

2025

Environmental, Social and Governance (ESG) Report



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Chairman's Message

In 2025, amid turbulent times and accelerated upgrading of urban services, we remained committed to the vision of comprehensive improvement of the human living environment. Through strengthening internal capabilities and working together to overcome challenges, we delivered a report card featuring innovation driven breakthroughs in service quality and AI empowerment.

✕ In this year

We took the lead in the industry in launching the "Embodied Intelligent Urban Comprehensive Governance Service" model.

Building a complete governance capability system covering "Perception Governance Decision Making Execution", and promoting the upgrade of urban services from "Passive Response" to "Proactive Decision Making". At the same time, we adhered to service as the foundation, deeply cultivated the core business of the city steward model, practiced green and low carbon concepts, and explored environmental innovation technologies. Through refined governance, we built a new service ecosystem, and through green governance, we promoted a virtuous cycle of urban development. We consolidated our domestic presence while expanding into global markets, advancing steadily and leaving a mark at every step, continuously fulfilling the commitment of "Making Every City More Beautiful Upon Arrival".



In this year

We built an AI ecosystem

The first national special committee for autonomous driving and sanitation robots for urban services, jointly initiated by us, was established in Hangzhou. We successively partnered with the national team in humanoid robotics and the national team in cloud computing. We brought China's comprehensive urban service solutions to the global stage and engaged in dialogue on the future with delegations from Saudi Arabia, the United Arab Emirates, Uzbekistan, Indonesia, Thailand and other countries. At the same time, we strengthened team cohesion and collaborated with ecosystem partners to jointly build a blueprint for high quality urban development.



In this year

We expanded our business to 27 provinces

Supporting more cities in building their "Reception Hall" brand image, and increasing the number of cities served for "Civilized City" and "Sanitary City" initiatives to 75. We optimized the structure of newly signed urban service orders, with a higher proportion of orders from high quality regions such as East China and South China. Diversified businesses including property management, new energy logistics, and renewable resources began to take shape, strengthening the foundation for sustainable development.

✕ In this year

We carried out a series of care activities covering all employees, focusing on special groups, and featuring diverse content and formats.

Together with Guangzhou QiaoYin Charity Foundation, guided by the purpose of offering sincere love, accumulating just virtues, alleviating poverty and disaster relief, and fulfilling public welfare responsibilities, we focused on core areas such as rural revitalization and caring education assistance, while taking into account the improvement of urban services and people's wellbeing, thereby practicing public welfare responsibilities.

In 2026, the new model of QiaoYin, namely the "Embodied Intelligent Urban Comprehensive Governance Service", will be officially launched. Based on this new starting point, we have established seven major business segments including city steward, environmental innovation, new energy, artificial intelligence, intelligent manufacturing, urban operation, and circular economy. We will take people's aspiration for a better life as our mission, continue to comprehensively improve operational and management capabilities, and strive for new heights.



Company Profile

QiaoYin City Management Co., Ltd. (Stock Code: 002973.SZ) is a well known urban and rural public utility service enterprise in China. Established in 2001, the Company's business covers more than 100 cities across 27 provinces (autonomous regions and municipalities). It serves 75 cities participating in "Civilized City" and "Sanitary City" initiatives, with operation area and number of urban management service projects ranking among the leading positions nationwide. Centered on the core strategy of "Comprehensive Improvement of the Human Living Environment", QiaoYin leverages the synergy of multiple business segments including integrated urban and rural environmental services, sanitation engineering construction, water body management, municipal maintenance, landscaping maintenance, construction waste and pollutant treatment, public property management, urban renewal, urban energy management, urban green transportation services, and intelligent operation equipment and services, supporting high quality urban development.

Based on the needs for a better life, QiaoYin takes root in the core strategy of "Comprehensive Improvement of the Human Living Environment" and is committed to becoming a setter of industry value standards, a practitioner behind people's happy lives, a trusted contributor to Party committees and governments, a platform builder for employees to realize their talents and dreams, and a leader in promoting urban evolution. What the Company brings is not only urban cleanliness and order, but also improved efficiency and enhanced vitality. The value of QiaoYin for urban development lies in continuously promoting urban evolution through upgrading from urban services to urban management, urban operation, and smart urban governance.

01 Consolidating the first mover advantage in comprehensive urban services through service upgrading.

02 Building a full industry chain to achieve a closed loop business ecosystem through business upgrading.

03 Promoting "Artificial Intelligence + Big Data" development through technological upgrading, creating a new paradigm for digital and smart development of the urban comprehensive governance service industry, and enhancing the level of urban service development.



Existing Projects

Regions to Be Expanded

Across **27** Provinces (Autonomous Regions and Municipalities)

and more than **2000** honors

500+ Projects Invested in, Constructed, and Operated More Than 500 Urban Service Projects

With a team of nearly **50,000** members

more than **40,000** units of equipment

over **200** patents

more than **20** years of service experience

serving over **100** cities

serving **75** cities under "Civilized City" and "Sanitary City" initiatives

✂ National Sanitary Cities

In February 2022, the National Patriotic Health Campaign Committee Office announced a total of 270 National Sanitary Cities (districts), among which QiaoYin provided cleaning services for 28 cities (districts).



Sanitary City Benchmark

In 2021, supported Maoming City in successfully creating a "National Sanitary City"

✂ National Civilized Cities

In November 2020, the Central Commission for Guiding Cultural and Ethical Progress selected 133 National Civilized Cities, and reconfirmed and retained the honorary titles of 151 cities from the first five rounds of National Civilized Cities. QiaoYin provided services for 30 of these cities.



Civilized City Benchmark

In 2020, supported Kunming City in successfully creating a "National Civilized City in the First Six Rounds"

Philosophy, Strategy and Positioning

Vision

To build a world-leading brand in comprehensive improvement services for the human living environment

Mission

Beautifying every city we live in

Core Values

Seek excellence, be down-to-earth, make self-improvement, be persistent, and achieve a win-win situation

Management Policy

Creating opportunities for employees, creating value for customers, creating returns for shareholders, and creating benefits for society

Service Upgrade

Comprehensive Governance with Embodied Intelligence

QiaoYin is committed to building a modern full domain urban service system. From proposing the "Urban and Rural Sanitation Integration" model in 2017, to releasing the "City Steward" model in 2020, to implementing the "@City" comprehensive governance model in 2022, and to advocating the iterative upgrade to the "Embodied Intelligent Urban Comprehensive Governance" model in 2025, it contributes to improving urban governance efficiency, reducing government procurement costs, and enhancing people's sense of wellbeing.

4.0 Embodied Intelligent Urban Integrated Governance

Unified Management on One Network, Digital Intelligence Empowerment

Advocating the construction of an urban governance platform, by integrating and optimizing IoT equipment, building a new generation data governance engine and AI scheduling platform, promoting the transformation toward AI driven cities, and advancing the development of the Smart city industry.

3.0 @City Comprehensive Governance Across the Entire Domain

Empowering Cities With Beauty and New Vitality

Based on the Urban Steward business, integrating multi domain resources, constructing full chain solutions covering urban investment, services, management and operation, and supporting the appreciation, operation and management level improvement of urban public assets.

2.0 Urban Steward

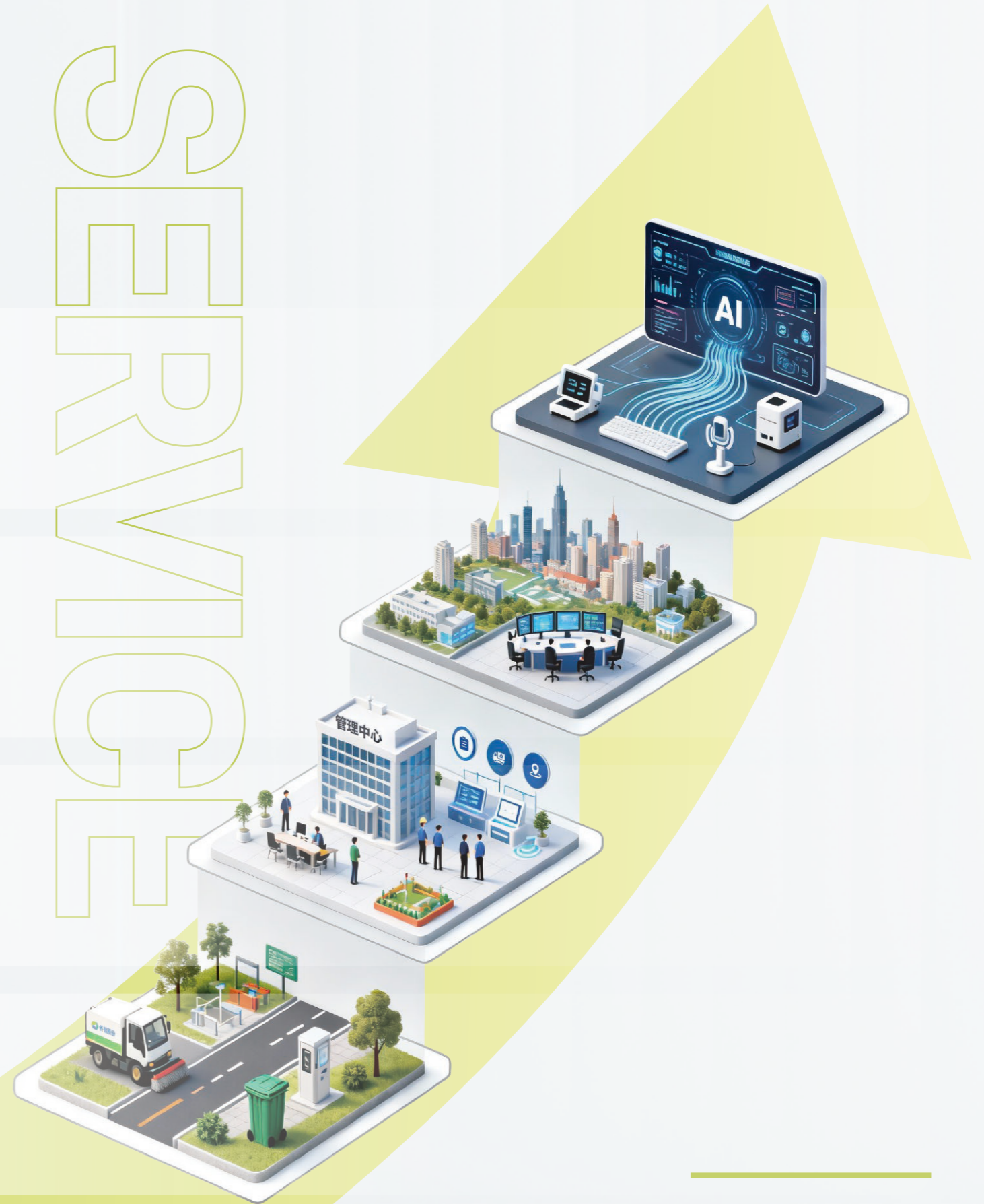
Addressing the Issue of "Multiple Administrations"

By taking the sanitation cleaning work of a city as a whole, and expanding the industrial chain horizontally, the Company realizes integrated sanitation services, urban parking services, Smart urban management construction, landscaping maintenance, and municipal maintenance, providing overall market oriented management services for public spaces.

1.0 Urban and Rural Sanitation Integration

Building an Integrated Urban and Rural Development Community

Providing integrated sanitation service solutions from cities, counties (districts) to towns (streets), villages and households, forming a seamless urban and rural structure, addressing the imbalance in urban and rural development, and supporting new type urbanization and comprehensive rural revitalization.



Business Scope Seven Major Business Portfolio

1

Urban Steward

- Urban and Rural Sanitation Integration Services
- Property Management Services
- Landscaping Maintenance
- Water Area Management and Protection
- Municipal Maintenance
- Expressway Maintenance

2

Environmental Protection Innovation

- Municipal Wastewater Treatment
- Leachate Treatment
- Livestock Breeding and Slaughter Wastewater Treatment
- Hospital Wastewater Treatment
- Hazardous Waste Disposal
- Kitchen Waste Treatment
- Waste Incineration Power Generation
- EMC Contract Energy Management (Green Energy, Virtual Power Plant)

3

New Energy

- New Energy Logistics Services
- Shared Charging Piles
- New Type Energy Storage



Artificial Intelligence

4

- Urban Governance Intelligent Agent Matrix Platform
- Voice Government Affairs Intelligent Agent Platform

Smart Manufacturing

5

- Smart Urban Service Operation Equipment
- Artificial Intelligence Robots

Urban Operation

6

- Urban Renewal
- Vehicle and Equipment Sales
- Smart Scenic Area Stations and Cableways
- Smart Parking Lots
- Low Altitude Inspection Operation Services
- Low Altitude Economy and Aviation Sports (Powered Hang Glider)
- Night Market Economy
- Smart Agricultural Trade Markets

Circular Economy

7

- Waste Classification and Recycling of Renewable Resources
- Green / Professional Sorting Center
- Disposal of End-of-Life Assets
- Intelligent Sorting Production Line Design and Equipment Sales

2025 Enterprise Honors

The Company was listed among the

Guangdong Top 500 Enterprises

for the seventh consecutive year

At the "Roadshow China" Listed Company Investor Relations Innovation Summit and the 8th China Excellence IR Awards Ceremony, QiaoYin was awarded the

Best Investor Relations Project

At the "14th Listed Company Development Annual Conference and Hainan Free Trade Port Open Opportunity Exchange Conference", the Company was recognized as the

2025 Listed Company with Outstanding Competitiveness in Artificial Intelligence



Sustainable Development Governance

✕ ESG Management

We firmly believe that a sound ESG management mechanism is crucial for the Company to implement sustainable development strategies from top to bottom. The Company continuously improves its governance structure, optimizes internal management, establishes and enhances risk control mechanisms, and promotes the construction of a responsible business system.

Level	Tasks
Board of Directors	<ul style="list-style-type: none"> Understand, analyze, and keep abreast of the international and domestic industry landscape and policies related to sustainable development. Supervise the assessment of the Company's sustainability related impacts, risks, and opportunities. Guide and review the Company's sustainability policies, strategies, and targets. Regularly supervise the progress and fulfillment of sustainability related targets.
Strategy Committee	<ul style="list-style-type: none"> Study and formulate the Company's sustainability strategy, targets, and major issues. Identify and control risks related to the daily management of ESG.
ESG Working Group	<ul style="list-style-type: none"> Assess and manage material topics and provide analysis and recommendations for discussion by the decision-making level. Identify, mitigate, manage, and monitor the costs and resources required to address sustainability related impacts, risks, and opportunities, such as employees and technology. Formulate stakeholder engagement plans and organize stakeholder communication activities.



✕ Stakeholder Communication

QiaoYin attaches great importance to communication and engagement with stakeholders, establishes communication channels and platforms through multiple approaches and in various forms, and actively responds to stakeholders' expectations and concerns.

Stakeholder Communication

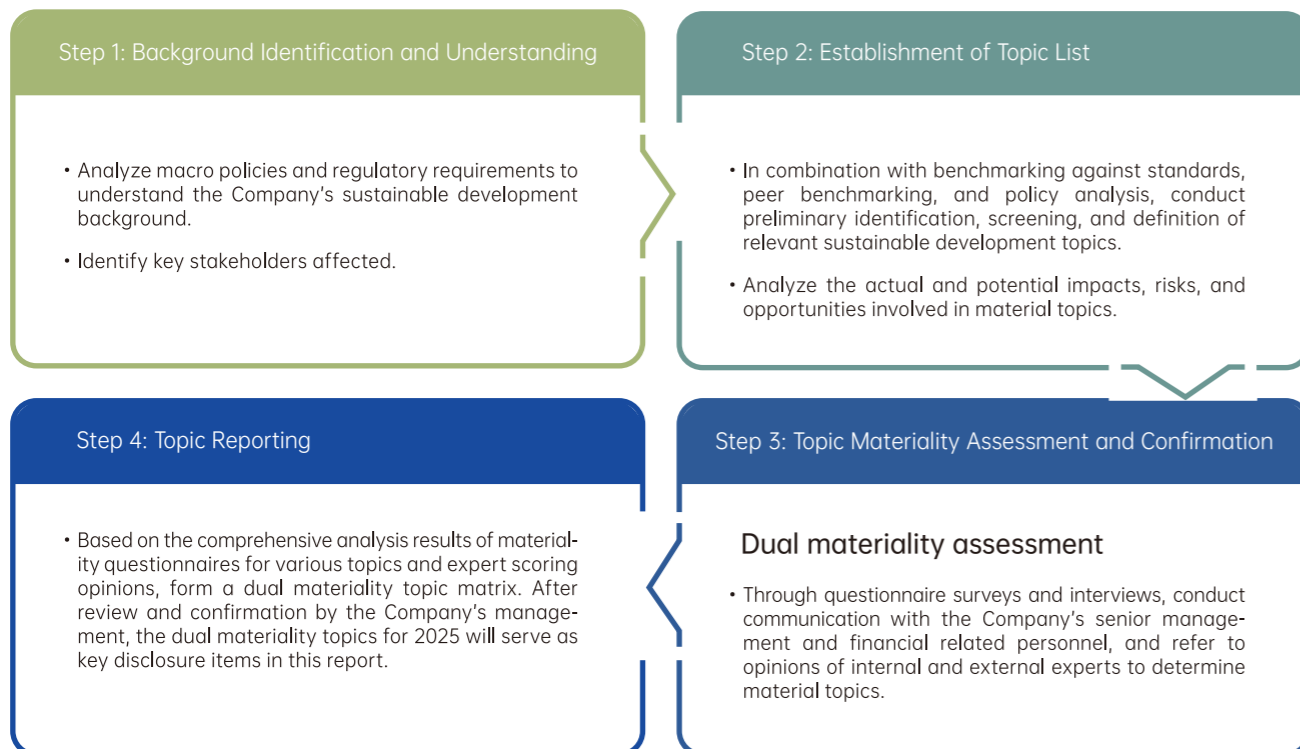
Stakeholders	Expectations for the Company	Communication Methods and Responses
Governments and Regulatory Authorities	<ul style="list-style-type: none"> Operate in compliance with laws and regulations and pay taxes in accordance with the law Environmental protection and production safety 	<ul style="list-style-type: none"> Compliant operations and tax payment in accordance with the law Routine supervision and inspections
Customers	<ul style="list-style-type: none"> Product quality and delivery Privacy protection and information security Efficiency in handling after sales issues 	<ul style="list-style-type: none"> Communication meetings Customer feedback and handling Customer satisfaction surveys
Suppliers	<ul style="list-style-type: none"> Integrity based cooperation Transparent procurement Win-win development 	<ul style="list-style-type: none"> Project cooperation Work meetings Daily communication
Environment	<ul style="list-style-type: none"> Reduce environmental impact Address climate change Resource recycling and reuse 	<ul style="list-style-type: none"> Environmental information disclosure Green environmental protection activities
Employees	<ul style="list-style-type: none"> Safeguard basic rights and interests Safeguard safety and health Ensure smooth development channels Care for employees' lives 	<ul style="list-style-type: none"> Entry interviews Regular meetings Normalized training Exchange activities
Communities	<ul style="list-style-type: none"> Support public welfare and charity Promote community development 	<ul style="list-style-type: none"> Volunteer services Party building guidance

Material Topic Identification

The Company takes the topics covered in the Exchange's Guidelines as the benchmark, conducts an in-depth analysis of its own business structure and operating model, and carries out survey analysis of stakeholders in the form of questionnaires, thereby systematically identifying material topics that are closely and inherently linked to the Company's business operations and occupy a prominent position in the stakeholder concern matrix.

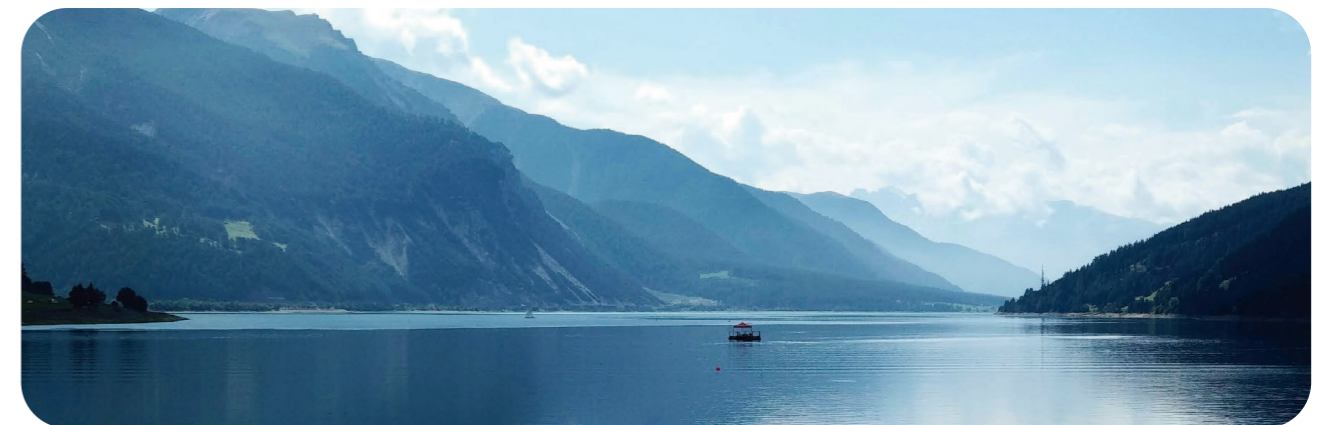
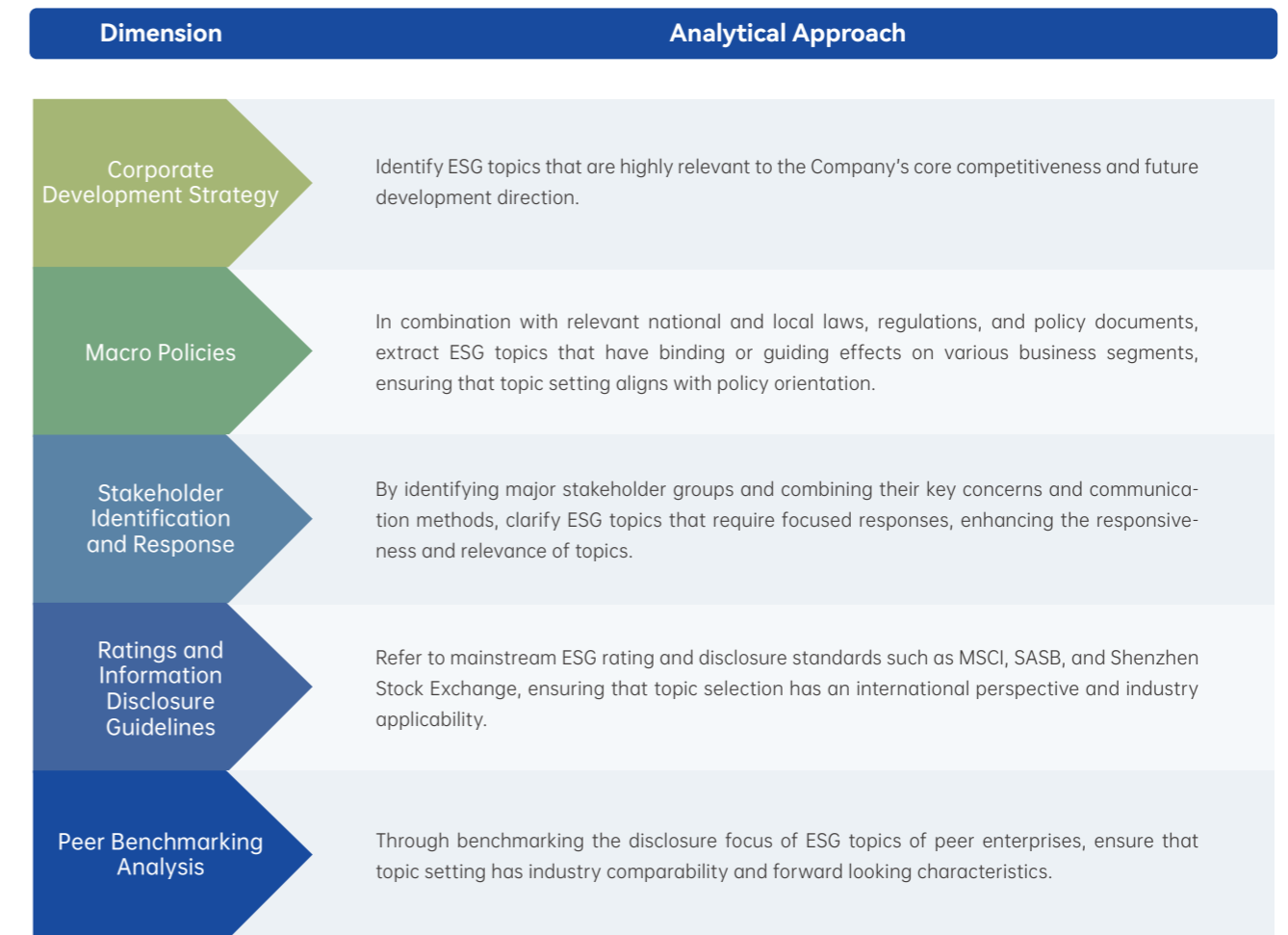
Aspect	Definition	Dimensions of Materiality Analysis
Impact Materiality	Whether the Company's performance on the relevant topic will have actual or potential significant impacts on the economy, society, and the environment.	<ul style="list-style-type: none"> • Likelihood of occurrence of the impact • Scale, scope, and irremediability of the impact
Financial Materiality	Whether the topic is expected to have a significant impact in the short, medium, and long term on the Company's business model, business operations, development strategy, financial position, operating results, cash flow, financing methods, and costs.	<ul style="list-style-type: none"> • Likelihood of occurrence of the impact • Degree of financial impact

Dual Materiality Analysis Process for QiaoYin Topics



Topic List

In the process of identifying material topics for 2025, QiaoYin fully considered the following five major factors, and combined with the Company's actual operations, identified and screened 23 topics, and analyzed the impacts, risks, and opportunities of each topic.



2025 ESG Topic Library of QiaoYin

Environment

7

Climate change response, pollutant emissions and waste treatment, ecosystem and biodiversity protection, environmental compliance management, energy utilization, water resource utilization, circular economy

Social

9

Research and development innovation, technology ethics, product and service safety and quality, supply chain security, equal treatment of small and medium sized enterprises, employees (employee rights protection, employee training and development, occupational health and safety), rural revitalization, social contribution, enhancing urban services

Corporate Governance

7

Due diligence, stakeholder communication, anti-commercial bribery and anti-corruption, anti-unfair competition, compliant operation and risk management, information security protection, party building guidance

Impact Materiality Assessment

According to the Guidelines, the Company assesses the impact materiality of sustainability related topics from two aspects, namely the likelihood and severity of impacts. Specifically, the likelihood of impacts is assessed from three dimensions, including the scale, scope, and irremediability of impacts.

The Company has identified the key concerns of different stakeholders, and in combination with expert judgment, ranked the impact materiality of 23 topics for the Company, and derived a list of impact material topics based on the established impact materiality thresholds.

Topics With Impact Materiality

No.	Topics	No.	Topics
1	Climate Change Response	5	Pollutant Emissions and Waste Treatment
2	Energy Utilization	6	Water Resource Utilization
3	Circular Economy	7	Ecosystem and Biodiversity Protection
4	Environmental Compliance Management		

No.	Topics	No.	Topics
1	Research and Development Innovation	6	Equal Treatment of Small and Medium Sized Enterprises
2	Product and Service Safety and Quality	7	Technology Ethics
3	Supply Chain Security	8	Rural Revitalization
4	Employees	9	Social Contribution
5	Enhancing Urban Services		

No.	Topics	No.	Topics
1	Party Building Guidance	5	Stakeholder Communication
2	Anti Commercial Bribery and Anti-Corruption	6	Due Diligence
3	Compliant Operation and Risk Management	7	Anti-Unfair Competition
4	Information Security Protection		

Financial Materiality Assessment

The Company assesses the financial materiality of sustainability related topics across three-time horizons, short term (within 1 year to 2 years [inclusive]), medium term (3 years to 5 years [inclusive]), and long term (more than 5 years), from two aspects, namely the likelihood of occurrence and the degree of financial impact.

In the specific analysis process, the Company combines historical profit before tax, sets thresholds for determining the degree of financial impact, analyzes the likelihood of occurrence of risks and opportunities for each topic in the short, medium, and long term, as well as their impact on financial expectations, and with reference to expert opinions, ranks the financial materiality of 23 topics, and derives a list of financially material topics based on the established financial materiality thresholds.

Topics With Financial Materiality

NO.	Topics
1	Climate Change Response
2	Circular Economy

NO.	Topics
1	Research and Development Innovation
2	Product and Service Safety and Quality
3	Supply Chain Security
4	Enhancing Urban Services

NO.	Topics
1	Information Security Protection

Results of Topic Materiality Assessment

The Company comprehensively consolidates the impacts, risks, and opportunities of material topics, and discloses relevant management actions and outcomes in the report. For topics with financial materiality, the Company conducts focused disclosure in accordance with the four-element framework of "Governance", "Strategy", "Impact, Risk and Opportunity Management", and "Indicators and Targets".



01

Solid Foundation Compliance for Long-Term Development

PART ONE

Key ESG Topics of This Chapter

- Corporate governance
- Compliance and risk management
- Business ethics
- Party building leadership

Response to SDGs Goals



Corporate Governance

✕ Governance Structure

QiaoYin strictly complies with the requirements of laws and regulations such as Company Law, Securities Law, and Code of Corporate Governance for Listed Companies, and establishes a governance structure with the General Meeting of Shareholders, the Board of Directors, and the management as the main bodies. Under the Board of Directors, there are the Strategy Committee, the Audit Committee, the Nomination Committee, and the Remuneration and Assessment Committee. The decision making, supervision, and execution responsibilities of each governance body are clearly defined, forming a modern corporate governance mechanism characterized by scientific decision making, strong supervision, efficient execution, and mutual checks and balances.

During the reporting period, the Company

Held **4**
General Meeting of
Shareholders

13
Board of Directors
meetings

| Board Diversity

The Company attaches great importance to the construction of Board diversity. In terms of gender, professional background, and international perspective, the Board demonstrates diversified characteristics. The professional expertise of Board members covers multiple fields including enterprise management, finance, accounting, law, and academic research, providing solid professional support for the Company's steady development and standardized operation. In 2025, the Company successfully completed the re-election of the Board of Directors. The new Board consists of 9 members, including 5 female directors.

| Board Independence

The Company strictly establishes the governance system of the Board of Directors in accordance with laws, regulations, and the Articles of Association, ensuring independent and standardized operation of the Board across all stages including appointment and compliance declarations. The Company currently has 9 Board members, including 3 independent directors. Independent director candidates sign relevant independence declarations prior to the meeting as required, undertaking to perform their duties independently and confirming that they have no interests with the Company or related parties that may affect their independence.

✕ Investor Relations Management

QiaoYin continuously deepens investor relations management, and effectively safeguards the legitimate rights and interests of investors, especially minority shareholders, through improving institutional systems and diversified communication channels. In August 2025, the Company revised and improved the Information Disclosure Management System and the Investor Relations Management System, adhering to the principles of truthful, accurate, and complete information disclosure, and ensuring that all investors have equal access to information. At the same time, through channels such as periodic reports, the General Meeting of Shareholders, the Interactive Platform, and investor hotlines, the Company actively responds to investor concerns, promptly discloses the progress of major matters, effectively enhances information transparency and communication effectiveness, and creates a fair and mutually trusting investor relations environment.

✕ Party Building Guidance

QiaoYin adheres to guiding enterprise development through Party building and strengthens the ideological foundation through reinforcing theoretical learning. The Company strictly implements the "First Topic" system, relying on carriers such as the "Three Meetings and One Lesson" and themed Party Day activities, organizing 13 centralized study sessions, 3 special Party lectures, and 5 seminars throughout the year, thoroughly studying and implementing the spirit of the Fourth Plenary Session of the 20th Central Committee of the Communist Party of China, and closely integrating theoretical learning with the Company's development practices, ensuring that the enterprise consistently maintains the correct political direction. At the same time, the Company holds high-quality annual organizational life meetings, conducts in depth criticism and self-criticism, and effectively enhances the principled nature and combat effectiveness of intra Party political life.



In strengthening the organizational foundation, the Company continuously improves branch work systems, completes the re-election of branch committees in a standardized and timely manner, and ensures the continuity and stability of organizational operations. The Company strictly controls the quality of Party member development, completing the conversion of 2 probationary Party members to full Party members during the year, and innovates the management model for mobile Party members, relying on platforms such as "Xuexi Qiangguo" to strengthen daily education and disciplinary warnings, thereby reinforcing the ideological defense line of Party members. In addition, the Company actively expands external joint construction, carrying out "Red Joint Construction" activities with institutions such as Zheshang Bank and Liby Group, and engaging in in depth exchanges on Party building experience with the Municipal Financial Office and the Liwan District Federation of Industry and Commerce. Through resource sharing and mutual learning, the Company effectively promotes the deep integration of Party building and business, injecting strong impetus into high-quality development.



Compliance and Risk Management

Compliant Operation

QiaoYin regards compliant operation as the core support for steady development and has established a hierarchical and comprehensive internal control system. With the Audit Committee as the overall coordinating core, the Company has established an audit group and a supervision group to ensure the authority and professionalism of internal control work. Through the formulation of a series of refined systems such as Internal Audit System and Administrative Measures for Engineering Settlement Audit, the Company clarifies responsibilities and approval authorities, and promotes the standardization of business processes.

The Audit and Supervision Department strictly adheres to the three red lines of systems, finance, and project supervision, ensuring that business operations are rule based and financial management is standardized and secure. At the same time, through in-depth supervision of various projects, the Company continuously promotes the optimization of systems. In addition, the Company has established a normalized supervision and inspection mechanism, regularly conducting random inspections and special audits, comprehensively evaluating the legality and effectiveness of internal control management, promptly identifying and resolving issues, continuously improving the internal control system, and enhancing governance capabilities.

Risk Management

QiaoYin has established a full process risk prevention and control system covering three core business segments, namely market expansion, external decision making, and capital allocation. In combination with the characteristics of each department's business, the Company formulates tailored management systems, accurately identifies and assesses potential risks through a forward looking early warning mechanism, and formulates response strategies before risks materialize, ensuring that negative impacts are minimized. At the same time, the Company regularly conducts systematic risk management training, promoting the deep integration of risk control concepts into frontline business operations, and comprehensively enhancing employees' awareness of risk identification and emergency response capabilities.

Case: "Seven Key Points" Refresher Training for Project General Managers

From September to November 2025, the Company organized offline refresher training on the "Seven Key Points" for all project general managers. The training was delivered by lecturers specializing in the seven key points and coordinated by the Training Group of the Human Resources Department. It was conducted in the 6th floor conference room and designated project locations. Through a combination of centralized lectures and on-site instruction, the training strengthened weak areas in the core performance and comprehensive capabilities of project general managers, effectively enhancing execution capability for target implementation and awareness of risk prevention and control.

Tax Compliance

QiaoYin has established a centralized and professional tax management system, managed in a unified manner by the Group headquarters, ensuring the standardization and independence of tax related work. The Company adheres to paying taxes in accordance with the law, and through normalized tax self-inspection, dynamic tracking of policy changes, and flexible adjustment of declaration strategies, achieves optimization of tax burden on the premise of strict compliance. At the same time, the Company conducts systematic investigations and analysis of issues related to tax inquiries and facilitates transformation through case sharing and training.

Business Ethics

Anti-Commercial Bribery and Anti-Corruption

The Company has established an anti-commercial bribery supervision mechanism with full staff participation and full process control. By joining the Corporate Anti-Fraud Alliance, the Company continuously benchmarks against industry best practices. In terms of internal governance, the Company has not only formulated strict Administrative Measures for Supervision and Reporting, but also encourages employees to participate in supervision by posting reporting guidelines at project sites and distributing "QiaoYin Supervision Cards" and commits to strict confidentiality and rewards for whistleblowers. At the same time, the Company integrates integrity education into daily operations, and through recording special videos and conducting dedicated training for new employees and management, ensures that the concept of integrity is truly embedded into daily work, fostering a clean and upright corporate environment and safeguarding the integrity baseline for sustainable development.



Supervision Email

zljcb@gzqiaoyin.com



Supervision Hotline

137 1038 0637

Case: Integrity Practice Promotion Training

In December 2025, the Audit and Supervision Department of the Company conducted integrity practice promotion training for middle and senior management at the headquarters building. The training focused on the theme of anti-corruption and integrity promotion, concentrating on five key areas including procurement and assets, business outsourcing and contracts, expenses and funds, personnel management, and "micro corruption". Through case warnings, interpretation of red lines, and interactive question and answer sessions, the training clarified the boundaries of integrity performance of duties, emphasized "dual responsibilities for one position", and required managers to exercise strict self-discipline and effectively manage their subordinates, thereby strengthening the ideological defense line of "not daring to be corrupt, not being able to be corrupt, and not wanting to be corrupt".

Anti-Monopoly and Fair Competition

QiaoYin strictly complies with the Anti-Monopoly Law of the People's Republic of China and the Anti-Unfair Competition Law and other relevant laws and regulations and regards fair competition as the bottom line of compliant operation. The Company resolutely eliminates any form of monopoly agreements, abuse of market dominant position, and concentration of undertakings in market competition. It participates in bidding and commercial cooperation in accordance with the principles of transparency and fairness, does not establish any unreasonable market barriers or discriminatory terms, and respects and protects the legitimate rights and interests of partners and competitors.

Information Security Protection

Governance

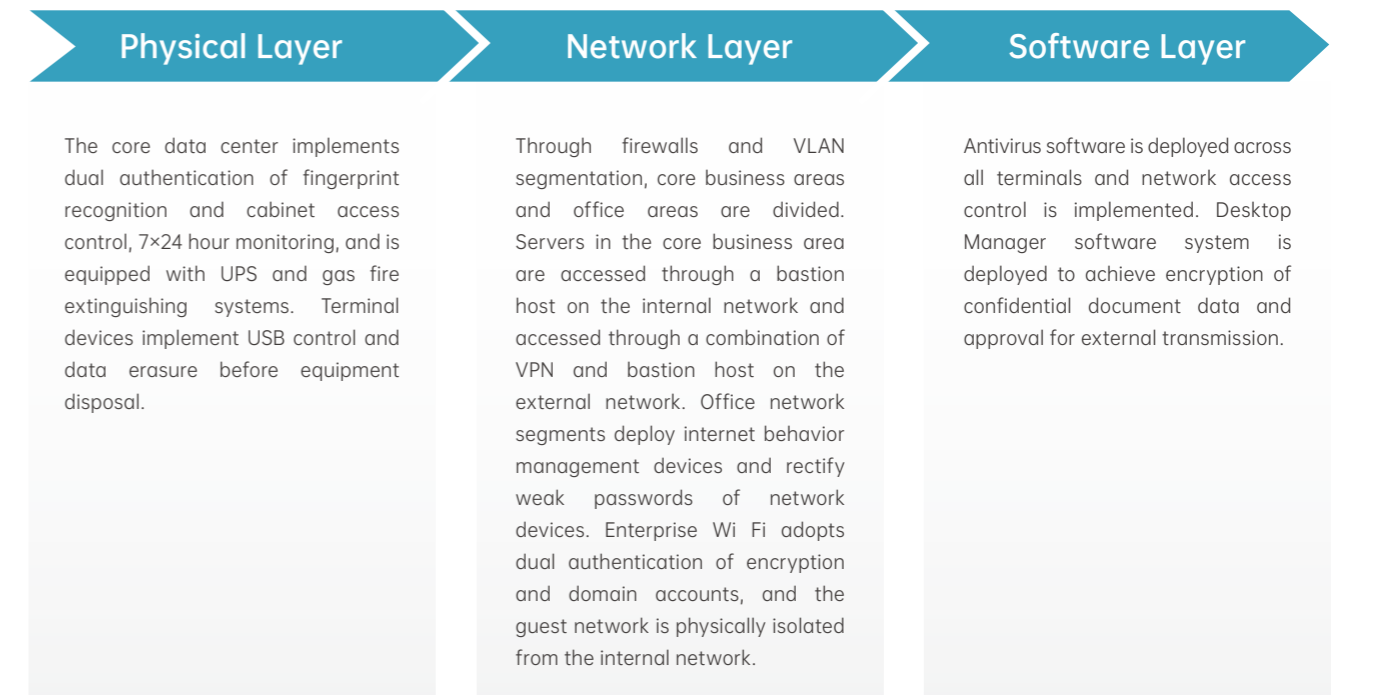
QiaoYin regards information security as the lifeline of digital operation and establishes a full process institutional system covering the entire data lifecycle from collection, storage, use, and sharing to destruction, ensuring that all stages are governed by rules and risks are controllable. In terms of organizational support, the Company has established an information security leadership group to coordinate decision making. The Information Technology Department and the Brand Department jointly implement relevant work, and each business unit is equipped with a security liaison officer to establish real time information channels from the grassroots level to senior management. Through a multi-level linkage reporting mechanism, frontline security dynamics can be promptly transmitted to the decision-making level, enabling rapid risk response and precise decision making, and safeguarding the digital baseline for steady operation. In accordance with the relevant provisions of the Administrative Measures for Information Security Level Protection, the Company's Level 2 QiaoYin smart sanitation integrated platform system has obtained the filing certification for classified protection.



Strategy

The Company continuously upgrades its security capabilities driven by cutting edge technologies, introduces advanced concepts such as zero trust and threat intelligence, and entrusts third parties to conduct annual security assessments, continuously improving a comprehensive security defense system. At the same time, through organizing annual cybersecurity attack and defense drills, the Company simulates real attack scenarios to test the effectiveness of the protection system and emergency response capabilities, forms review reports, and continuously optimizes protection strategies. At the cultural level, the Company relies on internal network columns and office area posters to regularly disseminate security knowledge, fostering an information security atmosphere with full participation, and building an information security protection pattern with coordinated advancement of technology, management, and culture.

Impact, Risk and Opportunity Management



Indicators and Targets

Indicators	Unit	2025 Performance
Number of data security related training sessions conducted	Times	6.00
Total duration of training	Hours	12.00
Number of information security special drills conducted	Sessions	4.00
Number of cybersecurity attack and defense drills conducted	Sessions	1.00

02

Green Engine Beautiful China

PART TWO

Key ESG Topics of This Chapter

- Climate Change Response
- Environmental Compliance and Ecological Protection
- Pollution Prevention and Control
- Resource Utilization

Response to SDGs Goals:



Climate Change Response

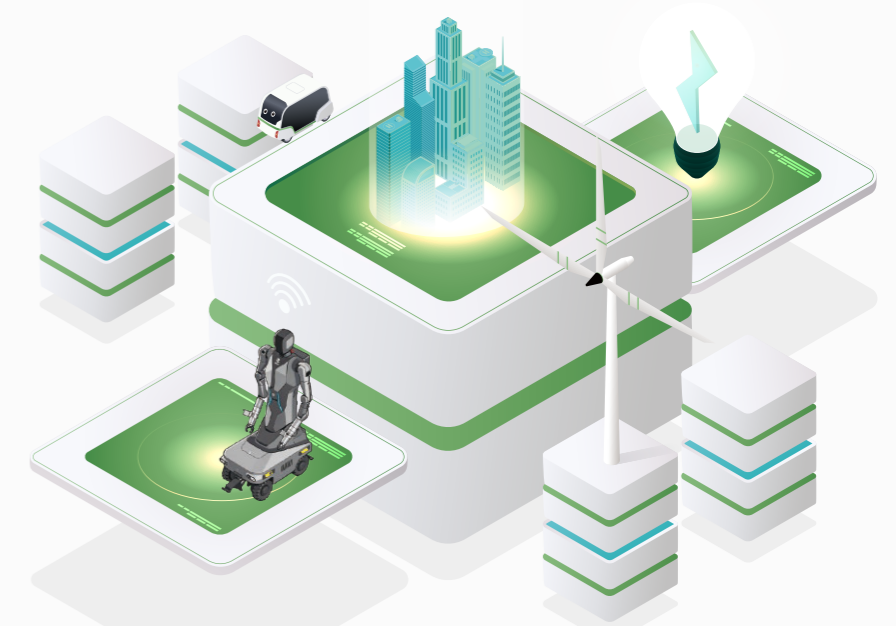
Facing the severe challenges of global climate change, green and low carbon transformation has become a common choice of the international community. QiaoYin actively responds to the "dual carbon" strategic goals and continuously explores optimal solutions for carbon neutrality in the industry.

✕ Governance

The Company continuously optimizes the management framework for carbon emissions and climate risks, assesses, monitors, and manages environmental and climate risks, coordinates the Company's "dual carbon" operations, and conducts in depth research on emission reduction technologies, ensuring that greenhouse gas emissions are effectively managed, mitigating climate related risks, and promoting the achievement of climate targets.

✕ Strategy

The Company refers to the framework of the International Financial Reporting Standard S2 Climate Related Disclosures (IFRS S2) issued by the International Sustainability Standards Board (ISSB), conducts an in depth analysis of the risks and opportunities arising from climate change, and actively takes effective measures to properly address the impacts of climate change on the Company's sustainable development.

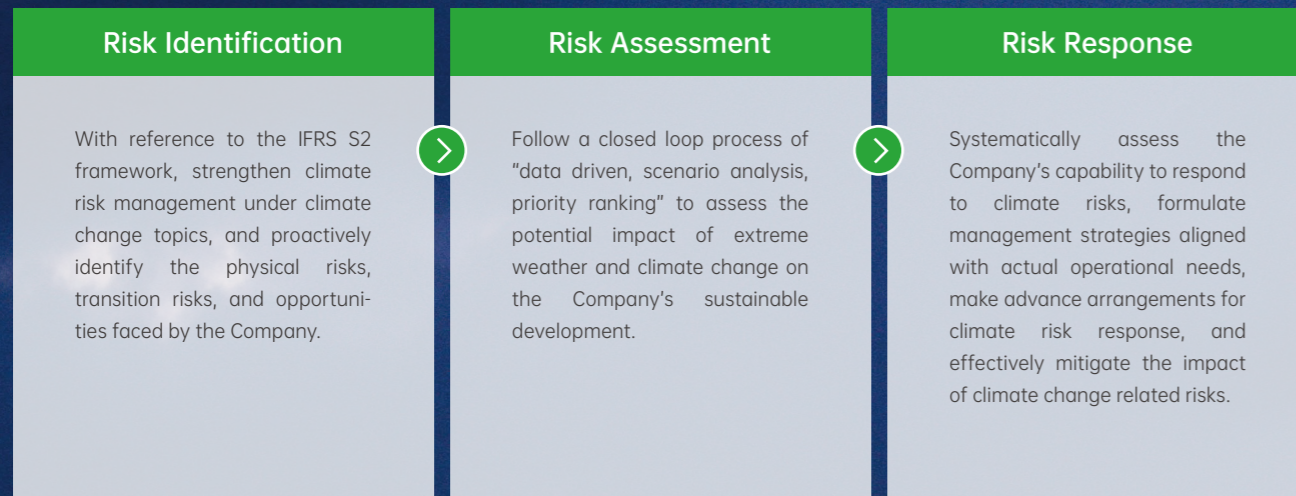


Core Dimensions	Risk or Opportunity Type	Specific Description	Likelihood of Occurrence	Impact Time Horizon	Potential Financial Impact	Response Measures
Transition Risks and Opportunities	Policy and Legal Risks	Stricter environmental emission standards, adjustments to waste classification policies, and changes in local government payment capacity	Medium	Medium to long term	Increase in compliance costs, or decline in accounts receivable turnover	Establish a policy tracking mechanism, conduct technological upgrades in advance, optimize customer structure, and strengthen accounts receivable management
	Technological Risks and Opportunities	The application of AI, Internet of Things, and smart sanitation systems improves operational efficiency, but rapid technological iteration entails risks of investment failure	Medium to High	Short term to medium to long term	Increase in technology investment, but long-term reduction in labor costs and improvement in gross profit margin	Increase research and development cooperation, implement pilot projects first, jointly build platforms with technology companies, and cultivate internal digital capabilities
	Market Risks and Opportunities	Acceleration of marketization in the sanitation sector, influx of new competitors, and increasing number of projects bringing opportunities	Medium	Medium to long term	Uncertainty in revenue growth and pressure on profit margins	Strengthen brand and operational quality, expand the industrial chain such as kitchen waste resource utilization, and participate in PPP or EPCO projects
	Reputation Risks	Safety accidents, substandard operational quality, environmental violations, and negative public opinion such as employee treatment issues	Low	Short term	Damage to brand reputation, which may lead to loss of bids, fines, or contract termination	Strengthen safety training, quality inspections, and environmental compliance, establish crisis public relations plans, and enhance employee care
Physical Risks	Acute Risks	Extreme weather such as typhoons, heavy rain, heavy snow, and high temperatures may lead to interruption of sanitation operations, equipment damage, and personnel casualties	Medium	Short term	Increase in maintenance costs, loss of working hours, and compensation expenses	Formulate emergency plans, purchase property and personal insurance, reserve emergency materials, and flexibly adjust operation schedules
	Chronic Risks	Long term temperature rise, and sea level changes may affect the safety of coastal project facilities	Low	Long term	Accelerated depreciation of fixed assets or additional investment required for relocation	Incorporate climate change factors into project site selection evaluation, adopt adaptive design, and conduct regular inspection of facility durability

✕ Impact, Opportunity and Risk Management

The Company aligns with international practices and adopts scientific methods to comprehensively capture the impact of climate related risks on the Company's finance and sustainable development. It systematically identifies, assesses, and manages climate related risks and opportunities, and in combination with the Company's operational strategy, formulates climate strategies and "dual carbon" action pathways aligned with actual conditions, ensuring the effectiveness of climate risk management.

Climate Change Risk Management Process



✕ Indicators and Targets

Guided by the national goals of "carbon peaking and carbon neutrality" and based on the identification of its own climate risks and opportunities as well as actual production and operational conditions, the Company continuously promotes the implementation of indicators and targets and fulfills its commitment to greenhouse gas emission reduction through practical actions.

Indicators	Unit	2025 Performance
Greenhouse Gas Emissions (Scope 1)	Metric Tons of Carbon Dioxide Equivalent	722.74
Greenhouse Gas Emissions (Scope 2)	Metric Tons of Carbon Dioxide Equivalent	19,928.66
Total Greenhouse Gas Emissions	Metric Tons of Carbon Dioxide Equivalent	20,651.40

Emergency Response Plan for Strong Wind or Typhoon Weather

According to the Company's emergency response plan for strong wind or typhoon weather, within 10 to 15 minutes after receiving the forecast, the project team immediately reinforces environmental sanitation public facilities within the jurisdiction against wind and recovers temporary facilities. Within 30 minutes after the wind subsides, the cleaning team arrives at main roads to carry out cleaning operations, and within 2 hours completes the removal of garbage, debris, and branches on road surfaces and in green belts. If strong winds occur at night, cleaning of main roads and key areas shall be completed before 7:00 the following day. At the same time, the damage to facilities shall be inspected and reported in writing to the client. Drivers are required to slow down, turn on fog lights, and drive on solid road surfaces. Outdoor operations shall be suspended in adverse weather conditions such as winds above Level 6. Special circumstances require approval from the responsible leader before operations can proceed. Cleaning personnel shall promptly clear garbage and leaves from drainage outlets, and similarly suspend outdoor operations in winds above Level 6. Emergency repairs, if necessary, must be approved and accompanied by safety measures.



Emergency Response Plan for Rainstorm Weather

According to the Company's emergency response plan for rainstorm weather, within 15 minutes after receiving the rainstorm forecast, management personnel and emergency teams complete preparations for drainage and post rain remediation, and equipment and vehicles enter standby status. Within 1 hour after rainfall stops, cleaning personnel arrive at main roads and key sections to begin cleaning, and within 2 hours complete the removal of road garbage and silt to ensure smooth traffic. Within 4 hours, transportation and disposal shall be completed. If immediate transportation is not possible, waste shall be temporarily accumulated at designated transfer points and completed within 12 hours. If rainfall occurs at night, cleaning of main roads and key areas shall be completed before 7:00 the following day. In the event of urban waterlogging, within 15 minutes after the rain stops, pumping equipment shall be dispatched to waterlogged road sections, and within 12 hours complete the drainage of accumulated water and silt to designated discharge points. When using water pumps, operations shall strictly follow procedures, and personnel are strictly prohibited from entering drainage pits. If entry is necessary, power must be cut off.



Environmental Management

The Company strictly complies with national and local environmental protection laws, regulations, and emission standards as the core, covering all elements including water, air, and solid waste. Each project implements emission standards in accordance with local requirements and strengthens daily monitoring to ensure that all types of pollutants are stably discharged in compliance with standards. At the same time, the Company continuously reduces environmental risks and ensures operational compliance.

Wastewater includes

Kitchen waste leachate, biogas slurry generated from dehydration of combined anaerobic digestion residues, organic slurry after pulping, cooking and three phase separation of kitchen waste, production wastewater from circular industrial parks, wastewater generated from deodorization systems, production washing wastewater, and wastewater generated during vehicle cleaning and disinfection.

Main pollutants

Refractory organic matter, suspended solids, high oil content, ammonia nitrogen, phosphorus and sulfides.

Management objective

Comply with laws and regulations and achieve 100% compliant discharge.

Treatment methods

1 Guangzhou Likeng Comprehensive Treatment Plant: Wastewater pretreatment plus two stage A/O + MBR + nanofiltration (backup)

2 Eastern Wastewater Treatment Plant:

- High concentration wastewater: Regulating tank → UASB → homogenization tank → primary denitrification tank → primary nitrification tank → secondary denitrification tank → secondary nitrification tank → external ultrafiltration membrane → RO membrane → reuse
- Low concentration wastewater: Regulating tank → hydrolysis acidification tank → contact oxidation tank → sedimentation tank → mechanical filter → RO membrane → reuse
- RO concentrate process: RO concentrated water → softening system → DTR0 system → reuse



Likeng Project

3 Duyun City Kitchen Waste Treatment Plant: Efficient pretreatment + submerged MBR system + NF system + phosphorus removal system

- Physical treatment: Grid filtration, sedimentation, centrifugation, etc.
- Chemical treatment: Coagulation and flocculation, oxidation reduction, pH neutralization adjustment, chemical precipitation, etc.
- Biological treatment: A/O process, membrane bioreactor, activated sludge process, etc.

Waste gas includes

Odor generated from kitchen waste pretreatment processes and wastewater treatment systems, exhaust gas from biogas boiler combustion, exhaust gas from biogas power generation units, flue gas generated during waste incineration, etc.

Main pollutants

Sulfur containing compounds, volatile organic compounds, methane and greenhouse gases, dust, etc.

Management objective

Comply with laws and regulations, 100% compliant discharge.

Treatment methods

1 Production deodorization: Deodorization system. That is: exhaust gas → pretreatment chemical washing → biological treatment → centrifugal fan → high altitude discharge

2

Waste incineration projects:

Flue gas: SNCR denitrification in furnace + semi dry deacidification + dry deacidification + activated carbon adsorption + bag filter dust removal

Odorous gas from waste storage pit and unloading hall: Fully enclosed + negative pressure + extracted by fan and used as combustion air into the incinerator for incineration;

Odor from leachate treatment station: After collection, discharged into the waste pit through pipelines and drawn into the incinerator by induced draft fan for incineration.

Waste includes

Part of inorganic residues and organic residues screened during pretreatment, biogas residues generated during anaerobic fermentation, sludge generated from wastewater treatment systems, fly ash generated during waste incineration, waste engine oil generated during production, waste empty containers, spent activated carbon generated from deodorization systems, and laboratory waste liquids, etc.

Management objective

Comply with laws and regulations, 100% compliant discharge.

Treatment methods

Sludge and biogas residues are transported to qualified enterprises for harmless composting treatment, inorganic residues are transported to waste incineration plants for incineration, organic residues are handed over to qualified enterprises for black soldier fly breeding, and furnace slag is handled by third parties for resource utilization.

Three Waste Treatment Equipment

Wastewater Treatment Station

For waste gas generated during production processes, the Company is equipped with the following key equipment and corresponding process technologies: grids, regulating tanks, anaerobic reaction tanks, aerobic biochemical tanks, and ultra-filtration or nanofiltration membrane systems, ensuring that wastewater is discharged in compliance with standards or reused.

Wastewater Treatment Station

For odorous units such as unloading, pretreatment, anaerobic processes, and sludge dewatering, fully enclosed negative pressure collection is implemented. The Company is equipped with multistage combined treatment systems such as chemical washing towers, biological filters, and activated carbon adsorption devices, effectively removing odorous substances such as hydrogen sulfide, ammonia, and volatile organic compounds.

Waste Residue Treatment

For sludge and process residues generated from wastewater treatment, the Company is equipped with plate and frame filter presses for volume reduction treatment and has strictly constructed hazardous waste temporary storage rooms in accordance with regulations. At the same time, the Company cooperates with downstream disposal units to ensure that the entire process of waste residue transfer is stable and compliant.

Case: Inspiring "Young Explorers" to Embrace Green Technology

In July 2025, QiaoYin Building welcomed "Young Explorers" from Taixue Primary School in Anshan Town, Conghua District. With curiosity and bright eyes, they embarked on a journey of green and low carbon intelligence, exploring artificial intelligence robots, the national smart dispatching center, and Qiaohong Academy.

This popular science study tour was not only a journey of gaining knowledge, but also a wonderful interaction between technological capability and childlike curiosity. When the children eagerly interacted with robots and immersed themselves in waste classification games, the dream of green technology was shining brightly in their eyes.



Resource Utilization

QiaoYin establishes and improves an energy management system, formulates documents such as Energy Saving and Consumption Reduction Plan and Targets for QiaoYin Headquarters Building and Detailed Measures for Energy Control, systematically plans energy saving and consumption reduction work, and refines responsibilities to specific positions to ensure the effective implementation of various measures. Relying on the Property Engineering Department and the Security Department as the core execution and supervision forces, the Company conducts comprehensive inspections and real time monitoring of equipment operation and energy use, strengthening full process management and control. On this basis, the Company comprehensively covers major energy types such as electricity, diesel, and biomass fuels, standardizes their efficient use in scenarios such as production equipment operation, collection and transportation vehicle support, and animal solid waste treatment, and continuously promotes the optimization of energy structure and improvement of operational energy efficiency, laying a solid management foundation for green operation.

Electricity

Conduct regular maintenance and servicing of equipment to ensure production efficiency, promote the use of high efficiency variable frequency motors to reduce losses and thereby reduce electricity consumption.

Use energy management systems to conduct real time monitoring of high energy consuming equipment and implement peak shifting electricity use.

Kitchen waste projects can utilize leachate after anaerobic treatment to produce biogas for self-generated electricity use.

Production Water

Support reclaimed water reuse.

Diesel

For kitchen waste collection and transportation, optimize internal transportation routes to reduce empty driving and idling operations;

Fuel substitution. Based on project calculation and comparison, using natural gas to replace diesel as production fuel is cleaner and more economical.

Natural Gas

Set up waste heat boilers. By recovering waste heat, the enterprise can directly reduce the consumption of externally purchased fuels such as coal, natural gas, and diesel, thereby reducing production costs.

Indicators	Unit	2025 Performance
Direct Energy Consumption	Tons of Standard Coal	506.10
Indirect Energy Consumption	Tons of Standard Coal	11,113.71
Total Annual Energy Consumption	Tons of Standard Coal	11,619.81
Annual Energy Consumption Intensity	Tons of Standard Coal/RMB One Million	84.52

Energy Saving Technical Transformation Related Facilities and Equipment

Anaerobic technology is adopted to generate biogas, which is uniformly collected and stored in double membrane gas holders, then after primary filtration and pressurization by a Roots blower, the biogas is sent to a desulfurization tower for initial desulfurization to reduce hydrogen sulfide concentration, followed by further deep desulfurization through dry methods. After precision filtration and freeze dehydration, it is sent to generator units for combustion and power generation, meeting the project's self-use electricity demand.

Case: Successful Grid Connection and Power Generation of QiaoYin Lichuan Waste Incineration Project

In September 2025, the urban and rural domestic waste incineration power generation project in Lichuan City, Hubei Province was successfully connected to the grid for power generation. With this, it is expected that approximately 240000 tons of domestic waste generated annually in Lichuan City will be treated here, ultimately producing about 98040000 kWh of green electricity each year, lighting up thousands of households.

The project covers an area of more than 191 mu. By introducing advanced waste incineration power generation technology, namely the process closed loop of "negative pressure enclosed collection + high temperature incineration + waste heat power generation", it adopts a configuration of "two furnaces and one unit", with a designed daily processing capacity of 700 tons of domestic waste. It is expected to process about 240000 tons of domestic waste annually, with an annual power generation of approximately 98.04 million kWh.



Circular Economy

Governance

QiaoYin has established a renewable resources company as a key business segment in the circular economy field. Centered on a comprehensive resource utilization center and combined with the integration of existing sanitation service providers and renewable resource operators, the Company accelerates the construction of a regional waste material recycling system. At the same time, the Company makes advance arrangements for "trade in for replacement" scenarios, connects various units, and establishes a comprehensive waste material recycling system to effectively control incoming materials.

Strategy

The Company adheres to the principle of "government guidance, market operation, professional management". By building front end recycling stations based on the concept of "zero waste cell" units, adopting a regional partner cooperation model, integrating existing recycling practitioners, and involving them in both online recycling and offline recycling station operations, the Company is committed to building a comprehensive resource utilization center at the terminal stage, covering sorting, dismantling, and reuse processes, and promoting the standardization, efficiency, and transparency of recycling pricing.

Impact, Risk and Opportunity Management

Household Recycling Outlets

Actively promote a diversified construction model combining fixed and mobile, multifunctional and simple, staffed and automated recycling outlets, guide relevant enterprises to participate in the operation and management of waste classification facilities, and realize the transformation from the traditional "passive collection model" to an active "resource exploration model".

Industrial Recycling Outlets

Emphasize establishing close cooperative relationships with waste generating enterprises and industrial parks and accelerate the effective connection between waste generation and resource utilization.



Consumer Recycling Outlets

In combination with green shopping mall development initiatives, standardize the treatment processes of various solid wastes.

Public Institution Recycling Outlets

Formulate specialized waste management measures according to the different characteristics of places such as schools and hospitals.

Indicators and Targets

Case: AI Smart Sorting "Hand" and "Brain" Coordination to Support the Intelligent Upgrade of Renewable Resource Recycling

QiaoYin has officially deployed smart sorting equipment for renewable resources in the Kaifeng North America Circular Economy Industrial Park project. This set of equipment is based on AI composite recognition technology, achieving a significant improvement in sorting efficiency and accuracy of renewable resources.

AI Smart Recognition System

- Accurate identification of recyclable materials in complex and harsh environments with a high actual recognition rate
- Flexibly equipped with multimodal sensors such as hyperspectral cameras and laser-based metal detectors, enabling simultaneous identification of color, shape, and material

High-Precision End Effector System

- High-precision nozzle valve mechanism for high-speed sorting and impurity removal of recyclable materials
- Achieves extremely high tracking accuracy through hand-eye-brain coordination, ensuring a high actual sorting rate

Ultra-High-Speed Conveying System

- Width: 1.6–2.8 m; maximum speed: 5 m/s
- Maximum processing capacity: 20 t/h



Human-Machine Interaction Operating System

- Multiple modes with one-click sorting
- Connected to a large-scale mixed waste database for autonomous learning of incoming materials
- Integrated with a cloud-based smart IoT platform for remote, seamless operation and predictive maintenance

The smart sorting equipment for renewable resources deployed in the Kaifeng North America Circular Economy Industrial Park project is mainly applied to the precise identification and sorting of recyclable waste plastics. The production line is designed with a capacity of 60 tons per day, capable of finely sorting various categories of waste plastics such as 5A, 3A, secondary blue, white, green bottles, oil containers, and mixed color bottles. The sorting efficiency is increased by more than 300% compared with traditional manual methods, and the sorting accuracy exceeds 95%.

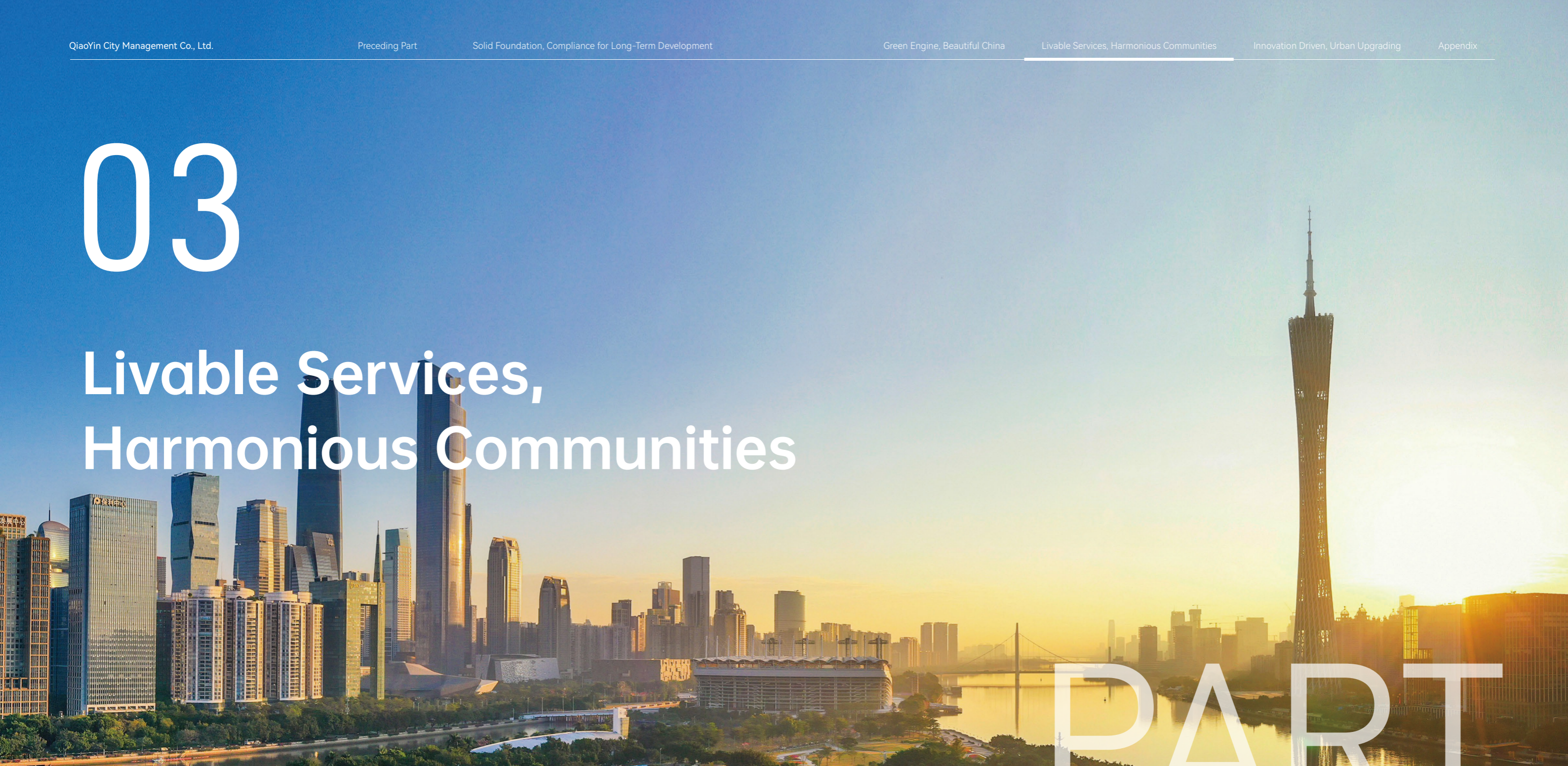
Case: Selected into the Global Supplier List for Waste to Energy Projects in Indonesia

In 2025, PT Danantara Investment Management, the sovereign investment fund of Indonesia, announced that QiaoYin had successfully passed the evaluation and was officially selected into the list of designated suppliers for environmentally friendly waste to energy projects in Indonesia. This marks that QiaoYin's technological strength and service capabilities in the field of solid waste treatment have been highly recognized by the international market and represents an important step for QiaoYin to expand its overseas business landscape and participate in ecological and environmental development in countries along the "Belt and Road" Initiative.



03

Livable Services, Harmonious Communities



PART THREE

Key ESG Topics of This Chapter

Response to SDGs Goals

- Customer Relationship Management
- Employee Relationship Management
- Community Relationship Management
- Industrial Ecosystem Synergy



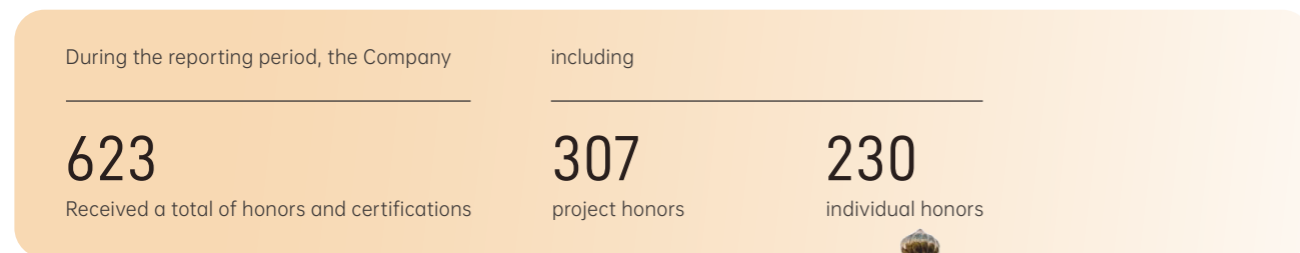
Customer Relationship Management

QiaoYin has established a project quality supervision mechanism centered on inspection teams. Through rigorous on-site inspections, comprehensive diagnostics are conducted across dimensions such as operational quality and integrated management, forming issue lists and optimization plans to provide precise data support for service improvement. On this basis, the Company has built a reporting chain linking general managers at the project, regional and center levels, ensuring that rectification of issues is implemented at every level with closed loop management, thereby continuously improving service standards.

In addition, the Company actively promotes the development of voice smart agents. By integrating natural language understanding, emotional voice interaction, and business process automation technologies, the Company enables "instant handling upon speaking" for citizens' calls. When the public dials 12345 or various government service hotlines and states their requests, functions such as issue identification, emotional reassurance, work order generation, and service handling can be completed.

In terms of customer relationship maintenance, QiaoYin regards service upgrading as a core strategy. Through regular visits by project and regional leaders to clients, the Company gains in depth understanding of needs and feedback, and strictly follows the "five step method" for handling customer complaints to resolve issues efficiently. At the same time, the Company actively conducts customer satisfaction surveys, widely collects opinions, and continuously optimizes service experience based on customer needs, thereby consolidating the foundation of trust.

Key Performance



Case: Duyun Qiaosheng Company Awarded the "Advanced Collective" in "Four Modernizations" Development

In 2025, Duyun Qiaosheng City Management Co., Ltd. actively advanced work centered on the "four modernizations" development (informatization, urbanization). By strengthening systematic operation management, the Company optimized the urban and rural domestic waste collection and transportation system and realized real time dispatch through a smart sanitation system; promoted the resource utilization of kitchen waste by adopting a "centralized collection + professional transportation + standardized disposal" model; implemented refined cleaning operations based on the principle of "mechanization as the main approach and manual work as a supplement" with zoned operations; enhanced the construction and maintenance level of municipal facilities through normalized inspection and maintenance; strengthened urban greening construction and maintenance by coordinating green space systems and improving quality; At the same time, improved collaborative promotion mechanisms and strengthened linkage with the municipal Party committee, municipal government and relevant departments. By virtue of outstanding contributions in urban and rural waste collection and transportation, kitchen waste disposal, cleaning services, municipal construction and urban greening, the Company was awarded the title of "Advanced Collective".



Employee Relationship Management

Equal Employment

QiaoYin adheres to the principle of fairness and justice in employment and has established a standardized and rigorous recruitment management system. The Company recruits talents through diversified channels. It not only cooperates deeply with professional recruitment platforms, headhunters and external referral officers, but also actively expands international talent acquisition pathways, identifying outstanding talents at home and abroad through channels such as LinkedIn and the HRBP mechanism. At the same time, the Company adheres to a merit-based approach and eliminates all forms of discrimination based on gender, religion, ethnicity, age and other factors during the selection process. In addition, the Company actively promotes collaboration between enterprises and universities, having established cooperative relationships with more than 5 universities. Through complementary advantages, both parties jointly cultivate new industry talents, injecting diversified vitality into the sustainable development of the enterprise.

Democratic Management

The Company has established a democratic communication system covering the entire cycle of employee career development and is committed to creating an open and inclusive organizational atmosphere. Starting from onboarding training and discussion sessions for new employees, the Company helps employees integrate quickly and clarify their development paths. Through regular "face to face with senior management" interview activities, communication barriers between management and frontline employees are effectively removed. Relying on the trade union and the Audit and Supervision Department, a two-way supervision mechanism has been established, and a "Chairman Mailbox" has been set up as a confidential feedback channel to encourage employees to provide suggestions or reflect practical issues.

Compensation and Benefits

QiaoYin strictly complies with national labor laws and regulations and has established a compensation management system that combines external competitiveness with internal fairness. The Company formulates compensation standards based on market conditions to ensure that employee income is competitive. The compensation structure includes fixed salary, performance bonuses, various allowances and statutory benefits such as five social insurances and one housing fund, combined with non-monetary benefits to comprehensively safeguard employee rights and interests. To accurately stimulate the motivation of different positions, the Company continuously improves a classified and tiered incentive and assessment system, establishing special assessment measures for groups such as frontline sanitation workers, marketing personnel and project general managers. Based on the principles of integrity, objectivity and communication, this effectively promotes employee value creation and personal growth. The Company has established a smooth appeal mechanism for performance assessment to ensure fairness and transparency in the assessment process and injects endogenous momentum into sustainable development through a scientific and sound compensation and incentive system.

Through substantial investment and diversified measures, the Company deeply integrates humanistic care into employee well-being. The Company not only allocates special funds for holiday benefits for frontline employees, but also extends care to employees' families through initiatives such as "Filial Piety Allowance" and birthday gift packages. At the same time, the Company organizes comprehensive physical examinations for all employees, building a solid health safeguard for employees to work with peace of mind. The Company regularly organizes club activities, onboarding anniversary celebrations and sports competitions, providing platforms for communication, interaction and self-expression. While enriching employees' leisure life, the Company creates a positive, warm and caring organizational atmosphere, effectively enhancing employees' sense of happiness and belonging.

Key Performance

During the reporting period, the Company

100%

Achieved a performance appraisal coverage rate of

Employee Care

QiaoYin adheres to the corporate culture of "people oriented", integrating employee care into every aspect of daily work and life, and has carried out a series of care initiatives covering all employees, focusing on special groups, with diverse content and formats.

Care Dimensions	Specific Activities and Measures	Activity Connotations and Employee Value
Care for Female Employees	International Women's Day themed activities, "Caring Mother" honorary recognition, establishment of a sanitation industry women's federation	Convey organizational warmth, recognize women's contributions, provide dedicated development platforms
Assistance for Employees in Difficulty	Providing assistance through the QiaoYin Charity Foundation, granting maternity subsidies, implementing the filial piety allowance system	Alleviate financial pressure, build a family friendly environment
Protection of Physical and Mental Health	Organizing annual physical examinations for all employees, carrying out the "Reading Marathon" employee reading activities	Focus on both physical and mental health, create a reading-oriented atmosphere
Cultural and Sports Activities and Employee Care	Monthly birthday benefits, festival benefits such as Dragon Boat Festival and Mid-Autumn Festival, organizing onboarding anniversary celebrations	Enhance sense of ceremony and belonging, record employee growth moments
Care for Special Groups	Holding the 7th Sanitation Workers' Day "Caring Substitution" activity	Enhance professional dignity, gain social respect and understanding

In terms of caring for female employees, the Company organized warm International Women's Day activities, and on June 19, 2025, witnessed an industry milestone, the Guangzhou Sanitation Industry Women's Federation was officially established. As a leading enterprise in the industry, QiaoYin not only provided comprehensive support, but also saw He Qiu'e, Director of the Business Center, successfully elected as a member of the executive committee. In addition, during the Sanitation Workers' Day activities in October, 10 female sanitation workers of the Company, as representatives of "Caring Mothers", were awarded honorary certificates for their participation in the "Enduring Love Initiative" by donating hand knitted sweaters to support children in difficulty in Xinjiang, demonstrating the integration of great love of female employees and the Company's sense of social responsibility.



Case: Release of Care Program for Female Employees during Menopause

In July 2025, QiaoYin specially invited an authoritative expert team from Guangdong Provincial Academy of Chinese Medical Sciences to QiaoYin Building to carry out a traditional Chinese medicine free clinic activity. This was a warm initiative by QiaoYin to care for employees' health, especially female employees during menopause. It conveyed a clear message that employee health is highly valued by QiaoYin.

The free clinic services included blood pressure measurement, traditional Chinese medicine pulse diagnosis, consultation on common diseases, acupuncture, and tuina therapy. In addition, a dedicated "health care for menopausal women" service was thoughtfully provided, offering constitution identification, health preservation advice, and specialized conditioning.



In terms of assistance for employees in difficulty and welfare protection, the Company relies on the Guangzhou QiaoYin Charity Foundation established in 2020 to continuously focus on supporting vulnerable groups in the sanitation sector, and further implemented various welfare policies in 2025. The Company continues to provide maternity subsidies to both new and existing employees, ensuring the continuity of this care initiative. At the same time, the distinctive "filial piety allowance" distribution mechanism extends corporate care to employees' families, promoting the traditional virtue of respecting and caring for the elderly.

In terms of physical and mental health and cultural development, in addition to organizing annual physical examinations for all employees to safeguard their physical health, the Company also attaches great importance to the development of employees' spiritual civilization. In October 2025, the Company's trade union actively organized employees to participate in the Guangzhou employee "Reading for Dreams Fulfillment" reading series activities, successfully held the "Reading Marathon" activity, and on October 30 held an award ceremony for employees who persisted in reading check ins, encouraging employees to accumulate knowledge during fragmented time and fostering a corporate culture atmosphere of "nourishing the mind through reading and promoting action through learning" as "a school".

In addition, the most significant care activity of the Company was the 7th "Tribute to Sanitation Workers Caring Substitution" activity held during the Sanitation Workers' Day on October 26. This activity was jointly organized with the Guangdong Women and Children Foundation, inviting parent child families to board water operation vessels and personally substitute positions to experience the daily work of sanitation workers.

Case: Caring for Frontline Workers, Jointly Delivering "Cooling Relief" with Guangdong Women and Children Foundation and Other Parties

In August 2025, warmth and compassion filled Chen Yuan Cultural Square in Pengjiang District, Jiangmen City. During this period of sustained high temperatures, QiaoYin City Management Co., Ltd., in collaboration with Guangdong Women and Children Foundation, Women Workers Committee of Guangdong Federation of Trade Unions, Jiangmen Women's Federation, Jiangmen Federation of Trade Unions, Jiangmen Pengjiang District Urban Management and Comprehensive Law Enforcement Bureau, and its subsidiary Jiangmen Binjiang Qiaorui Environmental Service Co., Ltd., jointly organized the "Yueyun Chunhui Paying Tribute to Sanitation Roses" summer cooling relief activity, delivering sincere care to female sanitation workers fighting on the frontline.



Training And Development

QiaoYin upholds the corporate spirit of "One School" and, relying on "QiaoYin Academy", has established a comprehensive training system integrating online and offline approaches to fully empower employees' career development. Offline training covers multiple dimensions including new employee onboarding, talent pipeline development, specialized skill enhancement, and advanced project training. Among these, key talent programs such as the "Iron Army Special Training Camp" have achieved remarkable results, continuously delivering reserve talents to frontline projects. At the same time, the normalized "Mentor Apprenticeship" program, through long term implementation, effectively realizes the intergenerational transfer of core experience and professional capabilities, laying a solid foundation for improving overall team strength. On the online front, the Company has developed a dual matrix consisting of the E-L learning platform and the "QiaoYin Micro Classroom" video account, ensuring learning resources are readily accessible. The E-L platform has planned a curriculum system covering multiple professional fields. The "QiaoYin Micro Classroom" has launched a series of micro courses, widely covering frontline business scenarios such as safety and vehicle management, delivering knowledge to the grassroots in a flexible and convenient manner.

Commitment to Building a Learning Organization



Case: "AI Empowerment" Training and Skills Competition

From March to September 2025, to align with the development of the digital era and respond to the Company's ALL-IN-AI strategy, enhance employees' proficiency in using AIGC tools and empower various departments to establish AI workflows, the Training Team of the Human Resources Department, together with the Information Technology Department, jointly organized company-wide AI training and skills competitions. The activity adopted a combination of online compulsory course learning, offline intensive training, and offline skills competitions, helping employees master the application of AI tools and promoting the overall improvement of the Company's AI capabilities and the optimization of work processes.



Case: "Transformation" Regional General Manager Leadership Special Training Program

In September 2025, to comprehensively enhance the capabilities of regional general managers in strategic execution, resource allocation, and implementation of planning, the Company organized the "Transformation" Regional General Manager Leadership Special Training Program. This training was delivered by transformation lecturers and coordinated by the Training Team of the Human Resources Department, conducted in the form of offline intensive training, aiming to strengthen the core management capabilities of regional general managers and support the effective implementation of the Company's strategy.



Case: Online Learning Platform Special Zone Training

To facilitate personnel from regional divisions, projects, functional departments, and market teams to become familiar with their responsibilities, understand relevant processes, and learn from the Company's joint leadership and lecturers, a dedicated learning zone has been established on the online learning platform. It targets personnel from functional departments, regional management, project management, market teams, and project clerks. Online learning and assessments are conducted throughout the year. Through the combination of course learning and online evaluation, it promotes continuous improvement in employees' business capabilities and strategic awareness.

The Company has established diversified development pathways covering three major sequences including management, professional technical, and basic operations (M category 14 levels, P category 8 levels, O category 3 levels). Employees can achieve vertical promotion within a sequence based on their personal strengths or realize horizontal expansion through cross position rotation, comprehensively enhancing their overall capabilities. In terms of promotion assessment, the Company takes annual performance results as the core basis and implements a hierarchical evaluation mechanism, with objective assessments conducted by corresponding professional evaluation groups to ensure fairness in the selection process. At the same time, the Company requires personnel proposed for promotion to key management positions to undertake on-site internships at frontline projects, promoting deep integration of theory and practice and cultivating versatile management talents.

Corporate Culture Development

QiaoYin takes "Humanistic Care" as its core concept and systematically builds an employee cultural system. By creating a stable and warm cultural atmosphere, it effectively enhances employees' sense of professional belonging. In terms of family friendliness, the Company has established a parent childcare area and, centered on themes such as traditional festivals and intangible cultural heritage inheritance, organizes employees to participate with their children in parent child activities such as "Scholarly Cinema" and intangible cultural heritage learning, integrating cultural inheritance into family life. At the same time, to help employees relieve workplace pressure, the Company has created a diversified matrix of stress relief activities, including "Seeing the World Through Books", "Famous Experts Lectures", "Featured Innovation", and the "Moments Between Pages" series designed for fragmented time (including blind book boxes, book fairs and others), enabling reading and relaxation to occur at any time and becoming an ideal choice for employees to relax physically and mentally.



“ Humanistic Care ”

In addition, QiaoYin actively fulfills its social responsibilities. All employee cultural activities and reading resources are open to the public free of charge, creating an accessible knowledge dissemination platform and supporting educational equity and lifelong learning. Through activities such as reading programs and expert lectures, the Company has gradually become a hub of community culture, having organized more than 60 themed activities and served more than 100,000 participants, effectively supporting the construction of Liwan's "15 Minute Cultural Circle" and enhancing community cohesion and the Company's social influence.

Case: Organization of Dual Festival Garden Party Activities



On the eve of the Mid Autumn Festival and National Day in 2025, QiaoYin held a themed garden party titled "Full Moon Full Home QiaoYin Together at This Moment" in the lobby on the first floor of QiaoYin Building at the headquarters, and simultaneously connected with employees stationed outside to celebrate both online and offline. The event featured fun games such as lantern riddle guessing, handmade lantern workshop, blindfolded gong striking, mooncake picking, ball hammering, and rolling ball maze, as well as activities including DIY lantern making, book selection and stamping at Qiaohong Academy, and buffet dining. The purpose was to awaken team tacit understanding and childlike joy through relaxed and enjoyable interactions, integrate the care of "small families" into the lively atmosphere of the "big family", effectively relieve employee stress, and enhance employees' sense of professional belonging and team cohesion.

Case: Organization of "Art Psychological Healing Reading Session"

In September 2025, the QiaoYin Labor Union, in collaboration with Hubian Reading and Xinjueli and other institutions, held a psychological healing reading session based on Art Psychotherapy at Qiaohong Academy. The activity aimed to help employees release work and life pressure, enhance psychological resilience, and strengthen team cohesion. Under the guidance of mentors, participants conducted self-exploration through nonverbal methods such as painting meditation and color expression. At the same time, with the assistance of brainwave devices and AI algorithms, personalized "Mental Health Assessment Reports" were generated, and one to one suggestion were provided. Warm interactive elements such as anonymous blessing scratch cards and "Anxiety Relief Cookies" were also arranged on site. The entire activity enabled employees to be seen and accepted without the need for verbal expression, effectively alleviating emotions and enhancing team belonging and work vitality.



Occupational Health and Safety

Governance

The Company has established a comprehensive organizational structure for occupational health and safety management, clearly defining the General Manager and heads of each project as the primary responsible persons. The headquarters has established the position of safety engineer to coordinate and manage safety affairs of the headquarters and all projects. In accordance with the principle of "Three Responsibilities and Three Musts", the Company implements safety management responsibilities of all professional departments. At the same time, the Company's safety management system covers safety inspections, hazard rectification, safety production meetings, expense management, safety training, fire safety, special operations, and risk control, and is revised annually and comprehensively reviewed every three years.

At the same time, the Company has established a dual prevention mechanism of risk graded control and hazard identification and governance and formulated a risk evaluation management system. Each project has established lists of operational activities and equipment facilities and classifies risk levels into four categories of "red, orange, yellow, and blue". The Company formulates and implements risk management education and training plans, and regularly conducts comprehensive hazard inspections based on risk lists for control and emergency measures, ensuring timely rectification.

In addition, the Company has established a systematic emergency response system covering various emergency scenarios, including emergency plans for fire and explosion, poisoning in confined spaces, mechanical injuries, electric shock, and chemical leakage. Emergency rescue materials are equipped (such as positive pressure air breathing apparatus, safety ropes, safety belts, life jackets, and first aid kits). Emergency drill plans are formulated, and one emergency drill is organized each month to enhance employees' emergency response capabilities.

Strategy

In many aspects of urban management and operations, vehicle operations are an important component. The safe driving behavior of drivers is directly related to the smooth implementation of operations and the safety of employees' lives. To improve operational safety levels, the Company has set strict accident rate control targets and formulated a series of comprehensive and detailed risk control measures.



Impact, Risk and Opportunity Management

Safety Production Protection



Equipment Safety Control

- **Establish a mechanism of "daily inspection plus regular maintenance plus special testing"**: Inspect abnormal conditions such as abnormal noise, leakage, and overheating daily, conduct comprehensive maintenance monthly, and commission third parties for safety performance testing quarterly, strictly prohibiting equipment operation with faults.
- **Strictly implement the management system for special equipment**: For special equipment such as boilers, high voltage electrical equipment, and lifting machinery, implement registration and regular inspection, and operators must hold certificates and participate in regular skill assessments.
- **Strengthen management of electrical and vulnerable components**: Ensure waterproof and oil resistant treatment of electrical equipment to prevent short circuits and leakage, regularly disassemble and maintain equipment, and promptly replace worn components.



Fire Prevention and Odor Diffusion Prevention

- **Strictly prohibit open flames and illegal use of electricity in key areas**: Garbage storage warehouses, incineration workshops, biogas tanks and other areas are equipped with sufficient fire extinguishers, fire hydrants, fire sand and other equipment, with regular inspection and replacement.
- **Set warning signs and implement zoning management**: Delineate flammable and explosive areas, set clear warning signs, and install ventilation and deodorization equipment.
- **Real time monitoring of combustible gas concentration**: Install combustible gas alarm devices, and immediately initiate ventilation and inspection measures once exceeding standards.



Operation Safety Management

- **Standardize the wearing of labor protection equipment**: Operators must wear anti slip shoes, protective gloves, safety helmets and other corresponding protective equipment. Safety belts must be worn for high altitude operations, with warning zones set and dedicated personnel for supervision.
- **Strictly implement operating procedures for key processes**: In processes such as garbage feeding, slag removal, sorting, and crushing, prevent foreign object mixing and illegal operations, eliminating mechanical injuries and falling accidents.
- **Strengthen control of confined space operations**: Protective railings and warning signs are set in areas such as sewage tanks and sedimentation tanks. Ventilation and gas detection must be conducted before operations and meet standards. Dedicated personnel must supervise throughout the process and emergency rescue equipment must be equipped. Single person operations are strictly prohibited.



Chemical Safety Control

- **Implement dedicated personnel management and zoned storage**: For chemicals such as disinfectants, flocculants, and acid alkali reagents, set corrosion and toxicity warning signs, store them separately, and prevent leakage and mixed storage reactions.
- **Standardize handling and use of protective equipment**: Strictly follow operating procedures when handling chemicals, and operators must wear corresponding protective equipment.
- **Equip emergency treatment equipment**: Equip on-site with neutralization, adsorption, and emergency collection equipment to respond to chemical leakage accidents.

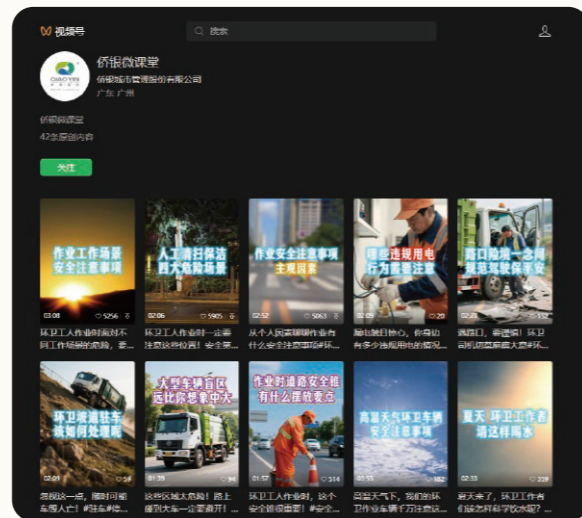
Case: Safety Production Month | Building A Strong Safety Defense Line

In June 2025, the nation's 24th "Safety Production Month" arrived as scheduled. QiaoYin actively responded to the thematic call of "Everyone Talks About Safety and Everyone Knows Emergency Response Identify Safety Hazards Around You", and, with a strong sense of responsibility and mission, launched a comprehensive and multi-level special campaign on safety production across the country.



Safety Education and Training

To effectively enhance all employees' safety awareness and emergency response capabilities, QiaoYin regarded safety education and training as an important focus of Safety Production Month and carried out a variety of training activities in diverse forms with rich content. At the same time, the Company invited senior industry safety experts and, centering on sanitation operation safety, equipment operation standards, fire safety and other topics, innovatively launched the "Safety Knowledge Micro Classroom". Through short videos, graphics and text and other forms, it transformed complex safety knowledge into content that is easy to understand, and regularly pushed it through the Company's online learning platform, video account, WeChat groups and other channels. Employees could make use of fragmented time for learning, thereby realizing the normalization and convenience of safety education.



Safety Emergency Drills and Hazard Inspection

To test and improve employees' emergency response capabilities, during Safety Production Month, QiaoYin organized a series of practical emergency drill activities in response to complex operating environments, vehicle and machinery risks, weather impacts and other factors. The types included emergency drills for fire rescue, oil pipe rupture, vehicle rollback, severe weather response, traffic accidents, and first aid for personnel. At the same time, the Company carried out a nationwide comprehensive safety production inspection and conducted a full inspection of key areas such as operating vehicles, equipment and facilities, office premises, and warehouses.




Safety Culture Development

QiaoYin attaches great importance to the development of safety production culture and creates a strong atmosphere for safety production through various forms. The Company hangs safety production slogans and banners in office premises and operating sites, posts safety publicity posters, and sets up safety knowledge publicity columns, enabling employees to be subtly influenced by safety culture.




Occupational Health Protection




Health Monitoring

- **Regularly organize occupational health examinations:** Organize one occupational health examination for all employees every year and, in light of the risk characteristics of positions in each project, focus on examining the respiratory system, skin, eyes, digestive system and other areas.
- **Establish health records and track abnormalities:** Establish occupational health records for all employees, promptly adjust positions, arrange treatment, and track health conditions for employees with abnormal examination results, and strictly prohibit working while ill.




Improvement of Working Environment

- **Strengthen ventilation, dust removal, disinfection, and deodorization:** Install forced ventilation, dust removal, and deodorization equipment in areas such as garbage storage warehouses, incineration workshops, sewage treatment workshops, and chemical storage rooms, conduct scheduled ventilation every day, reduce the concentration of dust and harmful gases, and carry out regular disinfection and cleaning to prevent bacterial growth.
- **Set up cleaning and disinfection facilities:** Set up hand washing pools and disinfection facilities in operating areas to facilitate timely cleaning and disinfection after work, and promptly clean up residual sewage leakage.



Protective Equipment Support

- **Provide sufficient supplies and standardize use:** according to the differences in risks of each position, provide sufficient protective equipment such as dust masks, gas masks, anti-corrosive gloves, high temperature resistant equipment, waterproof shoes, and protective goggles, and specify standards for wearing, use, and replacement.
- **Regular inspection and training:** Regularly inspect the integrity of protective equipment and promptly replace expired and damaged items; strengthen training on use to ensure that employees wear them correctly and avoid occupational injuries caused by improper protection.

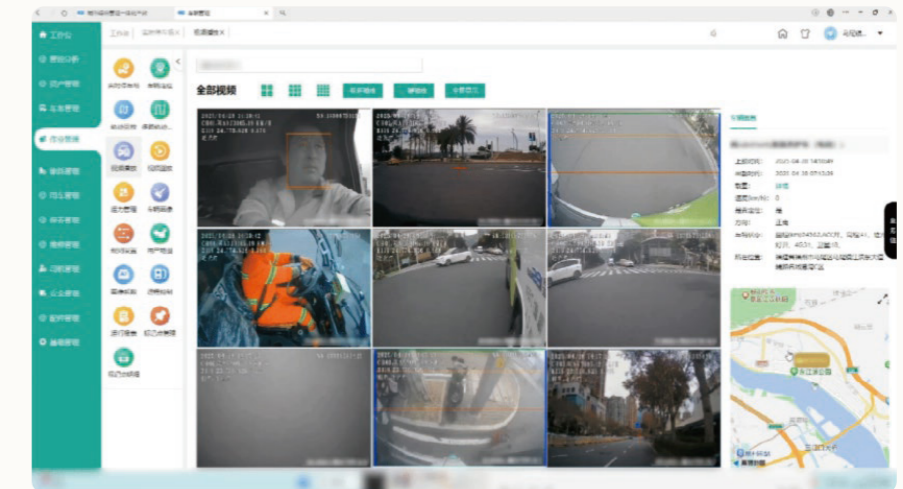


Health Publicity and Training

- **Normalized publicity and training:** Regularly carry out occupational health knowledge training, set up publicity columns, and post protective knowledge posters and warning slogans to enhance all employees' awareness of self-protection.
- **Establish consultation channels and headquarters supervision:** Establish employee health consultation channels, provide guidance on personal hygiene habits (cleaning the body after work, changing clothes, and regularly cleaning protective equipment); the Company headquarters regularly inspects and supervises the implementation of measures and continuously optimizes protection measures.

Case: Panoramic Monitoring to Safeguard Traffic Safety

At the Fuzhou Mawei Project, QiaoYin focused on driving safety and built a "smart sentinel" with the support of AI technology. By additionally installing a driver behavior analysis system, blind spot alarms, and 360-degree panoramic visual AI monitoring technology on vehicles, it carried out all round integrated monitoring and management of the status of drivers and transport vehicles.



"The system automatically analyzes drivers' driving behavior. Once an abnormal condition occurs, it immediately issues an early warning reminder." When drivers engage in behaviors affecting safe driving during vehicle operation, such as making or answering phone calls, yawning, or closing their eyes, the system can also identify them in a timely manner and issue voice reminders. Backend personnel can log in to the integrated management service platform to view in real time the driving status and risk status of vehicles and carry out operations such as remote voice calls and risk notifications. In addition, the blind spot recognition camera installed on the right side of the vehicle can promptly detect pedestrians and, together with the sound and light alarm, issue safety reminders to alert drivers and pedestrians to stay away from blind spot areas, thereby safeguarding the safety of all parties.

Indicators and Targets

Indicator	Unit	2025 Performance
Occupational health and safety related drill activities	Session	21
Number of participants in occupational health and safety related drill activities	Persons	255

Case: Cardiopulmonary Resuscitation Emergency First Aid Training

In 2025, to enhance employees' emergency awareness, improve their self-rescue and mutual rescue capabilities, and create an atmosphere of "Everyone Talks About Safety and Everyone Knows Emergency Response", the Company invited Liwan District Red Cross Society and Shanxin Health Medical Center to conduct cardiopulmonary resuscitation emergency first aid training for all employees in Conference Room 3 on the 6th floor of QiaoYin Building. The training adopted a combination of offline explanation and practical drills, helping employees master first aid skills and improve their emergency response capabilities in sudden incidents.



Community Relationship Management

During its continuous growth and development, QiaoYin has always kept its corporate social responsibility in mind, actively devoted itself to public welfare undertakings, and given back to society through practical actions. Together with Guangzhou QiaoYin Charity Foundation, guided by the purpose of "Offering sincere love, accumulating just virtues, alleviating poverty and disaster relief, fulfilling public welfare responsibilities, and promoting the healthy and sustainable development of public environmental sanitation safety prevention and control", approximately RMB 2.65 million was donated throughout the year, focusing on core directions such as rural revitalization and caring education assistance, while taking into account the improvement of urban services and people's wellbeing, thereby practicing public welfare responsibility.

Case: Winning the Title of "Guangzhou Advanced Collective for Acting Righteously"

In April 2025, Guangzhou Municipal Committee Political and Legal Affairs Commission and Guangzhou Foundation for Justice and Courage held the 2024 "Guangzhou Good Citizen for Acting Righteously", "Guangzhou Advanced Collective for Acting Righteously", and the condolence and award ceremony for acts of righteousness and courage in the first quarter of 2025. At the event, QiaoYin was awarded the title of 2024 "Guangzhou Advanced Collective for Acting Righteously". It was the only enterprise in the industry to receive this honor and one of only five honored enterprises in the city.



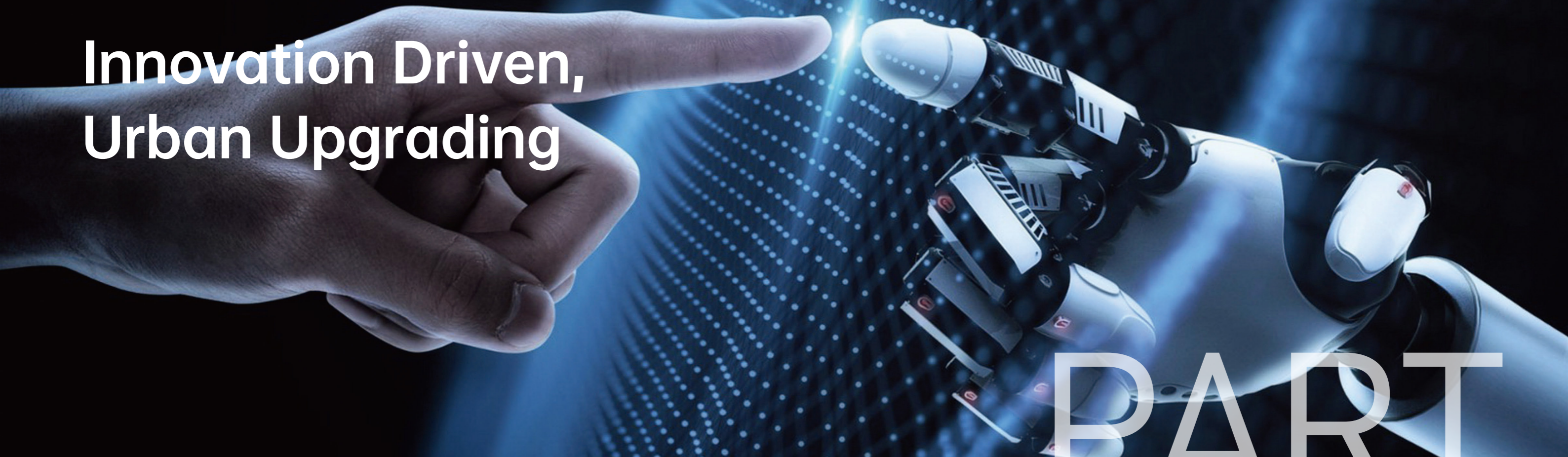
In the field of rural revitalization, the Foundation closely followed relevant development programs to support the integration of rural sanitation and the improvement of infrastructure. In terms of caring education assistance, it donated funds to improve schooling conditions in rural areas and provided scholarships, grants, and material support to students in difficulty and left behind children. At the same time, based on its main business, it cares for frontline workers, promotes community livelihood micro projects, public emergency response, and environmental sanitation safety prevention and control, and supports common prosperity through targeted public welfare actions, transmitting the power of kindness.

Case: Donating Funds to Help Open Up the "Life Passage" in Mountainous Areas and Paving a Heartwarming Road for Rural Revitalization with Love

In July 2025, Guangzhou Municipal Financial Office, together with multiple parties, went to Dazhe Town to deepen the work of rural revitalization through assistance to towns and villages. As one of the participating parties, QiaoYin joined the delegation and actively responded to the initiative of "Repair the Life Passage and Bring Warmth to Mountain Communities" issued by the People's Government of Dazhe Town. It promptly donated funds to support the construction of the road from Dongpian Village to the emergency shelter site. Through practical actions, it interpreted corporate responsibility and provided strong protection for the safety of more than 6000 residents. It also empowered the local area to accelerate the advancement of the "Hundred-Thousand-Ten-Thousand Project" and compose a new chapter in rural revitalization.

04

Innovation Driven, Urban Upgrading



PART FOUR

Key ESG Topics of This Chapter

- Research And Development Innovation
- Product Quality And Safety
- Digital Empowerment And Technology Driven
- Circular Economy

Response to SDGs Goals

<p>9 产业、创新和基础设施</p> 	<p>12 负责任消费和生产</p> 	<p>17 促进目标实现的伙伴关系</p> 
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Enhancing Urban Services

Governance

QiaoYin adopts multidimensional governance approaches to comprehensively improve urban service levels. It focuses on eight core aspects including development strategy, control systems, governance models, business models, business structure, capital forms, brand image, and talent development, and gradually implements the "two verticals and three horizontals" operational development structure. At the same time, the Company possesses complete operational service qualifications, holding more than 100 national, provincial, special grade, and first grade certifications, including Guangdong Province Special Grade Qualification for Sweeping, Collection, Transportation and Cleaning Environmental Sanitation Services, Special Grade Certification Certificate for City Steward Services, Operating License for Urban Domestic Waste Sweeping, Collection and Transportation Services, and China Cleaning Industry National First Grade Qualification. It has also taken the lead in the industry in passing triple certifications of ISO14001 Environmental Management System, ISO9001 Quality Management System, and ISO45001 Occupational Health and Safety Management System. As one of the earliest enterprises in China engaged in comprehensive digital and smart urban services, QiaoYin focuses on three major industries of digital and smart equipment, digital and smart cloud control, and digital and smart services. It has established a systematic system for research and development, manufacturing, and services, forming an integrated smart city governance solution of "Air, Space, Land, Water, Life, Production", supporting the transformation and upgrading of the urban service industry and achieving cost reduction, efficiency improvement, and revenue growth.

Case: First National Autonomous Driving and Sanitation Robot Special Committee for Urban Services Jointly Initiated

2025年11月,中国城市环境卫生协会无人驾驶与环卫机器人专委会成立大会暨智能环卫技术发展交流会在杭州圆满举行。本次会议由中国城市环境卫生协会主办,公司与诸多企业联合承办。政府部门、行业协会、企业代表及专家学者齐聚一堂,共同见证专委会成立,探讨无人驾驶与环卫机器人技术发展路径,侨银股份总裁夏冠明当选专委会常务副主任委员。



Strategy

The Company initially centered on "serving cities" and proposed the service model of "urban and rural sanitation integration", vertically integrating the upstream and downstream sanitation service industry chain and horizontally expanding service regions. Based on years of project operation experience, the Company upgraded "serving cities" to "managing cities" and proposed the "city steward" service model, integrating resources of civil and public spaces and applying multi segment smart sanitation systems to further deepen service capabilities. To help the government improve urban governance efficiency, the Company proposed the "@City" service model, expanded service boundaries, reduced government procurement costs, and achieved a breakthrough from "managing cities" to "operating cities". QiaoYin is committed to building a modern full domain urban service system. From proposing the "Urban and Rural Sanitation Integration" model in 2017, to releasing the "City Steward" model in 2020, to implementing the "@City" comprehensive governance model in 2022, and to advocating the iterative upgrade to the "Embodied Intelligent Urban Comprehensive Governance" model in 2025, it contributes to improving urban governance efficiency, reducing government procurement costs, and enhancing people's sense of wellbeing.

Impact, Risk and Opportunity Management

The environmental sanitation management industry is an emerging comprehensive industry in the early stage of marketization, with limited organizational level and low concentration. With the rapid development of the industry, the involvement of upstream and downstream enterprises and the continuous entry of new enterprises from different fields will lead to increasingly intensified market competition risks.

Digital and Smart Urban Management

The Company has comprehensively upgraded its "digital and smart" system and built a new "1+1+3+N" smart city management service system. With technology as the engine, it breaks through traditional service boundaries, upgrades "operating cities" to "digital and smart cities" and injects new quality productive forces into the digital and smart upgrading of urban management and smart city construction. In 2025, focusing on business development, management efficiency improvement, smart upgrading, and technological innovation, the Company continuously deepened digital transformation and comprehensively consolidated its digital foundation, providing strong support for high-quality development. In 2025, focusing on business development, management efficiency improvement, smart upgrading, and technological innovation, the Company continuously deepened digital and smart upgrading and comprehensively consolidated its digital foundation, providing strong support for high-quality development.

Efficient Process Business

Relying on the city partner system for support, promote rapid system implementation through standardized implementation plans and training, and simultaneously complete process sorting and authority adaptation to ensure the smooth transition of organizational structure changes and efficient business connection.

Comprehensive Construction of Finance, Business, Legal, and Tax Platform

Fully complete project initiation for related projects, focus on building a hierarchical budget management system to achieve full process refined control, and establish a contract management system to realize closed loop lifecycle management from drafting to performance.

Establishment of Unified Entry and Information Interaction Center

Through the construction of a unified portal, authentication center, and information interaction center, achieve cross system collaboration, security control, and efficient resource allocation, providing precise data support for business expansion.

Iterative Upgrade of Smart Sanitation Construction

The smart sanitation system continues iterative optimization, building core modules such as full process salary management, vehicle management, and fixed position and staffing. The system covers 131 projects and 43,000 users, strongly supporting human resources, development centers, and frontline project operation management needs.

I AI New Quality Urban Service System Solution

QiaoYin takes "Artificial Intelligence + Data Operation" as the core and builds a demonstration project of smart urban service solutions integrating "AI + Service" platform, digital and smart equipment, and digital and smart industrial ecosystem, gradually promoting comprehensive application, supporting the transformation and upgrading of the urban service industry, and continuously meeting people's growing needs for a better life.



QiaoYin @ "AI + Service" Mega Platform

The Company adopts a concise architecture of "1 AI urban management service intelligent agent matrix platform + X unmanned equipment modules + N application scenarios", integrating full domain governance scenarios of "Air, Space, Land, Water, Production, and Life". Through unmanned aerial vehicle automatic inspection, AI video intelligent recognition, mobile collection vehicle inspection, and manual routine inspection, it builds a three-dimensional monitoring and early warning network of "Air, Space, Land, and Water". At the same time, the Company actively promotes the development of AI large models and refined management.



QiaoYin @ Urban Artificial Intelligence Equipment

The Company owns more than 40,000 operating vehicles and equipment and more than 500 water surface cleaning vessels. It has successfully developed intelligent equipment such as patrol robots, intelligent sweeping robots, underground pipeline robots, and humanoid robots for garbage bin handling, actively promoting intelligent, networked, and panoramic smart robot cluster operation solutions.

Model-Q Park Unmanned Cleaning Robot



- An intelligent cleaning robot specifically designed for outdoor closed or semi closed environments, which can be used to provide efficient and convenient cleaning services for large scale areas such as parks, industrial parks, and plazas.
- Equipped with multiple sensors and scanning devices, it can identify and avoid obstacles, ensuring a safe operating environment.
- Based on high precision maps, it automatically generates optimal cleaning routes, ensuring comprehensive coverage without omission or repetition.
- No manual intervention is required throughout the entire process, as it automatically completes cleaning tasks and is equipped with advanced functions such as automatic water refilling, charging, garbage dumping, and station standby.

Model-Y Open Road Unmanned Cleaning Robot



- Model-Y is a robot designed for outdoor open and semi open environments, providing integrated intelligent sweeping, vacuuming, and spraying services.
- The entire unit is equipped with various types of environmental perception sensors, which can identify and avoid obstacles, ensuring a safe operating environment.
- Based on high precision maps, it automatically generates optimal cleaning routes, ensuring comprehensive coverage without omission or repetition.
- No manual intervention is required throughout the entire process, as it automatically completes cleaning tasks and is equipped with advanced functions such as automatic water refilling, charging, garbage dumping, and station standby.

Model-I

Commercial Indoor Cleaning Robot



- Model-I indoor commercial unmanned cleaning robot is an intelligent cleaning device specifically designed for indoor environments such as shopping malls, office buildings, and public service halls.
- The robot adopts advanced L4 level autonomous driving technology and combines it with self-developed navigation algorithms to intelligently identify and avoid obstacles, ensuring smooth operation in complex indoor environments. It supports multiple cleaning modes, including sweeping and vacuuming, floor scrubbing, water absorption, and dust pushing functions, and can flexibly adapt to different indoor floor surfaces.
- The robot is also equipped with functions such as scheduled cleaning, automatic recharging, and remote control, allowing users to easily operate and monitor it through an application.

Model-A(N)

Unmanned Smart Urban Service Integrated Operation Robot



- It consists of a six degree of freedom robotic arm, a smart mobile chassis (wheeled or tracked), a robotic arm 3D vision execution mechanism, and a smart controller (including mobile operation software).
- Equipped with an integrated smart real time robot dedicated operating system, it enables mobile inspection and operation across multiple scenarios, can intelligently identify abnormalities and promptly perform tasks such as garbage collection, and can be configured into a humanoid robot structure.

Model-A(C)

Unmanned Patrol and Delivery Integrated Robot



- Model-AC patrol and delivery robot integrates advanced artificial intelligence and 5G Internet of Things technologies such as autonomous driving, facial recognition, and edge computing, and can be applied in fields such as public security, security services, urban management, and parking management.

Equipped with an advanced perception system, including sensors such as LIDAR, cameras, and high precision GPS, enabling real time perception of the surrounding environment and ensuring the safety and accuracy of patrol operations.

- It can autonomously complete patrol and delivery tasks without manual intervention, effectively reducing labor costs and improving patrol efficiency.

QiaoYin @ Urban Industrial Ecosystem

QiaoYin consistently adheres to a people-oriented approach, unlocking new quality productive forces and applying technology to more spaces, supporting cities in transformation and creating greater comfort and more pleasant experiences for people's better lives.



Autonomous Cleaning Vessel



Unmanned Aerial Vehicle



Intelligent Sorting Robot



AI Intelligent Information Collection Vehicle



Intelligent Fatigue Driving and Blind Spot Early Warning System



Case: Launch of the "Embodied Intelligent Urban Comprehensive Governance Model", Opening the Era of Smart Cities 4.0

In December 2025, the "2025(Third) AI + Sanitation Summit Forum" was successfully held in Beijing. Industry leaders gathered to discuss the practical progress and future trends of AI in the field of urban services. A representative of QiaoYin delivered a keynote speech titled "Reshaping Urban Services: A Data and Intelligence Driven Future", introducing the Company's self-driven transformation path toward becoming a "Digital and Smart Urban Operation Service Provider", providing guidance for the reshaping of industry production relations.



The Company innovatively proposed the 4.0 model, namely the "Embodied Intelligent Urban Comprehensive Governance Model", building a complete governance capability system covering "Perception, Reasoning, Decision Making, and Execution", addressing pain points such as data silos, experience driven operations, and extensive operations in the industry, and realizing a paradigm transformation from "Passive Response" to "Predictive Operations".

Case: "AI Smart Inspection and Dispatch System" Selected as One of Guangzhou's First Batch of "Artificial Intelligence +" Typical Cases

In March 2025, the themed event "Empowering All Industries with Intelligence and Enabling Thousands of Sectors" of Guangzhou Artificial Intelligence Public Computing Center and the First Meeting of Guangzhou Artificial Intelligence Computing Power Application and Industry Development Alliance in 2025 were grandly held in Guangzhou. At the meeting, the list of the first batch of "Artificial Intelligence +" typical cases in Guangzhou were announced. QiaoYin successfully made the list with its "AI Smart Inspection and Dispatch System",



becoming the only enterprise from its industry selected, marking that its AI technology application has been highly recognized by the government and the industry, fully demonstrating QiaoYin's strong digital and smart capabilities in the field of urban services and injecting strong momentum into Guangzhou's effort to build a national hub for artificial intelligence computing power applications.

Case: "Huanyu Smart Management Agent" Wins First Place in Growth Category at the Semifinals of the CICAS AI Agent Global Special Competition

In January 2026, the semifinals of the AI Agent Global Special Competition of the Third National Artificial Intelligence Application Scenario Innovation Challenge (CICAS), hosted by China Society of Artificial Intelligence and jointly organized by the Organizing Committee of the National Artificial Intelligence Application Scenario Innovation Challenge, the International Artificial Intelligence and Computing Power Standards Association, and The Hong Kong University of Science and Technology (Guangzhou), concluded successfully in Shenzhen. QiaoYin's "Huanyu Smart Management Agent" stood out with its systematic innovation and large-scale implementation capability in urban service scenarios, winning first prize and ranking first in the enterprise growth category.



This honor is not only recognition of QiaoYin's intelligent agent products, but also a high affirmation by the industry of QiaoYin's innovative "Embodied Intelligent Urban Comprehensive Governance Model", marking that QiaoYin, as a leading enterprise in AI urban service applications in China, is gradually building technological barriers and an ecosystem that lead the industry.

Case: Partnering with the National Cloud Computing Team to Build the Industry's First "Urban Public Service Intelligent Agent"

In July 2025, the World Artificial Intelligence Conference and the High-Level Meeting on Global Governance of Artificial Intelligence opened in Shanghai. With the theme of "Intelligent Era Shared Future", the conference comprehensively showcased the forefront of AI technology, industry trends, and the latest practices in global governance. During the conference, the "China Electronics Cloud Artificial Intelligence Innovation Development Forum", guided by the Office of the Organizing Committee of the World Artificial Intelligence Conference, was successfully held.



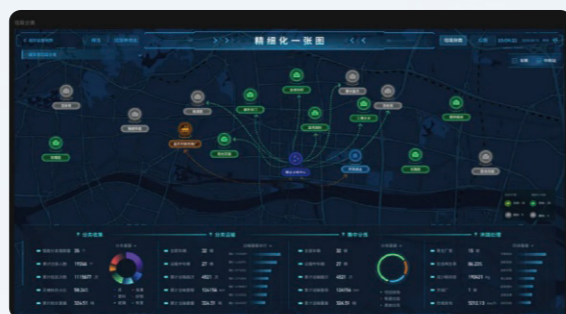
Mr. Xia Guanming, President of the Company, was invited to attend the conference and participated in the signing ceremony of the China Electronics Cloud AI Large Model Cooperation Initiative. Both parties will focus on cooperation in areas such as urban public service intelligent agents and integrated city management (urban governance, urban safety, and urban services).

✧ Indicators and Targets

QiaoYin will continue to adhere to its original aspiration of "Technology Empowering Urban Development", continuously increase investment in the research and development of the urban governance service intelligent agent matrix, deepen the collaborative ecosystem of "Platform + Scenario + Service", and, through more concrete technological achievements, more implementable service solutions, and broader ecosystem collaboration, contribute more replicable and scalable "QiaoYin Solutions" to building livable, resilient, and smart cities, steadily advancing toward becoming a "World Class Leading Brand in Comprehensive Improvement Services for Human Settlements".

Case: Creating a New Vision of Human Machine Symbiosis in Urban Governance

QiaoYin launched a smart sanitation service platform as early as 2016, realizing intelligent management of "people, vehicles, and materials" in sanitation operations. In recent years, the projects won, including the "2025 to 2026 Guangzhou Sun Yat sen Memorial Hall Cleaning Service" and the "Hohhot Xincheng District Integrated Sanitation Service Project", have both incorporated artificial intelligence robot operations. The unmanned cleaning vessel deployed in Liwan river channels can automatically complete water surface garbage collection and return to port for unloading.



The Company has also introduced AI composite recognition technology in Kaifeng North American Vein Industrial Park to realize intelligent garbage sorting. In the municipal level integrated sanitation project in Guangzhou, AI intelligent information collection vehicles are in operation. In rural projects in Maonan District, Maoming City, unmanned aerial vehicle inspection has been introduced, significantly improving the accuracy and efficiency of sanitation inspection. In the Fuzhou Mawei Town project, sanitation vehicles are equipped with driver behavior analysis systems, blind spot alarms, and 360-degree panoramic visual AI monitoring technology.

Case: AI Visual Recognition Equips QiaoYin Urban Services with "Intelligent Eyes" and a "Perceptive Brain"

QiaoYin actively embraces the wave of the digital economy and has successfully integrated artificial intelligence visual recognition technology into multiple projects such as Foshan Zumiao and Fuzhou Mawei, recently achieving phased application results. By further improving the central integrated brain, it conducts automated analysis of scenarios such as garbage treatment, driving safety, and road maintenance, realizing full process closed loop management of road transportation within projects. This lays a solid foundation for QiaoYin to build a smart urban service system covering all domains and scenarios across land, sea, and air, while ensuring safe project operations and improving urban operational efficiency.



Case: Coordinated Land, Sea, and Air Operations with No Blind Spots in Cleaning and Inspection

As a leading urban operation service provider in China, the Company has independently developed L4 level autonomous driving sweeping robots. Through the coordination of machine vision and lidar, these robots can achieve functions such as obstacle recognition in complex urban environments, automatic obstacle avoidance, passage through narrow roads with sweeping operations, multi-mode cleaning, automatic charging, and one click task dispatch.

In the Liwan river channels, the unmanned intelligent cleaning vessel operates flexibly and efficiently, quickly collecting floating waste such as duckweed into the net bag beneath the vessel. After completing garbage collection, the unmanned cleaning vessel automatically returns to the docking point, where sanitation workers remove and transport the waste from the net bag.



In addition, the Company has introduced unmanned aerial vehicles for inspection, expanding the scope of supervision and enabling precise sanitation cleaning. According to the project manager, one unmanned aerial vehicle can complete 15 flights over 2.5 days, covering approximately 12 square kilometers, equivalent to the workload of about 10 inspection personnel, greatly improving the efficiency of sanitation operations and the level of operational supervision.

Case: Addressing Industry Pain Points Through Digital and Smart Means

At the level of digital and smart equipment, QiaoYin has established a full scenario robot matrix including low altitude inspection unmanned aerial vehicles, autonomous driving sweeping vehicles, pipeline inspection robots, water surface cleaning vessels, and sanitation humanoid robots, which have been piloted and implemented in multiple service cities. These devices are equipped with edge intelligence technology. Through three types of edge sensing devices including vehicle mounted, wearable, and fixed point, and by leveraging visual recognition and high precision positioning, combined with



generative AI, they enable real time updates of industrial grade fine maps of cities and automatic task dispatch. They can achieve environmental perception and autonomous operations and transmit desensitized data back to the "Urban Intelligent Agent", thereby constructing a complete closed loop of "Perception-Thinking -Execution-Feedback".

Research and Development Innovation

✕ Governance

In the field of urban management services in China, QiaoYin continues to move forward steadily, committed to promoting the development of urban services through technological innovation. The Company has established a scientific and well-structured research and development process. From accurately identifying environmental protection needs at the product design stage, to applying professional technologies to build solutions during system development, then conducting rigorous control through launch testing, and finally continuously optimizing operation and maintenance management, each step is implemented with solid execution. The Company strives to serve urban service work with higher quality technological achievements and contribute practical strength to the green development of society.

✕ Strategy

The Company adheres to expanding the application boundaries of "Artificial Intelligence + Urban Services" through industrial ecosystem collaboration. Through an open and cooperative innovation model, it accelerates the formation of new advantages in industrial development and promotes the deep integration and widespread application of artificial intelligence in the field of urban services, aiming to solve pollution prevention and control challenges arising from human production and daily life, such as soil remediation, wastewater treatment, air purification, sludge treatment, and hazardous waste treatment.



✕ Impact, Risk and Opportunity Management

| Industry Academia Research Collaboration

QiaoYin collaborates with leading teams in high tech research fields, including the National Intelligent Connected Vehicle Academician Workstation, Northeastern University, Harbin Institute of Technology Robotics, academicians of the Singapore Academy of Engineering, and teams from Nanyang Technological University, to jointly establish the "Digital and Smart City Research Institute". By integrating the strengths of all parties, it focuses on deeply empowering AI technologies across full dimensional and full lifecycle comprehensive urban management scenarios.



Launching Ceremony of the Joint Research Institute with Western Intelligent Connectivity (Academician Workstation), Northeastern University, Guoyan, HRG and Other Institutions

| Standards Leadership Program

Relying on extensive practical experience in urban and rural environmental services, the Company has successively drafted, led, and participated in the preparation of 17 national standards and group standards, including Requirements for Environmental Sanitation Cleaning Services in Urban and Rural Communities, Technical Specification for Collection and Transportation of Garden Waste, and Technical Specification for Collection and Transportation of Kitchen Waste. These standards cover multiple segmented fields such as urban and rural sanitation, waste collection and transportation, and water surface cleaning. The formulation and implementation of these standards provide scientific guidance and operational norms for the collection and transportation of domestic waste and the cleaning of urban and rural roads, effectively promoting the development of the industry toward standardization and normalization.

| Intellectual Property Protection

QiaoYin regards its intellectual property strategy as a core support for innovative development and has established an intellectual property management system covering all types including trademarks, patents, and copyrights. Differentiated and refined management strategies are implemented for different attributes to ensure standardized operation throughout the entire process from creation to application and protection. To stimulate innovation momentum, the Company has established an incentive mechanism covering all types including inventions, utility models, and software copyrights, implementing phased rewards for acceptance and authorization, clarifying standards for inventor contributions, ensuring fair and effective incentives, continuously stimulating employees' innovation potential, and injecting innovation momentum into urban services and green development through solid intellectual property accumulation.

Indicator	Uniy	2025 Performance
Software copyrights	Item	85.00
Total number of valid patents	Item	202.00

✕ Indicators and Targets

Research and Development Targets	Content
Research and development and production of "digital and smart" urban service equipment	Mainly intelligent sanitation and urban management operation equipment: Sanitation robots, unmanned sanitation vehicles, intelligent inspection systems, and security robots.
Research and development of city level "digital and smart equipment" intelligent connected cloud control management and urban comprehensive service operation management platform	Mainly building a city level management service cloud control platform based on Internet of Things device terminals, big data, and digital twin technology.
Ecological collaboration to provide full dimensional "digital and smart" services for cities	Supporting market and project teams by integrating equipment and cloud control platforms to provide comprehensive "digital and smart" services across entire urban areas.

Product Quality

✕ Governance

QiaoYin has established a quality inspection and supervision management system with multiple levels of control from headquarters to project sites. At the headquarters level, supervision groups are set up under the offices of two major development centers, responsible for supervising operational quality and related matters of the regions and projects under their jurisdiction. At the same time, the budget and final accounts inspection group conducts phased annual inspections of urban service projects nationwide based on the Company's "Seven Key Focus Areas", ensuring full coverage. At the project level, cleaning personnel conduct self-quality inspections during routine cleaning, while supervisors carry out irregular inspections during major cleaning and routine cleaning, and address issues identified in client spot checks in real time. In addition, supervisory personnel from the headquarters development center are responsible for collecting, organizing, and analyzing project operation quality conditions, and reporting and penalizing major issues, forming a closed loop management mechanism.

✕ Strategy

Guided by standardization, refinement, and digitalization, QiaoYin has established a full process control system from headquarters to projects. Through supervision groups and inspection groups, it implements annual full coverage inspections focusing on the "Seven Key Focus Areas", strengthening quality assessment across all sanitation processes. At the same time, the Company uses digital means to identify and control operational risks, continuously reducing the defect rate, improving compliance rates and client satisfaction, and consolidating its high-quality service brand image.

✕ Impact, Risk and Opportunity Management

The Company has established a full process quality assessment and on-site inspection mechanism covering general cleaning, routine cleaning, waste transportation, public toilets, landscaping maintenance, and water surface cleaning, continuously improving operational compliance rates and client satisfaction. Potential operational risks identified, such as personnel violations, deficiencies in facility maintenance, and failure to meet assessment standards, may adversely affect brand reputation and contract renewal if not properly controlled. Relying on digital supervision methods, the Company promotes refined and normalized quality management, continuously reduces defect rates, thereby enhancing market competitiveness, consolidating its high-quality service brand image, and creating favorable conditions for expanding cooperation projects with governments and society.

| Human Machine Collaboration

The Company has gradually formed a complete set of "human machine collaboration" operating methods. That is, manual labor is mainly responsible for cleaning sidewalks and auxiliary lanes, while mechanical vehicles mainly undertake mechanical cleaning of carriageways (fast lanes) and areas beneath isolation barriers. At the same time, mechanical cleaning and washing operations can effectively and rapidly remove accumulated sediment on road surfaces and carry out large scale and high efficiency flushing and cleaning of floating dust and dirt on fast lanes, effectively reducing airborne particulate matter.

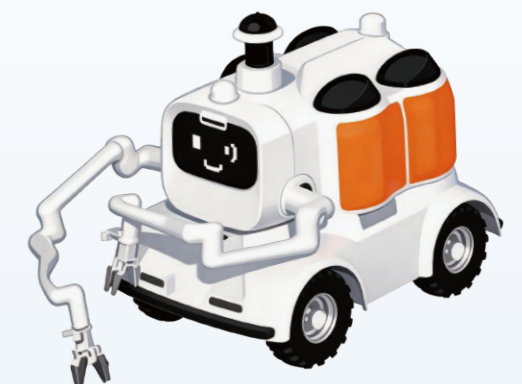
Supplier Management

✕ Governance

QiaoYin has formulated systems such as Procurement Management Measures and Supplier Management Measures, clarifying management standards throughout the entire lifecycle of suppliers. Through regular follow up visits and technical training, it empowers the growth of strategic suppliers and promotes coordinated implementation of strategic procurement and project procurement. At the same time, the Company has established a graded incentive mechanism, providing positive incentives to high-quality suppliers through forms such as letters of appreciation and annual excellence awards, creating a fair and transparent competitive environment and promoting continuous improvement of suppliers in quality stability, service efficiency, and research and development collaboration.

✕ Strategy

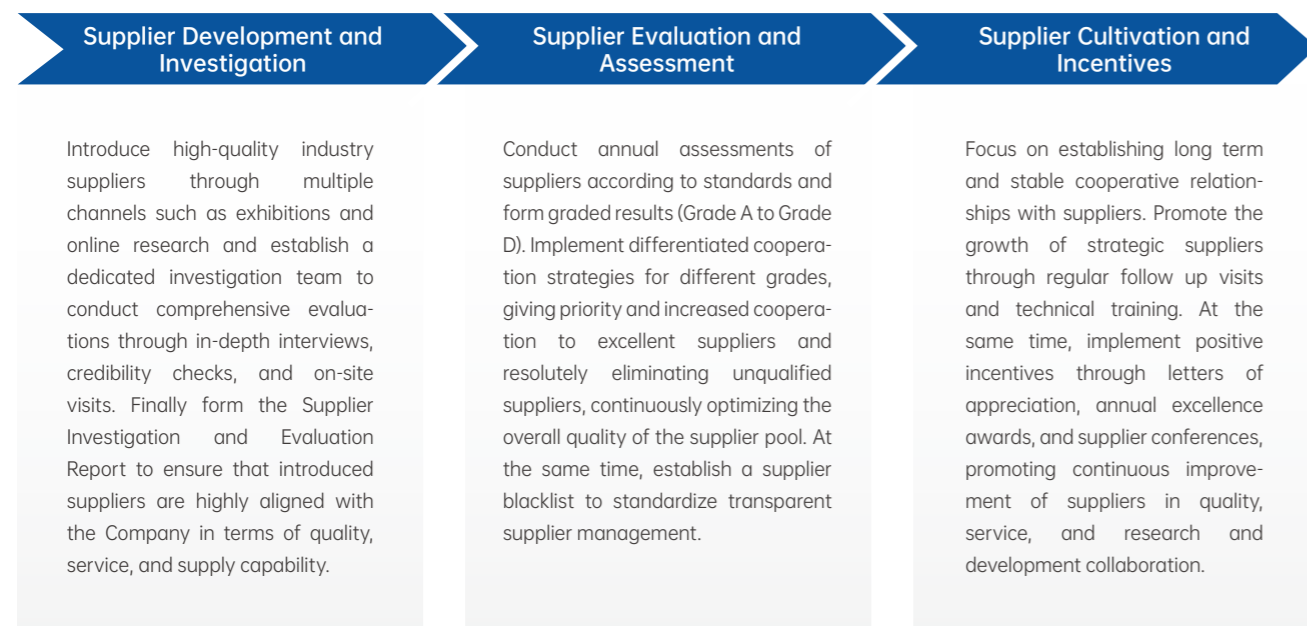
Based on a global perspective, QiaoYin builds a green supply chain ecosystem alliance featuring collaborative innovation and shared development by integrating high-quality upstream and downstream resources. The Company not only strengthens the foundation of the local supply chain through strict supplier development, evaluation, and cultivation mechanisms, but also strives to bring mature urban service management experience and low carbon solutions to the international stage, setting a high-quality and sustainable model for the global development of China's urban service industry.



✕ Impact, Risk and Opportunity Management

| Full Lifecycle Management

The Company has established a full lifecycle management system covering supplier development, supervision, evaluation, cultivation, and daily management, and has built a classified and graded management mechanism along with a collaborative management platform. Procurement, warehousing, and other processes are incorporated into standardized management, significantly improving the transparency and collaborative efficiency of the supply chain.



| Sustainable Supply Chain Development

Guided by the concept of sustainable development, QiaoYin has established a systematic procurement management system covering procurement methods, application procedures, and implementation processes, laying a solid foundation for efficient and standardized procurement work. The Company has formulated a sunshine procurement system, strictly regulating procurement supervision and work discipline, strengthening transparent control throughout the entire process, and ensuring fairness and impartiality in procurement activities. At the same time, the Company has deeply integrated ESG concepts into the supplier evaluation system. In the screening stage, it not only reviews qualifications such as system certifications, but also controls the green and sustainable level of the supply chain from the source.

✕ Indicators and Targets

Indicator	Unit	2025 Performance
Total number of suppliers	Unit	249.00
Proportion of procurement personnel trained in sustainable procurement within the Company	%	100.00



Appendix

Description of Report Preparation

Overview

This report is the fifth Environmental, Social and Governance (ESG) Report released by QiaoYin City Management Co., Ltd. (hereinafter referred to as "QiaoYin", "the Company", "we"). This report discloses in detail the practices and performance of QiaoYin in 2025 in areas of responsibility including environment, society, and corporate governance, aiming to present to stakeholders our policies, measures, and achievements in environment, society, and corporate governance.

Reporting Scope and Boundary

This report is an annual report, with the reporting period from January 1, 2025 to December 31, 2025. Certain content extends beyond the above scope and is explained where involved.

Preparation Basis

Sustainability Reporting Standards by the Global Sustainability Standards Board (GRI Standards);

Self-Regulatory Guidelines for Listed Companies No. 3 — Preparation of Sustainability Reports by the Shenzhen Stock Exchange;

United Nations Sustainable Development Goals (SDGs);

Data Sources and Reliability Statement

The data used in this report are sourced from internal statistical reports, administrative documents, and reports. All content and data disclosed in this report have been reviewed and approved by the management of QiaoYin.

Report Access

To practice the concept of low carbon environmental protection and sustainable development, this report is mainly published in electronic form on the Shenzhen Stock Exchange website (<http://www.szse.cn>) and CNINFO website.

ESG Performance Table

Topic	Indicator	Unit	2025 Data
Corporate Governance	Number of General Meeting of Shareholders held	Times	4
	Number of Board of Directors meetings held	Times	13
	Number of Strategy Committee meetings held	Times	1
	Number of Remuneration and Assessment Committee meetings held	Times	3
	Number of Nomination Committee meetings held	Times	4
	Number of Audit Committee meetings held	Times	4
Risk Management	Number of tax compliance training sessions conducted	Times	5.00
	Tax training coverage rate	%	90%
Data Security and Privacy Protection	Number of data security related training sessions conducted	Times	6.00
	Total training duration	Hours	12.00
Energy	Total diesel consumption	Liters	32,264,072.01
	Total gasoline consumption	Liters	3,235,713.71
	Direct energy consumption	Tons of standard coal	506.10
	Total electricity consumption	Kilowatt hours	35,862,259.94
	Indirect energy consumption	Tons of standard coal	11,113.71
	Total annual energy consumption	Tons of standard coal	11,619.81
	Annual energy consumption intensity	Tons of standard coal per million	84.52
Total biomass fuel consumption	Liters	251.70	
Water Resources	Municipal water purchase volume	Tons	145,708.40
	Total water consumption intensity = total water consumption per million revenue	Tons per million	1,059.82
Greenhouse Gas Emissions	Greenhouse gas emissions (Scope 1)	Metric tons of carbon dioxide equivalent	722.74
	Greenhouse gas emissions (Scope 1) biomass CO2	Metric tons of carbon dioxide equivalent	430.41
	Greenhouse gas emissions (Scope 2)	Metric tons of carbon dioxide equivalent	19,928.66

ESG Indicator Index

Topic	Indicator	Unit	2025 Data
Greenhouse Gas Emissions	Total greenhouse gas emissions	Metric tons of carbon dioxide equivalent	20,651.40
Supply Chain Management	Total duration of internal training	Hours	400.80
	Total number of suppliers	Unit	249.00
	Proportion of procurement personnel trained in sustainable procurement within the Company	%	100.00
Research and Innovation	Research and development investment amount	RMB 10,000	1,513.60
	Proportion of research and development investment to revenue	%	42%
	Software copyrights	Item	85.00
	Total number of valid patents	Item	202.00
Employee Compensation and Benefits	Performance appraisal coverage rate	%	100.00
	Maternity subsidies issued to employees	RMB 10,000	112.86
	Commercial insurance coverage rate	%	100.00
Rural Revitalization and Social Welfare	Investment amount in caring education assistance	RMB	2,112,800.00
	Investment amount in assistance for the needy	RMB	189,000.00
	Investment amount in support for public welfare projects	RMB	115,000.00

Dimension	No.	Topic	Corresponding Clause	Corresponding Section
Environment	1	Climate Change Response	Article 21 to Article 28	Climate Change Response
	2	Pollutant Emissions	Article 30	Environmental Compliance Management
	3	Waste Treatment	Article 31	Environmental Compliance Management
	4	Ecosystem and Biodiversity Protection	Article 32	Biodiversity Protection
	5	Environmental Compliance Management	Article 33	Environmental Compliance Management
	6	Energy Utilization	Article 35	Resource Utilization and Circular Economy
	7	Water Resource Utilization	Article 36	Resource Utilization and Circular Economy
	8	Circular Economy	Article 37	Resource Utilization and Circular Economy
Society	9	Rural Revitalization	Article 39	Rural Revitalization and Social Welfare
	10	Social Contribution	Article 40	Rural Revitalization and Social Welfare
	11	Innovation Driven	Article 42	Research and Innovation
	12	Technology Ethics	Article 43	Not Applicable
	13	Supply Chain Security	Article 45	Supply Chain Management
	14	Equal Treatment of Small and Medium sized Enterprises	Article 46	Supply Chain Management
Governance Related to Sustainable Development	15	Product and Service Safety and Quality	Article 47	Product Quality and Safety
	16	Data Security and Customer Privacy Protection	Article 48	Information Security Protection
	17	Employees	Article 50	Employee Rights and Interests
	18	Due Diligence	Article 52	Stakeholder Communication
	19	Stakeholder Communication	Article 53	Stakeholder Communication
	20	Anti-Commercial Bribery and Anti-Corruption	Article 55	Business Ethics
	21	Anti-Unfair Competition	Article 56	Business Ethics