing on Collaborative Industry Advancement - Protecting Data Privacy
Employees	Caring for Employees: Ensuring Safety and Health
Due Diligence	Steady Operations: Enhancing Compliance Governance - Strengthening Compliance Management Caring for Employees: Ensuring Safety and Health - Protecting the Rights and Interests of Employees
Communications with Stakeholders	Sustainable Development Governance - Communications with Stakeholders
Anti-Bribery and Anti-Corruption	Steady Operations: Enhancing Compliance Governance - Strengthening Compliance Management
Anti-Unfair Competition	Steady Operations: Enhancing Compliance Governance - Strengthening Compliance Management

Reader Feedback

Thank you for taking the time to read the *2024 Environmental, Social and Governance (ESG) Report of Palm Eco-Town Development Co., Ltd.* We greatly value and eagerly anticipate your opinions and suggestions on the Company's sustainable development efforts and management. Your feedback is an important foundation for our continuous improvement in sustainable development work and the enhancement of our sustainability management. We sincerely invite you to complete the questions in the "Reader Feedback" section and share your responses with us through the modes provided below. Once again, thank you for your strong support of our sustainable development work.

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Which of the following stakeholders is most relevant to you in relation to Palm Eco-Town?
☐Employee ☐Client ☐Shareholder or Investor ☐Supplier or Partner ☐Government & Regulatory Authority
☐Industry Association and Organization ☐Community, Public & Media ☐Others ____ (please specify)

1. Your overall assessment of this year's sustainability report:
☐ Excellent ☐ Good ☐ Average ☐ Below Average ☐ Poor
2. Do you think the information disclosed in the report is accurate, clear, and complete?
☐ Excellent ☐ Good ☐ Average ☐ Below Average ☐ Poor
3. Do you find the report readable?
☐ Excellent ☐ Good ☐ Average ☐ Below Average ☐ Poor
4. Do you think the report comprehensively reflects the Company's significant impacts on the economy, society, and environment?
☐ Excellent ☐ Good ☐ Average ☐ Below Average ☐ Poor
5. What is your evaluation of the report's logical reasoning, structural arrangement, and layout design?
☐ Excellent ☐ Good ☐ Average ☐ Below Average ☐ Poor
6. Which topics in this year's sustainability report most captured your attention?

7. What additional information would you like to see in the report?

8. Do you have any other comments regarding our sustainability report, sustainability work, or sustainable development management?
