

CONTENTS

About the Report	02	Annual Focus	08
		Highlights of Sustainability in 2022	08
Preface	03	Promoting the Continuous Deepening of Reform, Empowering High-Quality Development of Enterprises	10
		Consolidating the Foundation of Corporate Culture, Renewing Brand Concept and Image	12
About C&D Group	04	Sustainability Management	14
Main Business	04	Sustainability Model	14
Business Footprint	05	Sustainability Governance	15
		Materiality Issue Management	16
		Stakeholder Communication	18

Optimizing Corporate Governance	20
Adhering to Compliance	23
Strengthening Risk Management	25
Serving the Overall Development	28
Supply Chain Operation	30
Municipal Construction and Operation	32
Hospitality & Expos	34
Medical and Health	35
Emerging Industry Investment	36
Focusing on Customer Satisfaction	38
Production and Service Innovation	40
Continuous Improvement in Quality	
Continuous Improvement in Quality Management	40
Production and Service Innovation Continuous Improvement in Quality Management Implementing Responsible Marketing Improving Customer Satisfaction	40 44
Continuous Improvement in Quality Management Implementing Responsible Marketing	40 44 46

Building Sustainable Supply Chain

Practing Responsible Investment

Corporate Governance

Motivating the Growth of Employees	6
All-round Talent Introduction	62
Empowering Employee Growth	65
Caring for Employees	68
Building a Green Future	7
Layout of Green Industries	74
Practicing Green Operations	77
Protecting the Ecological Environment	82
Supporting Social Welfare	8
The Concept of Public Welfare	86
The Concept of Public Welfare Supporting the Healthcare Industry	86
The Concept of Public Welfare	86 87 89
The Concept of Public Welfare Supporting the Healthcare Industry Supporting Rural Revitalization Supporting the Development of Culture and Sports	80 87 89 92
The Concept of Public Welfare Supporting the Healthcare Industry Supporting Rural Revitalization Supporting the Development of Culture and Sports	86 87 89
The Concept of Public Welfare Supporting the Healthcare Industry Supporting Rural Revitalization Supporting the Development of Culture and Sports Providing Charity and Education Assistance	86 87 89 92 95





About the Report

About the Report

This Report is the first sustainability report (the "Report") published by Xiamen C&D Group Co., Ltd. (referred to as "C&D Group", "the Group" or "we"). We kindly request your understanding and correction. Adhering to the principles of objectivity, standardization, transparency, and comprehensiveness, this Report systematically presents C&D Group's sustainability development concept, practices, and achievement to all stakeholders.

Basis of Compilation

Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-CSR 5.0) by Chinese Academy of Social Sciences;

Guidelines to the State-owned Enterprises on Better Fulfilling Corporate Social Responsibilities by the State-owned Assets Supervision and Administration Commission of the State Council (SASAC);

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

United Nations' Sustainable Development Goals (SDGs)(UN SDGs)

Time Span

The Report covers the period from January 1, 2022 to December 31, 2022 (the "Reporting Period"). Considering the continuity, comparability, and forward-looking nature of the disclosed matters, some contents may be beyond this frame.

Scope of the Report

The Report primarily focuses on C&D Group and covers both the headquarters and affiliated eight major industry groups.

Xiamen C&D Inc. (referred to as C&D Inc.)

C&D Real Estate Co., Ltd. (referred to as C&D Real Estate)

Lianfa Group Co., Ltd. (referred to as Lianfa Group)

Xiamen C&D Tourism and Hotels Inc. (referred to as C&D Tourism)

Xiamen Conference & Exhibition Group Inc. (referred to as C&E Group)

Xiamen C&D Medical Health Investment Co., Ltd. (referred to as C&D Medical)

Xiamen C&D Urban Service and Development Co., Ltd. (referred to as C&D Urban Service)

Xiamen C&D Emerging Industry Equity Investment Co., Ltd. (referred to as C&D Emerging Capital)

Information Description

The information used in the Report is derived from official documents, statistical data, and financial reports of the Group. It also includes sustainability-related information that has been compiled and audited by the affiliated industry groups. The currency type and amounts mentioned in this Report, unless otherwise specified, are in Chinese Renminbi (RMB).

Report Acquisition

The Report is published in both electronic and printed formats. The electronic version of the Report can be accessed and downloaded from the Group's official website (www.chinacdc.com).

Preface



Bathed in the spring breeze of China's reform and opening-up, C&D Group emerged.

We are deeply grateful for the great era that has nurtured C&D Group's success. We understand the importance and responsibility of balanced development in areas such as the environment, society, and governance. Over the years, the Group has adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. With market-oriented management and operation mechanisms, we have achieved connotative development and expansion. We have persisted in reform and innovation, continuously consolidated the foundation for high-quality development. We have also insisted on working together and collaborating with all parties to constantly explore new value. We have explored and practiced the concept of sustainability from multiple dimensions, and creating a new vision for a better society.

Grounding our efforts in the new development stage, adhering to the new development concept, we continually pursue our company mission of "Create new value and enable more people to attain a better quality of life", adhere to our brand philosophy of "Professionalism, Mutual Progress, Growing Prosperity", persist in "long-termism", focus on our core business, increase financial and technological empowerment, and strive to explore new paths in serving the overall national and local development, making greater contributions and creating more value in building a new development pattern and promoting China's modernization.



About C&D Group

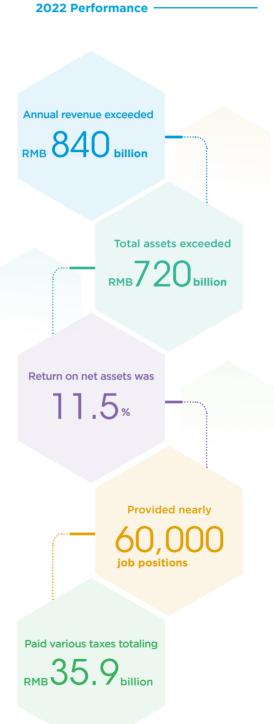
Founded in 1980, Xiamen C&D Group Co., Ltd. is a state-owned capital investment company belonging to Xiamen Municipality. After years of development, C&D Group has transformed from a pacesetter in attracting foreign investment for Xiamen Special Economic Zone to a business portfolio covering supply chain operation, municipal construction and operation, hospitality and expos, medical and health, emerging industry investment. It has also invested and held stakes in companies such as King Dragon Life Insurance Co., Ltd., Xiamen Airlines Co., Ltd., and Xiamen Fara Development Co., Ltd. C&D Group has established business partnerships in more than 170 countries and regions. Since 2017, C&D has ranked among Fortune Global 500.

Over the past 40 years, under the background of reform and opening up, C&D Group has actively explored the road of high-quality development of state-owned enterprises by focusing on a series of major propositions such as serving national strategy, serving local development and people's well-being, establishing and improving modern enterprise system, and is committed to fulfilling the corporate mission of "Creating new value to ensure more people enjoy a better life".

Capital Raising Solutions under C&D Group







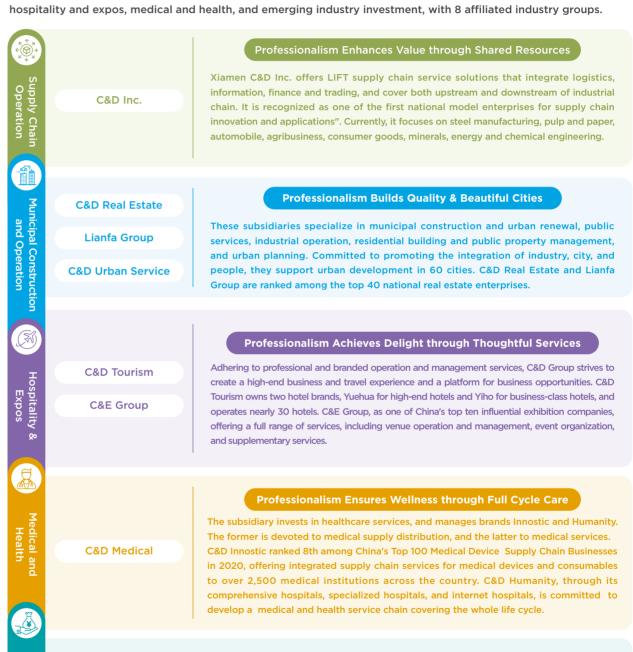
Main Business

C&D Emerging Industry

Equity Investmen

for multiple years.

C&D Group's business covers five major areas: supply chain operation, municipal construction and operation, hospitality and expos. medical and health, and emerging industry investment, with 8 affiliated industry groups.



Professionalism Fuels Growth by merging Industry with Finance

Keenly aware of investment opportunities presented by emerging industries, healthcare, advanced manufacturing and innovative consumption in particular, which are of strategic

importance for the country, C&D Emerging Industry Equity Investment has achieved consistent recognition, ranking on the top 30 China VC/PE Institutional Limited Partners

Business Footprint

C&D Group proactively seizes development opportunities and continuously optimizes its strategic presence. As the end of 2022, it has established business connections with over 170 countries and regions worldwide. Moreover, it has established over 30 overseas institutions in RCEP member countries, BRICS countries, and countries and regions along the "Belt and Road" initiative.



Annual Focus

Highlights of Sustainability in 2022

Economy



Total Profit

RMB 5.4 billion



Total Taxes Paid

RMB 35.9 billion



Overall Labor Productivity

132.7thousand RMB/person



Return on Net Assets

11.5%

Environment



Comprehensive Energy Consumption per RMB a hundred million of Revenue

19 tons of standard co



Greenhouse Gas Emissions per RMB a hundred million of Revenue

6]_{tCO2}e

Society



R&D Investment

Over RMB 200 million



Positions Offered

Nearly 60,000 position



Number of Patents and Trademarks Owned

3,354



Proportion of Female Employees

41.4%



External Donation Expenses

RMB 39.28 million



Proportion of Female Managers

35%

Honors



Promoting the Continuous Deepening of Reform, Empowering High-Quality Development of Enterprises

44

C&D Group adheres closely to the development theme of "continuously deepening reform and promoting innovation", continuously stimulating internal driving forces, focusing on strengthening and optimizing its core business and actively nurturing and strengthening new driving forces for high-quality development of enterprises. It has left a vivid practical mark on China's reform and opening up and the construction of a Chinese-style modernization.

Since the implementation of the three-year action plan for state-owned enterprise reform and the benchmarking of world-class management improvement actions, C&D Group has adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, continuously enhanced the "Four Consciousnesses", firmly held the "Four Matters of Confidence", faithfully supported the "Two Establishes", and resolutely achieved the "Two Upholds". With high-quality development as the goal and focusing on the company's development plan, it actively seizes opportunities, forges ahead, strengthens benchmarking, promotes the continuous improvement of the company's management system and the enhancement of management capabilities, and promotes the continuous improvement and stable development of the enterprise. It has forged a path of state-owned enterprise reform and development with C&D characteristics in the fierce market competition, laying a solid foundation for the deepening and upgrading of the new round of state-owned enterprise reform.

77

"Three-Year Reform of State-Owned Enterprises" Achievements

As of the end of 2022:

Completed

tasks of high quality

Implemented

34 reform measures

The overall completion rate of reform actions reached

100%

5 subsidiary enterprises implemented medium and long-term incentives

According to a comprehensive scope, the proportion of mixed-ownership enterprises

accounted for approximately 93%

Reform achievements

In 2020

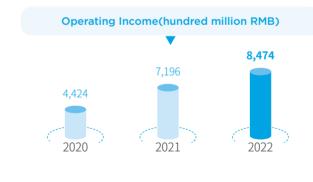
C&D Group was restructured into a state-owned capital investment company.

In 2021

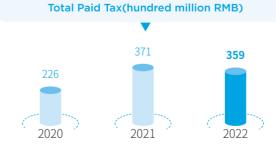
C&D Group was recognized as a "Creation of Management Benchmark for State-owned Key Enterprises, Benchmark Enterprises" by the Stateowned Assets Supervision and Administration Commission of the State Council. In 2022

C&D Group was listed as one of the "Double Hundred Enterprises" in the reform of state-owned enterprises by the State-owned Assets Supervision and Administration Commission of the State Council.

From 2020 to 2022, the efficiency level and comprehensive strength have been continuously enhanced









-10

Consolidating the Foundation of Corporate Culture, Renewing Brand Concept and Image



Building a first-class enterprise with a top-notch brand culture. In 2022, C&D Group, based on the needs of the new starting point, new stage, and new development of the enterprise, conducted in-depth research and interview to reorganize the connotation of corporate culture and brand system, the new "Outline of Enterprise Culture" was then established. And the reinvigorating brand concept of "Professionalism, Shared Progress, Lasting Prosperity" was presented. It clearly conveys new thinking and value orientation for high-quality development in the new era, leading the way for C&D Group to write a new chapter of high-quality development.



The Brand Concept of C&D Group

Professionalism

Approach every task with great concentration and focus

Professionalism is not only a bottom-line commitment but also the pursuit of excellence. We adhere to professionalism, focus on our core business. deepen innovation-driven development, and constantly cultivate and strengthen new growth drivers. From our core industries to emerging sectors, from the domestic market to the international market, we continuously deliver professional, highquality products and services, surpassing expectations and setting the benchmark for "C&D professionalism".

Shared Progress

Embracing the era, co-creating and co-developing

Guided by the new development philosophy ofinnovative, coordinated, green, open, and oepn development that is for everyone. We actively integrate into the national and local overall development, progressing with the generation. With "win-win cooperation" as our starting point, we seize opportunities and promote innovation through collaborative exchanges, achieving mutual success and development.

Lasting Prosperity

Relentless striving, sustainable developing

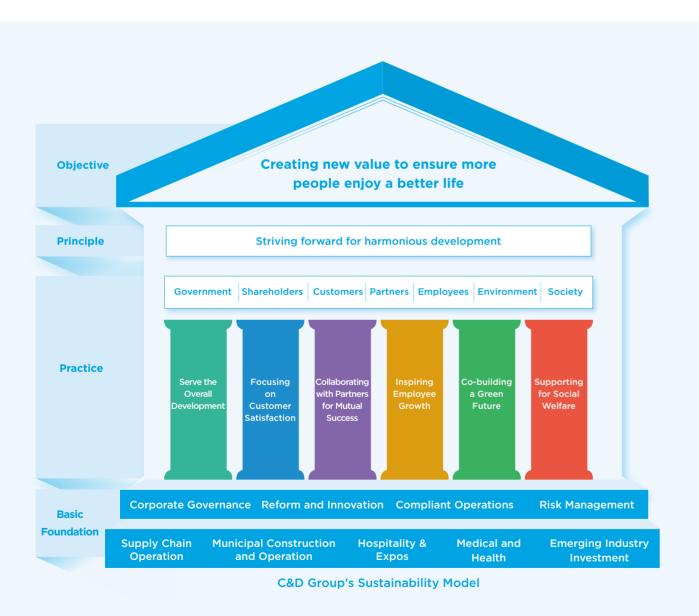
We continuously seek internal improvement, creating sustainability momentum and sharpening our commitment to higher quality. We also empower external stakeholders, building a sustainability ecosystem and creating more value. We transform the concept of sustainable and high-quality development into an unwavering pursuit of "Lasting Prosperity and courageously forge ahead.

Adhering to the company mission of "Creating new value to ensure more people enjoy a better life" and in line with brand-new corporate culture and brand system establishment, C&D Group will synergize development strength, stimulate innovation vitality, and work hand in hand with shareholders, employees, customers, partners, and the public to achieve greater breakthroughs and make greater contributions in sustainability.

Sustainability Management

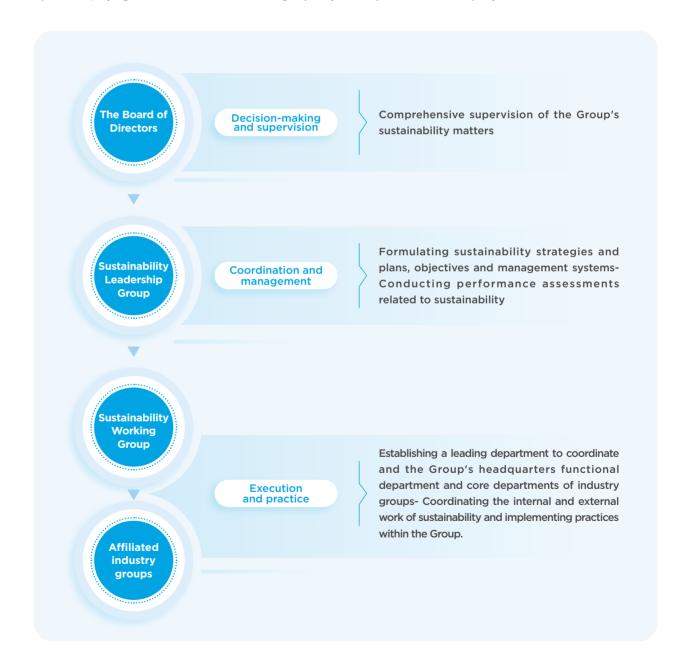
|Sustainability Model

Guided by the corporate mission of "Creating new value to ensure more people enjoy a better life", C&D Group has refined and formed a sustainability model from four key modules: "objective, principle, practice, and foundation". Based on the sustainability model, we strive to promote the implementation of sustainability initiatives and work together with all stakeholders towards a more sustainable and promising future.



|Sustainability Governance

Establishing a sound corporate governance mechanism for sustainability is a crucial driver of fostering vitality in sustainability. C&D Group has established a sustainability governance framework, consisting of the Board of Directors, Sustainability Leadership Group, Sustainability Working Group, and affiliated industry groups. Roles and responsibilities at each level are clearly defined to promote the deep integration of sustainability and business operations, laying a solid foundation for the high-quality development of the company.



| Materiality Issue Management

In order to understand and evaluate the level of concern and expectations of internal and external stakeholders regarding C&D Group's sustainability issues, we follow standards such as the "GRI Sustainability Reporting Standards" and the "Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-CSR 5.0)" to invite internal and external stakeholders to participate in questionnaire surveys. We select and identify material issues that have a significant impact on C&D Group's sustainability, and highlight them in our report to effectively address the expectations and demands of stakeholders.

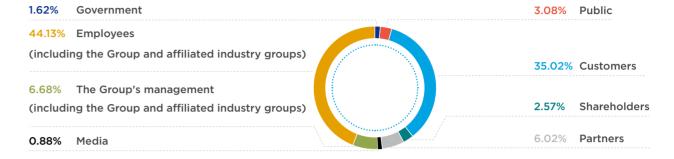
Materiality issue matrix

- Environmental issues
- Social issues
- Governancerelated issues



Composition of questionnaire respondents

In 2022, C&D Group distributed questionnaires to internal and external stakeholders, and collected 1,362 valid questionnaires in total.



Materiality Issues List

- Corporate governance
- Compliant operations
- Risk management
- Reform and innovation



Social issues

- Efficient resource recycling
- Promoting energy conservation and emission reduction
- Protecting the ecological environment
- Green building
- Development of green products and clean technologies

- Product and service innovation
- Sustainable supply chain
- Supplier management
- Customer satisfaction
- Responsible investment
- Responsible marketing
- Ensuring safety in productionInformation security and
- privacy protection
- Intellectual property protection
- Valuing talent recruitment
- Caring for employees
- Employee training and development
- Serving regional economic development
- Supporting the "Belt and Road" initiativeSupporting rural
- revitalization
- Supporting social welfare

Sustainability Management

Xiamen C&D Group Co., Ltd. | 2022 Sustainability Report

| Stakeholder Communication

C&D Group has established a comprehensive and multi-channel communication system to actively understand and respond to the expectations and demands of stakeholders. It helps in building long-term mutual trust relationships and continuously improving our own sustainability management.

Stakeholder	Expectations and appeals	Communication channels and methods
Government	 Compliant operations Deepening reform of state-owned enterprises Serving the country and regions 	Information reportingSpecial reportsResponding to government initiatives
Shareholders	 Maintain and increase the value of state assets Protecting shareholder interests Strengthening risk management and control Information transparency 	 Shareholders' meeting or general meeting of shareholders Information disclosure and communication Company website and WeChat official account
Customers	 Product and service innovation Customer rights and privacy protection Enhancing customer satisfaction 	 Media publicity Handling customer feedback and complaints Customer satisfaction surveys
Partners	 Transparent procurement Integrity in cooperation Promoting responsible investment Building a sustainable supply chain 	 Disclosing bidding information Cooperation, communication and meetings Environment and risk management in supply chain

Stakeholder	Expectations and appeals	Communication channels and methods
Employee	 Ensuring health and safety Protection employee rights Smoothing development channels Caring about life of employees 	 Providing safe working conditions Workers' congress Employee training Employee forums and surveys
Environment	 Responding to climate change Protecting the ecological environment Implementing energy conservation and emission reduction 	 Promoting distribution of green industry Practicing green and low-carbon operations Engaging in green environmental public welfare
Media	Information transparency	 Information disclosure Press conferences and interviews Special news campaigns
Public	 Promoting community development Supporting social welfare	 Conducting public welfare activities Organizing volunteer activities

Corporate Governance

Optimizing Corporate Governance

The corporate governance structure is the core of the modern corporate system. C&D Group has established a governance system and operational mechanism that includes a Party Committee, a Board of Directors, and a management team, each with their respective roles, coordinating operations, and effectively balancing power.

Adhering to the Leadership of Party Building

C&D Group adheres to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, takes the party's political construction as the overall framework, promotes the deep integration of company party building and business management, and leads high-quality corporate development through high-quality party building.

Strengthen political guidance

Strictly following the requirements of the system, fully leveraging the leadership role of the Party, implementing the comprehensive and strict governance of the Party, improving the governance system, strengthening institutional construction and implementation, and promoting the deep integration of party building and business management in the company.

Deepening in theoretical study

Strengthening political theory learning, making the study and implementation of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era an important task, adhering to coordinated planning, systematically promoting normalized and institutionalized study, and continuously advancing ideological and political education.

Strengthening discipline and integrity

Expanding educational channels and media, strengthening education on integrity in the workplace; enhancing supervision in key areas, strictly implementing rectification measures for various feedback issues; conducting thorough investigations on petitions, deepening reform through cases, and creating a clean and positive corporate atmosphere.

Clarifying responsibilities

Revising the responsibility system, improving work mechanism and governance system, and enhancing political positioning. Strictly implementing the responsibility system for governing the Party and ideological work, and establishing a transparent, coordinated, and effective corporate governance mechanism.

Consolidating organizational foundations

Enforcing the political discipline and rules of the Party, comprehensively strengthening the construction of leadership teams and primary-level Party organization, ensuring that "wherever business development goes, party organizations are established there", and continuously deepening the creation of the party building brand.

Party building leading people's organizations development

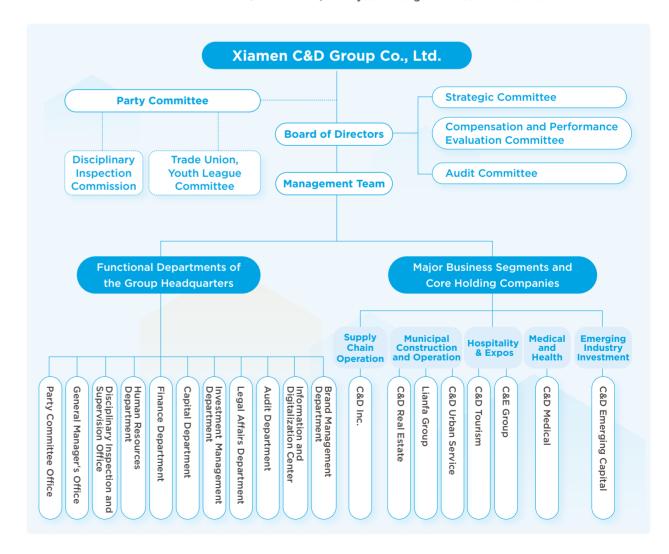
Adhering to the integration of party building culture and corporate culture, creating a positive and virtuous corporate atmosphere, supporting the development of a civilized city, deepening assistance and support, practicing social responsibility, fostering a culture of compassion, and demonstrating the sense of responsibility of state-owned enterprises.

Standardizing the Governance System

C&D Group deeply implements the principle of "Two Consistency" and adheres to the Party's comprehensive leadership over the enterprise. The party building work is incorporated into the company's articles of association, clarifying the status of the party organization in the corporate governance structure. We implement the "two-way entry, cross-appointment" leadership system and the "dual responsibility" of the Party Secretary and Chairman, achieve full coverage of the "Three Importance and One Greatness" policy-making system and the Party Committee's pre-research system covering all enterprises within the Group. This ensures the organic unity of strengthening the Party's leadership and improving corporate governance, as well as the deep integration of party building work and production and operation.

C&D Group adheres to the implementation of the articles of association in accordance with the law, continuously

improves the modern corporate governance system. standardizes the legal governance structure and the boundaries of rights and responsibilities of various governance entities. We continue to strengthen the construction of the board of directors and scientifically authorizes the management team to ensure that the management team fulfills their duties in accordance with the law. We effectively play the leadership role of the Party Committee in "setting direction, managing the overall situation, and ensuring implementation", the core role of the board of directors in "setting strategy, making decisions, and preventing risks", and the main role of the management team in "planning operations, implementing tasks, and strengthening management". We have formed a relatively mature market-oriented institutional mechanism and control model, effectively transforming the advantages of China's unique modern corporate system into governance effectiveness.



| Optimizing the Management

To enhance operational efficiency, ensure the safety of state-owned assets and the long-term stability and development of the company, C&D Group is continuously improving its management system that aligns with the company's strategic goals and mission. We implement a "strategic management and control" model and constructs a three-level management structure of "Group Headquarters - Industry Groups - Operating Units". We strengthen the hierarchical and clear responsibilities of enterprise internal control construction, compliance management, risk management, internal supervision, integrity risk prevention and control mechanisms, and accountability systems for violations of regulations. We also take into account various factors such as industry sectors, development stages, and governance levels to implement differentiated management and decision-making authorization for each industry group (company). At the same time, We continuously improve the level of informatization and digitization in management.

C&D Group attaches importance to the construction of the board of directors. Our listed companies have established an independent director system in accordance with regulations at an earlier stage, effectively ensuring scientific decision-making within the enterprise.

C&D Group's Three-level Management Structure · Controlling the organizational structure, strategic planning, annual plans, major operational decisions, investment decisions, profit distribution, executive appointments, and performance evaluations of affiliated industry groups. • Promoting resource sharing and collaborative development among various industries within the company through resource allocation and strategic coordination. According to the company's governance system and specialized development strategy, the board of directors of each industry group Groups is responsible for the operational decision-making and functional management of their respective industry groups. • The operating units are primarily responsible for the execution of their specific business operations and are subject to assessment and supervision by their respective industry groups.

Adhering to Compliance

C&D Group adheres to a long-term approach, upholds a prudent management style, strengthens crisis awareness and bottom-line thinking, continuously promotes law-abiding and compliant operations, maintains a clean and ethical business environment, and supports the healthy and stable development of the enterprise.

| Compliance Management

C&D Group continuously enhances the level of compliance management by establishing a sound compliance management mechanism. We have developed an effective compliance management system that ensures coordination between the Group and industry groups, as well as the collaboration of relevant departments such as legal, finance, audit, and disciplinary supervision within the Group and industry groups.

Institutional Development

C&D Group continuously improves our compliance system by closely monitoring updates in laws and regulations in the locations where the businesses operate. We promptly carry out revisions to our compliance management systems to ensure that the company's operations and management are conducted in a legal and compliant manner.

Operating Mechanism

C&D Group ensures that each functional department and industry group performs their duties efficiently and collaborates effectively. Based on the company's operational needs and external environment, We have established a compliance management mechanism for identifying, assessing, addressing, monitoring, and handling compliance risks. The compliance review and decision-making mechanisms are implemented in daily management processes. The Group also implements regular assessments and accountability mechanisms for addressing non-compliant behavior.

Cultural Development

C&D Group conducts regular compliance awareness campaigns and education to cultivate a compliance mindset and legal consciousness among employees. We provide compliance guidance and training specifically targeting compliance risk areas and key business processes within the company.

| Party Conduct and Anti-Corruption Building

C&D Group attaches great importance to the building of party conduct and anti-corruption efforts, continuously strengthens the construction of disciplinary inspection and supervision teams, standardizes law-abiding and disciplinary enforcement, and enhances the role of disciplinary inspection and supervision.

In 2022, C&D Group introduced the concept of embedded supervision to promote seamless and coordinated supervision. The Group established a leadership group for party conduct and anti-corruption building and developed the "'1+X' Special Inspection and Coordination Work System". This system enhances the synergy between the Group's disciplinary inspection committee and various functional departments, promotes the sharing of inspection results, strengthens the rectification of weak areas in various units, and improves anti-corruption measures.

Institutional Developement

 Establish a strict system of integrity management and formulated internal regulations such as the "Regulations on Employees' Integrity and Selfdiscipline", which strictly prohibit all forms of commercial bribery and corrupt practices.

Integrity Education

 Conduct diverse anti-corruption education activities through initiatives such as the "Integrity Culture Promoting Month" "Discipline and Law School" "Integrity Micro-classes," "Integrity Salon," and "Incorruptible Corridor."

Inspection and Supervision

- Strengthen the supervision of the ethical conduct and exercise of power by leaders in our affiliated companies and continuous to carry out inspections.
- Coordinate and carry out special rectification, anti-corruption, and anti-fugitive work through special inspections and investigations.

Petition Reporting

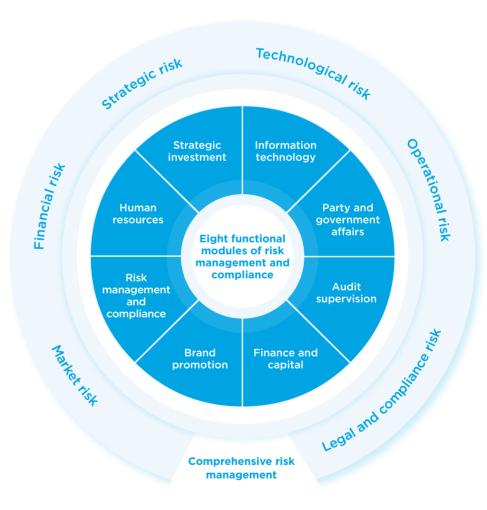
- Standardize the handling of petition and reporting cases and encourage internal and external stakeholders to actively provide feedback on potential illegal and disciplinary behaviors.
- Formulate the "Regulations on Handling Whistleblowing and Accusation Cases" to standardize the methods, requirements, processes, and time limits for accepting whistleblowing and accusation reports.

Strengthening Risk Management

C&D Group follows the principle of "pre-establishing standardized systems, strengthening monitoring during operations, and enhancing accountability afterwards" to construct an internal control system that aligns with the Group's strategic goals and the positioning of state-owned capital investment companies. This comprehensive risk management approach includes system development, dynamic supervision, inspection implementation, supervision and rectification, and assessment and evaluation, aiming to proactively prevent and mitigate major risks.

Risk Management and Control Mechanism

C&D Group has established relevant committees and working leadership groups to carry out special risk management and control based on their respective responsibilities. At the headquarters level, a risk and compliance management structure covering eight functional modules has been formed. This structure is responsible for identifying, assessing, warning, reviewing, and responding to various compliance risks within the group, achieving closed-loop management and comprehensive control of compliance risks.



▲ Risk compliance management structure of C&D Group

ISafety Production Management

C&D Group strictly adheres to the laws and regulations regarding safety production. We have established a work mechanism of "party and government joint responsibility, dual responsibility for each position, joint management, and accountability for negligence". We continuously improve the Group's safety production management system and build a three-level safety production management structure to ensure the high-quality development of the company.

In 2022, the Group will further strengthen the identification and graded control of hazardous sources. We improved the control system for four types of hazardous sources: high-rise buildings, elevators, gas, and hazardous operations. Special hidden danger inspections and regular checks were conducted to effectively rectify potential accident hazards. Additionally, the Group continue to enhance the level of standardized safety production by conducting safety production standardization assessments for several key units under its jurisdiction.

In 2022, the Group continue to advance the digital management of safety production and continuously improve the "Comprehensive Safety Production Management Platform". Currently, this platform has covered over 360 project sites nationwide, with functions including alarm monitoring, automatic inspections, and reporting of emergencies. Additionally, the platform has introduced a monthly scoring mechanism to promote the improvement of management levels.



RMB 49.86 million has

No major safety accident occur

A total of 7,886 emergency plans were established and improved

The safety production leading group of C&D Group has carried out nearly

80 inspections

Intellectual Property Rights Management

C&D Group strictly complies with the laws and regulations of the People's Republic of China, including the Patent Law, Copyright Law, and Trademark Law. The Group has formulated the "Trademark and Enterprise Name Management Measures" to continuously regulate intellectual property management and create a corporate culture that promotes scientific innovation and respects intellectual property protection.

In 2022

A total of patents have been authorized



At total of authorized accumulatively

A total of have been registered



have been registered accumulatively

A total of been registered



A total of been registered accumulatively

Network Security Management and Control

C&D Group attaches great importance to network security and has established a Digitalization Committee responsible for decision-making, command, and resource coordination related to major network security management issues. The company has developed internal regulations such as the "Cybersecurity Management Regulations", "Information Management Outline", and "Confidentiality Management Regulations", which clearly define the levels of network security emergency events and corresponding response procedures. Through regular network security inspections, identification and handling of network security risks, enhancement of technical protection capabilities, emergency response plan drills, and practical attack-defense exercises, the company continuously improves its network security system to ensure the secure management of information assets throughout their lifecycle.

The company signs confidentiality agreements with employees, making commitments to protect client privacy, trade secrets, and national secrets, among other confidential information. Additionally, the company continuously strengthens network security training to enhance the overall awareness of network security among all employees and improve their risk prevention capabilities.

participated in network security skills training throughout the year

Over 20,000 employees Over 50 special network participated in network security promotion and training sessions

security emergency drills were organized



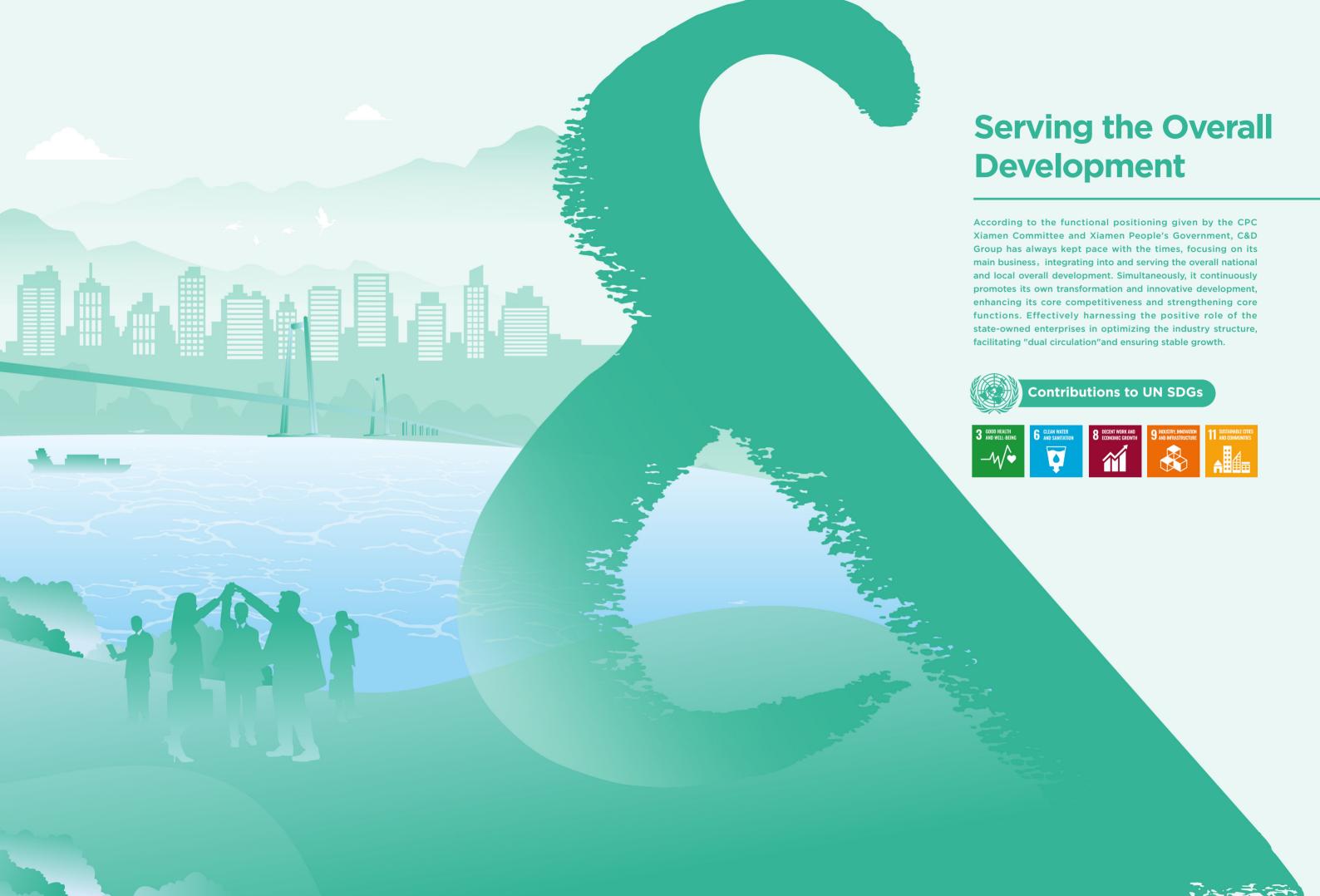
"C&D Network Strong Shield - 2022" Practical Security Attack and Defense Exercise

C&D Group carried out the "C&D Network Strong Shield - 2022" cybersecurity attack and defense exercise, which involved practical network attack and defense drills on the network information systems of various industry groups under the company. This exercise aimed to test the company's network security collaborative defense capabilities and emergency response capabilities. Through such activities, the integrated capabilities of network security monitoring, defense, and response within the group were further enhanced, thus improving the level of security protection.

Strengthening Audit Supervision

C&D Group has deepened the construction of internal control and risk management by establishing an internal audit management system under the leadership of the board of directors. This includes the establishment of a two-tier audit system, consisting of the group headquarters and industry groups.

The two-tier internal audit systems of the company focus on different aspects and cooperations with each other, forming a joint force. Through system construction and implementation inspection, process dynamic supervision, problem detection and risk warning, and supervision and implementation of rectification, a closed loop is formed, which effectively promotes the company to improve governance, strengthen internal control, supervise compliance and prevent risks, so as to help the company achieve sustainable development.



Supply Chain Operation

C&D Inc. adheres to the strategies of "specialized" operations and "going global" development, continuously enhancing its core capabilities in planning and operating future-oriented supply chain services. It focuses on advantageous industries such as steel&iron, pulp&paper, automotive, agricultural products, consumer goods, minerals, and energy&chemicals, constantly exploring the depths of supply chain operation services to help industrial partners expand markets, reduce costs, increase efficiency, and promote the coordinated development of the industrial chain.

C&D Inc. actively seizes the opportunities of domestic and international industrial restructuring, focuses on controlling important resources, and strategically positions key nodes to extend its business layout from the supply chain to the upstream and downstream of the industrial chain, demonstrating new achievements in "strengthening industrial chains" "completing industrial chains" and "extending industrial chains".

C&D Inc. actively integrates into the unified national market, pays attention to deepening market cultivation in key regions, and promotes regional coordinated development, contributing to the construction of the domestic demand system. It strengthens its overseas market layout, aiming to create a shared and win-win industrial supply chain ecosystem and a diversified and robust global supply chain resource system, ensuring the smoothness, security, and resilience of China's industrial supply chain, and supporting the domestic and international "dual circulation" strategy.



C&D Inc. has established over 30 overseas subsidiaries and offices in countries and regions along the "Belt and Road" initiative, RCEP, BRICS, including Vietnam, Indonesia, Russia, Japan, South Korea, and South Africa.

As of the end of 2022

Providing services to over

domestic upstream and downstream small and medium-sized enterprises The annual procurement volume in the central and western regions of China has increased by

38% compared to the previous year

The annual international trade volume has exceeded

400 billion USD

with a year-on-year growth of approximately

9%

At the same time, leveraging the unique advantages of Xiamen as a convergence point of the "Maritime Silk Road" and the "Land Silk Road", C&D Inc. integrates high-quality domestic and international resources to support the construction of an international logistics hub for cross-border e-commerce and contribute to develop a node city of the new development stage.

>C&D Inc. has established Shangzhou Aviation Logistics Co., Ltd. and vigorously developed air cargo transportation business. As of the end of 2022, it has operated over 400 domestic and international air routes, serving 134 cities domestically, 75 cities and regions overseas.



> C&D Inc. has innovated the operation model of C&D's special train line of China-Europe Railway Express, extending logistics services to Taiwan, China, and Southeast Asia, providing efficient, safe, and stable sea-rail intermodal cross-border logistics services to customers along the route. In 2022, the first searail intermodal route "Taiwan-Xiamen-St. Petersburg" was launched, as well as the first export cold chain international train from Fuiian Province. As of the end of 2022, a total of 377 trains with 32,000 containers have been shipped.



Municipal Construction and Operation

By strengthening the integration of "industry, city, and people" and leveraging advantages in products, services, and brand, C&D Group promotes the coordinated development of real estate development, urban renewal, project construction, property management, commercial operation, urban public services, smart cities, cultural and creative industries, and actively participates in new city development and revitalization of old urban areas to serve urban development strategies. At the same time, acting as a "city steward", C&D Group responds to the modernization needs of urban governance systems and capabilities, integrating the improvement of livable environment into the construction of a first-class business environment, continuously meeting people's aspirations for a better life, and contributing to the construction of high-quality, aesthetically pleasing, and internationally modernized cities.



In 2022, C&D Real Estate focused on quality control in project delivery, continuously updated and iterated products, achieved a top ten sales scale nationwide for the first time, and made breakthroughs in providing project management services throughout the entire process. C&D Group completed the acquisition of controlling rights of the China A-share listed company "Hecheng Corporation", further optimizing its ecological chain and industrial structure. Lianfa Group initiated the development of affordable youth shared communities with low total prices and flexible spaces. The Xiangping Metro Community Phase II project in Tong'an, Xiamen, won the "China Construction Engineering Luban Award". In addition, C&D Real Estate and Lianfa Group strengthened their responsibilities, efficiently completing the relocation for multiple projects, such as Xiang'an Xin'an and CATL A section, while supporting the smooth implementation of key projects in the province and city.

C&D Urban Services has contributed to Huli District's continuous first place ranking in Xiamen's urban comprehensive evaluation for 14 consecutive quarters and maintained a leading position in the evaluation in Xiang'an District.





"Urban Public Service" Management Data

C&D Urban Services pioneered the "separation of management and operation, market-oriented" urban public service model, providing professional services such as urban environment management, greenery maintenance, park management, road parking, and municipal facility maintenance. It is committed to creating an excellent living environment and building a high-quality and aesthetically pleasing urban area.

Integrated sanitation

- Sanitation and river cleaning area exceeding 18 million m²
- Market greenery maintenance length exceeding 340 kilometers
- Maintenance of district roads exceeding 470
- Greenery management area exceeding 2.4 million m²

Park and trail area management

- Managing over 50 parks
- Management area exceeding 5 million m²
- Trail management length exceeding
 kilometers

Hospitality & Expos

By providing professional and lean services, C&D Group aims to create a high-end business travel experience and an exhibition platform for business opportunities, and leverage the radiating and driving effects of tourism, hotels, and exhibitions on social and economic development. The affiliated hotels focus on cultivating unique features, continuously launching products that meet market demands and highlight local characteristics, and providing key distinctive services to empower a better quality of life. C&D Group make more efforts to attract well-known exhibitions to be held in Xiamen, further innovate and expand self-organized exhibitions, and support the expansion of the domestic demand strategy and the development of the real economy. Meanwhile, C&D Group provides services to ensure the success of events such as the "Straits Forum" to promote cross-strait integration and development, continuously enhancing the influence of Xiamen as an "International Tourism and Exhibition Center".

2022

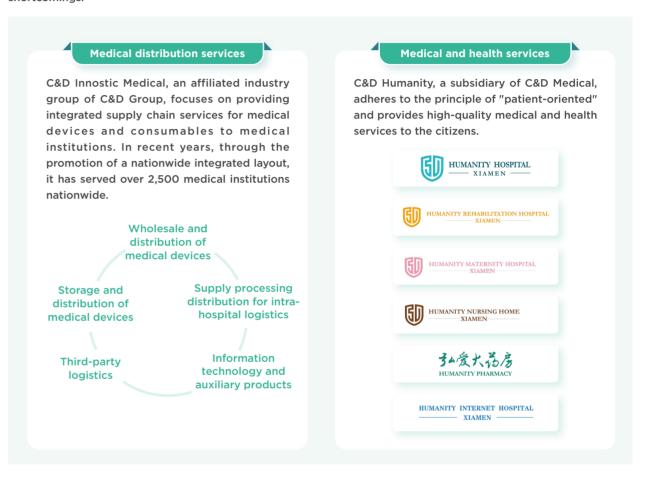
In 2022, C&D Tourism hotel sector's scale further expanded with the addition of Xiamen Aqua Resort and Gulangyu Convalescent Resort Hotel, bringing nearly 30 hotels under operation and management.

C&E Group management covers over 600,000 square meters of venues, providing services for various exhibition and conference activities exceeding the previous year's figures. Multiple self-organized exhibitions were planned and launched, such as the Fujian Consumer Products Expo.



Medical and Health

Leveraging the advantages of state-owned enterprises and integrating into the "Healthy China" strategy, C&D Group focuses on promoting full life cycle medical and health services and integrated supply chain services for medical supplies. Actively responding to the transformation of the medical industry, it is constructing a new industrial ecology, continuously enhancing its professional content, and dedicating efforts to benefit the people and address shortcomings.



In 2022, C&D Humanity has initially established its scale and specialty influence. The comprehensive satisfaction rankings for Xiamen Humanity Obstetrics and Gynecology Hospital, Xiamen Humanity Hospital, and Humanity Rehabilitation Hospital are respectively 2nd,4th and 6th in the city. Meanwhile, leveraging its strengths, it has been entrusted with the construction and operation management of Zhangzhou Jiulongjiang Hospital, achieving a breakthrough by expanding beyond Xiamen. C&D Innostic Medical, as part of the medical distribution sector, leverages the advantage of a nationwide integrated layout to strengthen the horizontal product and vertical distribution industry chain layout, serving over 2,500 medical institutions.

Emerging Industry Investment

Focusing on the new economy field, C&D Emerging Industry Equity Investment is committed to creating a platform for "integration of industry and finance", building an ecosystem, and accelerating the transformation and upgrading into an asset management company to support the better development of emerging enterprises.

In 2022, C&D Emerging Industry Equity Investment has achieved breakthrough progress, and has already formed the prototype of an asset management institution. It managed government market-oriented funds for the first time and cooperated with four major domestic asset management companies to customize funds. Throughout the year, 11 invested companies were newly listed, and 30 listed in total.



Futhermore, while focusing on the development of its core business, C&D Group, through investment, actively supports its invested companies such as King Dragon Life Insurance Co.,Ltd., Xiamen Airlines Co.,Ltd., Xiamen Fara development Co.,ltd, and Xiamen Hongfa Electroacoustic Co.,Ltd. to continuously strengthen, optimize, and expand. C&D Group diligently implements the city's investment promotion work plan, actively leverages its corporate advantages, and supports more social capital to settle and thrive in Xiamen, supporting build a "4+4+6" modern industrial system.



In response to the call and to strengthen its sense of mission, C&D Group is earnestly carrying out tasks related to East-West cooperation and rural revitalization and integrates these tasks with its business operations to mutually promote each other. C&D Group continuously deepens the sustainable assistance model in Ningxia Minning Town, supports its subsidiary C&D Paper Industry in investing in and developing the household paper processing business in Minning Town, while also supporting build its own brand "Boya" wine and the joint venture project of building a corrugated paper box factory. It further supports its subsidiary C&D Hengrong Supply Chain Company in promoting Ningxia's specialty products through its online platform "Wanfu Qianjia".

In 2022, C&D Group diligently implemented the policy of rent reduction during the epidemic, demonstrating the strength and warmth of C&D people in overcoming challenges together.





Production and Service Innovation

C&D Group always adheres to the principle of "customer needs driven". Its affiliated industry groups actively collaborate with customers to co-create and continuously refine innovative products and services. Meanwhile, we seize the opportunity of "technology empowerment" and integrate digital technology into products, services, and processes to enhance customers' digital experiences.

Improvement of Products and Services

> C&D Inc. actively provides industry consulting and research services to industrial customers. In 2022, it established the Agricultural Products Research Institute and the Black Industry Research Institute. Through services such as industry trend research, analysis of commodity prices, and financial empowerment, the two research institutes effectively help industrial customers gain information advantages.

which provides customers with fundamental analysis research reports on domestic and international bulk products and offers strategy optimization services through financial derivatives.

In 2022

C&D Group increased its investment in innovation, with an annual R&D

investment exceeding **ZU** million RMB, a growth of over

5 times compared to 2021





In 2022, C&D Inc.'s Steel Group established the Black Industry Research Institute, which conducts in-depth trend research and analysis of domestic and international bulk commodities in the black metal industry. Through innovative business models such as arbitrage between futures and spot markets and basis trading, the institute helps customers in the steel industry chain to maintain stable operations.

>C&D Real Estate focuses on the development of medium to high-end improvement-oriented products and always prioritizes quality. In 2022, it completed 81 new patent applications and released three new Chinese-style products: "Simple and Refined Modern Style", "Prosperous Tang Dynasty Style", and "Elegant and Graceful Song Dynasty Style". These products are designed to create unique attractiveness and competitiveness.



> Lianfa Group focuses on the quality of modern humanistic living. In 2022, it introduced a new product IP called "New Amoy Deco", which embodies the new decorative style of Xiamen, and successfully implemented it in cities such as Xiamen and Shenzhen. Additionally, Lianfa Group innovatively developed the "Nine Degrees of Warmth" full life-cycle service system, integrating humanistic services into the core living scenes of homeowners.



> C&D Tourism, in the context of constantly iterating and updating dining content, relies on high standards of receiving state guests and high-quality state banquet-level offerings. It launched the "Huayan 1984" dining brand, which not only inherits the Shanghai regional culture but also promotes the innovation and integration of Fujian cuisine, further promoting the "New Fujian Cuisine" and allowing more people to experience the quality of state banquets and spread the "Flavor of Fujian".





| Empowering through Digital Intelligence Innovation

> C&D Inc. continuously deepens the development and innovation of digital application scenarios in the supply chain, empowering traditional industries and providing value-added services. With its innovative "LIFT Supply Chain Service", C&D

Inc. has built digital intelligent platforms such as "Zhiyuan Network" and "Jiangyi Tong" for the pulp and paper industry, the "C&D Cloud Steel" for the steel supply chain, and the "Nong E Dian" for agricultural products customer service. All these digital platforms have been selected for the "2022 China Digital Transformation and Innovation Selection" list.

Among them, the "Zhiyuan Network" and "Jiangyi Tong" platforms have been selected as national demonstration cases for supply chain innovation and application by the Ministry of Commerce. They have also been recognized with the IDC Future Enterprise Awards' "Future Industry Ecological Leader" Asia Pacific Excellence Award.





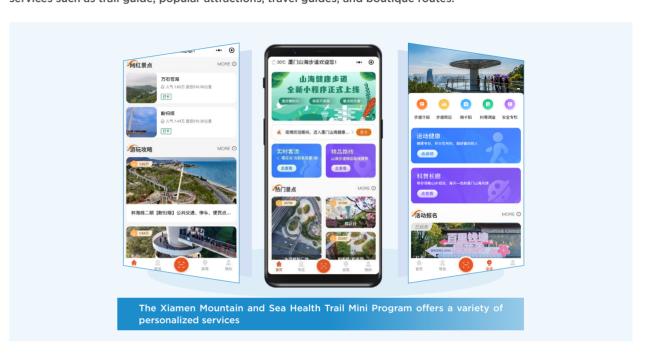
se C&D paper&pulp's Jiangyi Tong 2.0 version launched

In November 2022, C&D Paper, a subsidiary of C&D Inc., successfully launched the 2.0 version of its Internet platform for the pulp and paper industry, called "Jiangyi Tong". This platform utilizes technologies such as artificial intelligence, blockchain, cloud computing, and big data to provide an integrated digital solution with transaction, logistics, consulting, finance, and risk management as its core. It integrates isolated transaction processes, digitizes them online, and solves pain points in the traditional pulp and paper industry, such as complex transactions, high costs, difficult storage and transportation, and insufficient funds. It provides customers with comprehensive, high-quality, and customized supply chain services, and explores the path of digital transformation and upgrading in the pulp and paper industry supply chain.

C&D Real Estate continues to promote the intelligent construction of residential properties, combining technology with space to innovate and launch a whole-house smart home system. This system includes intelligent applications such as scene control, smart security, air quality monitoring, smart ventilation, and voice control, providing residents with a smart living experience.



> C&D Urban Service has developed a mini-program called "Xiamen Mountain and Sea Health Trail" to create an intelligent and convenient smart tour guide service platform. This online platform covers the needs of government supervision and management, enterprise operation and maintenance, as well as citizen and tourist services. It conducts in-depth analysis of customer behavior habits and information service needs, and provides personalized services such as trail guide, popular attractions, travel guides, and boutique routes.



> C&E Group has independently developed the "e Exhibition" platform, which is supported by exhibition technology big data to provide full-process services including data information collection, customer behavior analysis, and online booking and approval of on-site services. It realizes comprehensive information and digital services covering pre-exhibition, during the exhibition, and post-exhibition, as well as upstream and downstream sectors in the industry. This platform aims to promote the transformation and innovation of exhibition industry services and operation models.



Continuous Improvement in Quality Management

C&D Group always adheres to the principle of "quality first" and strives to provide high-quality products and services to the society, building a trustworthy and satisfying "C&D" brand. Each affiliated industry group strictly complies with relevant laws and regulations, improves the internal product and service quality management system, drives high-quality products and services through high standards, and obtains certifications such as ISO 9001 quality management system certification. Based on each affiliated industry group's own business characteristics, they continuously enhance its level of quality management.

- C&D Inc. focuses on customer needs and continuously improves the quality of supply chain services by establishing quality management mechanisms and strengthening information sharing. In 2022, C&D Inc. obtained ISO 9001 quality management system certification. By establishing "Smart Warehouse Network" and "Real-time Transportation Visualization Engine", the circulation of information in various links of the supply chain is achieved, and end-to-end logistics transparency is enhanced. This improves the company's integration, optimization, and tracking management capabilities of logistics resources, thereby enhancing the security of supply chain operations and creating better value for customers.
- > C&D Real Estate continuously improves various quality standards and establishes and implements a standardized quality management system. In 2022, C&D Real Estate obtained ISO 9001 quality management system certification. It continues to improve the standardized product quality control system and hires professional third-party companies to conduct comprehensive inspections of projects before delivery to ensure the quality of product output. In addition, C&D Real Estate conducts regular inspections of ongoing projects, collects and summarizes common issues, and promptly optimizes and improves them to create high-quality products.









- > Lianfa Group ensures project quality from three dimensions: design management, project management, and delivery management, and strengthens product quality control. In terms of design management, Lianfa Group implements the "Design Risk Control Manual" to mitigate delivery risks caused by design. In terms of project management, guidelines such as the "25 Zero Tolerance Defects" are introduced, and third-party quality inspections and delivery assessments are conducted. In terms of delivery management, the "6321" delivery management system is established to ensure delivery quality.
- > C&D Urban Services has adopted IoT technology, big data analysis, cloud services, and other technologies to create a "Smart+" sanitation management platform. It integrates data collection, positioning and tracking, video surveillance, daily inspections, and operational assessments of personnel, vehicles, facilities, equipment, and events. It enables managers to easily look at the overall situation through computers or mobile phones, and understand the working status of onsite infrastructure and operational resources in real time, so as to realize the intelligent supervision of the whole life cycle of urban public service operations.
- > C&D Tourism continuously improves the basic service standards (MQS) of the "State Guesthouse", "Yuehua", and "Yihao" brand series to stabilize and enhance hotel service quality. At the same time, a comprehensive operation quality management system is established. Through inspections, anonymous visits, and special checks, hotel operations and service quality are examined and assessed to continuously improve service quality.





C&D Humanity, a subsidy of C&D Medical, continuously improves its internal medical quality management system and system construction. It establishes a quality management monitoring system covering the entire medical process and conducts quality control inspections throughout the process. This includes 35 quality control checks, such as daily medical record quality control, prescription quality control, and rational drug use supervision, to continuously improve medical service quality and safety.

Implementing Responsible Marketing

C&d Group and its affiliated industry groups strictly abide by the requirements of relevant laws and regulations, standardize the language of advertising and publicity, resolutely put an end to exaggeration and false publicity, and practice responsible marketing. In 2022, C&D Group enhanced the awareness of marketing compliance through training on advertising and marketing compliance, focusing on the main pitfalls and prevention suggestions in commercial advertising.

> C&D Real Estate takes multiple measures to enhance the legality and compliance of its own marketing activities. In 2022, C&D Real Estate has revised multiple marketing and promotional systems, continuously improved its management norms, conducted regular compliance marketing spot checks, organized annual marketing audits, and entrusted external agencies to conduct sales risk investigations before the launch of new projects, promptly identifying hidden risks and making rectifications. Unified marketing training was provided to sales personnel to strengthen their compliance awareness.

Quality inspection

Formulate the "C&D Real Estate 2022 Sales Site Service Secret Visit Indicators" to provide guidance for specific actions of frontline sales services and establish assessment

Clarifying standards

Before the opening of each project's display area, conduct back-to-back marketing preparation acceptance and multidimensional inspections. Timely rectify any issues identified. Conduct regular inspections of ongoing sales projects, collect and summarize positive and negative case examples related to display and service, and identify common problems for timely rectification. Introduce third-party agencies to conduct secret visits and inspections of sales services.

Marketing training

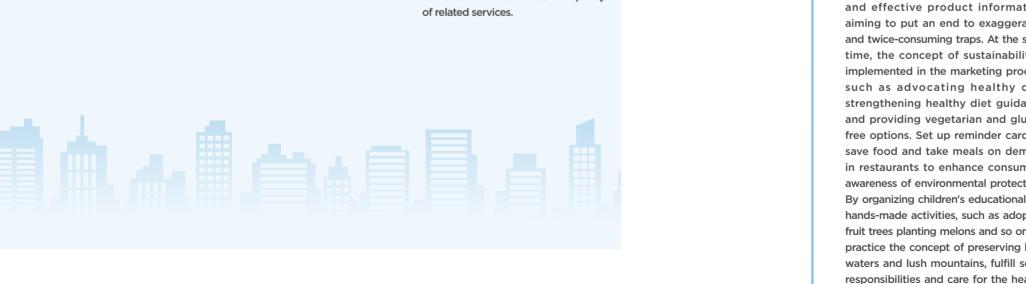
Produce training videos such as "Requirements for C&D Real Estate Sales Consultants", "Service Image of Sales Consultants", and "Service Etiquette for Sales Consultants". Through assessments, standardize the behavior guidelines for sales consultants and enhance the quality of related services.





> C&D Tourism enhances the transparency of product sales information, ensuring customers' understanding of authentic and effective product information, aiming to put an end to exaggeration and twice-consuming traps. At the same time, the concept of sustainability is implemented in the marketing process, such as advocating healthy diet, strengthening healthy diet guidance, and providing vegetarian and glutenfree options. Set up reminder cards to save food and take meals on demand in restaurants to enhance consumers' awareness of environmental protection . By organizing children's educational and hands-made activities, such as adopting fruit trees planting melons and so on, we practice the concept of preserving lucid waters and lush mountains, fulfill social responsibilities and care for the healthy growth of the next generation.





Focusing on Customer Satisfaction

Xiamen C&D Group Co., Ltd. | 2022 Sustainability Report

Improving Customer Satisfaction

To enhance customer satisfaction, C&D Group's affiliated industry groups actively understand customer demands and take effective follow-up measures to continuously improve customer satisfaction.



Supply Chain Operation

> In 2022, C&D Inc. conducted a customer satisfaction survey among its upstream and downstream clients in the supply chain. The survey involved visits to 50 strategic partners and collected 1.630 customer questionnaires. Based on the findings of the survey. C&D Inc. focused on improving customer satisfaction management in four key areas: service monitoring, demand management, standard management, and guarantee management. The aim was to meet valuable customer needs. address personalized customer service requirements, and continue to implement measures to enhance customer satisfaction in frontline service scenarios. Efforts were made to establish a comprehensive customer service system and satisfaction management mechanism.



Municipal Construction and Operation

- > C&D Real Estate has established a dedicated customer service department to standardize the complaint handling process. smooth the complaint feedback channels, timely receive customer comments and constantly improve the quality and efficiency of customer complaint handling. Through public opinion monitoring, customer demands were proactively identified and collected, and potential or discovered issues were promptly addressed. Additionally, third-party agencies were commissioned to conduct monthly customer satisfaction surveys, and service quality was continuously improved based on specific feedback from customers regarding various products and services. According to survey data from Beijing Saivian Consulting, C&D Real Estate achieved an overall customer satisfaction rating of 93.5 in 2022, ranking at the forefront of the real estate industry.
- > Lianfa Group conducts a comprehensive review and optimization of its property service system, standards, and assessment focuses. It established eight service touchpoints and emphasized soft services for customers. The company strengthened the coordination between real estate and property management in terms of management mechanisms. It also established a customer satisfaction system that allows real-time evaluation and covers the entire customer lifecycle. Third-party satisfaction surveys were conducted to continuously improve and enhance product and service experiences. In the customer satisfaction survey conducted by the China Index Research Institute in 2022, C&D Real Estate achieved a 1.1-point increase in overall customer satisfaction compared to the previous year, surpassing the average level of the top 20 real estate companies in the country.



Medical and Health

- > C&D Hummanity adheres to the concept of "patient-centered" and focuses on improving service satisfaction and trust. Centering on the key experience points in the whole process of patients' hospital treatment, we have created a standardized system including six aspects of "expectation management, key patients, doctor-patient communication, process optimization, active service, and trust management", and strive to provide patients with "standardized, humanized, personalized, and wholeprocess" services.
- > C&D Innostic Medical conducts customer satisfaction surveys to understand customer needs and areas for improvement in frontline operational services. Identified issues are addressed in a closed-loop manner, gradually establishing an orderly and efficient customer service system, and actively providing high-quality and personalized services to customers.



Hospitality & Expos

> C&D Tourism introduced a third-party guest satisfaction management system and continuously optimized and improved service quality through measures such as emotional analysis of guest reviews and questionnaire surveys. It also showcases excellent service cases, establishes service examples, and continuously improves and innovates service quality. In 2022, C&D Tourism ranked first in guest satisfaction scores and reputation index among competing companies.



(Based on review data from various channels such as Ctrip, Fliggy, Elong, Qunar, TripAdvisor, Dianping, Meituan, Booking, and Agoda)

> C&E Group established the "Customer Complaint Handling Work Standard", set up a complaint supervision center, and promptly followed up and resolved customer demands to continuously improve customer satisfaction. The "Customer Satisfaction Measurement and Control Standard" was formulated to adopt different measurement methods for different customers, open multiple feedback channels, ensure the acquisition of truly useful information, and comprehensively apply the information to improvement work. The satisfaction survey was conducted based on the 5GAP model of service quality, and a combination of internal and third-party surveys was used to implement satisfaction surveys through online and offline channels.



Emerging Industry Investment

Investment attaches great importance to diversified customer needs. It continuously improves service efficiency and quality through the delivery and service of fund products covering the entire process of contribution, distribution, investment, exit, and reporting. Efforts are made to establish a good service reputation.

At the same time, C&D Emerging Industry Equity Investment actively expands the breadth and depth of services, establishes exclusive customer service channels, provides professional answers, and offers customers opportunities for industry forums and related thematic activities to deepen the integration of customers and C&D Emerging Industry Equity Investment's ecosystem, enables timely matching of business resources, and promotes business synergy between customers and C&D Emerging Industry Equity Investment in multiple fields.

In addition, C&D Emerging Industry Equity Investment conducts regular customer visits and communication to collect and understand customer suggestions and demands, actively enhancing customer trust and satisfaction.



Building a Cooperative and Win-Win Ecosystem

| Collaborating for Mutual Benefit and Win-Win Results

C&D Group actively engages in deep-level and high-quality cooperation with various partners from all walks of life, aiming to achieve complementarity of strengths, resource sharing, and promote value enhancement and win-win development.

Strategic Cooperation in Action

In 2022, C&D Group and its affiliated industry groups have reached strategic cooperation agreements with powerful enterprises such as CATL, Beibu Gulf Holding Group, and Chengdu Xingcheng Investment Group.



Case C&D Group joins forces with CATL for strategic cooperation

C&D Group and CATL have signed a strategic agreement to collaborate and exchange in multiple areas, focusing on strategic development needs and leveraging their respective strengths in commercial model innovation for battery applications, the new energy vehicle industry, and supply chain business cooperation.

The two parties have jointly established C&D CATL Power Technology Co., Ltd., to promote the exploration of the commercial model for heavyduty truck battery charging and swapping.

The two parties have jointly established Era Smart Technology Co., Ltd., to drive innovation in battery leasing and business models for battery application scenarios.







C&D Inc. made its fifth appearance at the CIIE

In November 2022, C&D Inc. made its fifth appearance at the CIIE and signed cooperation agreements with six internationally renowned brands from different industries, including Ilim Group, Syngenta Group, Aolan International, Shanghai International Port Group Logistics, Luckin Coffee, and Benigo. Together with these partners, C&D Inc. aims to build a stable and secure supply chain network, achieve complementary advantages in resources, and promote high-quality development in domestic industries such as pulp, agriculture, logistics, coffee, and household water.



Deepening Cooperation between Banks and Enterprises

In 2022, C&D Group signed a strategic cooperation agreement with the head office of Bank of China. Under this agreement, Bank of China will provide C&D Group with credit financing arrangements in both domestic and foreign currencies, totaling no more than 100 billion RMB. The two parties will deepen comprehensive cooperation in areas such as credit provision, direct financing, supply chain financing, cross-border finance, and key project construction.



Promoting Cooperation between Local Enterprises

In 2022, C&D Group signed strategic cooperation agreements with local governments such as Longyan City in Fujian Province, Beihai City in Guangxi Province, and Jimsar County in Xinjiang. These agreements aimed to deepen cooperation in supply chain operations, industrial transformation, urban development, and operation, thereby supporting local economic development.

Boosting Industry Development

The affiliated industry groups of C&D Group actively participate in the formulation of industry standards, industry associations, and large-scale industry exchange and cooperation activities. Leveraging their own advantages, they promote the interconnectedness of industry information, stimulate innovation vitality, and promote open cooperation to support the flourishing development of the industry.

- > C&D Inc. participates in the drafting and preparation work of the Supply Chain Management Expert (SCMP) certification project, which is developed by the China Federation of Logistics and Purchasing and the Professional Committee of Supply Chain Management. This project aims to promote the standardized development of the supply chain industry.
- > C&E Group participated in the drafting of the national standard GB/T 41129-2021 "Guidelines for Green Booth Evaluation", which has officially come into effect. This standard provides principles, indicators, and procedures for the evaluation of green booths in the industry, effectively promoting the green development of the exhibition industry.





C&E Group organized the first Coffee Industry Expo in West Coast region, promoting complementary industry resources and the development of the coffee industry in China

In December 2022, C&E Group successfully hosted the first Coffee Industry Expo in the West Coast region at Xiamen International Convention and Exhibition Center. The exhibition attracted more than 150 exhibitors, thousands of brands, and hundreds of industry professionals and enthusiasts. The offline exhibition had over ten thousand attendees, with on-site transactions reaching nearly one million. This event facilitated the integration of industry resources and information exchange. Moreover, the expo also invited industry leaders to discuss the development trends of the coffee industry, interpret new business opportunities in the coffee sector, and support the development of the Chinese coffee industry. It aimed to promote the growth of strategic emerging industries in cultural tourism and creativity.



Collaborating with Partners for Mutual Success

Xiamen C&D Group Co., Ltd. | 2022 Sustainability Report

Building Sustainable Supply Chain

C&D Group focuses on establishing and maintaining good partnerships with its collaborators, while ensuring the rights of suppliers. It formulates supplier management mechanisms to promote suppliers' active fulfillment of environmental and social responsibilities, empower partners' transformation and development, and help build a sustainable supply chain ecosystem.

| Supplier Management

Establishing a sound supplier management mechanism is the cornerstone of a stable supply chain. C&D Group strives to create a fair competitive environment for suppliers, continuously optimize the level of supplier management throughout the entire lifecycle, prevent risks that may harm the supply, and ensure stable business operations, thereby maintaining the long-term development of the supply chain.

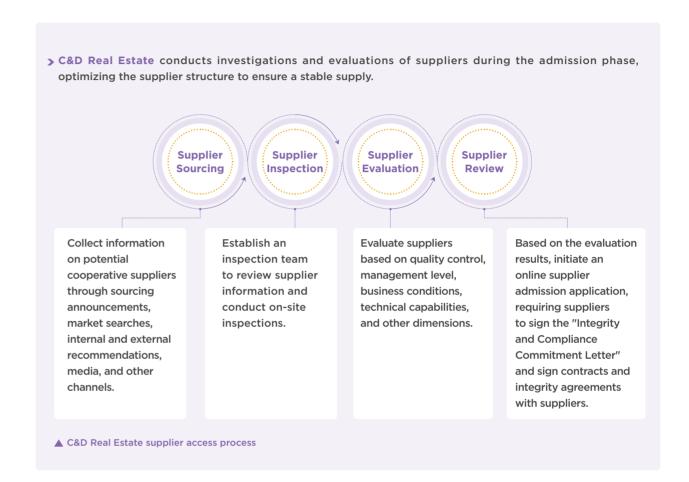
Protecting Supplier's Rights

C&D Group strictly adheres to laws and regulations such as the Anti-Unfair Competition Law, Anti-Monopoly Law, and The Bidding Law of the People's Republic of China. It adheres to the principles of equal consultation and mutual benefit, creating a favorable environment of fair competition for suppliers. At the same time, C&D Group upholds the spirit of contracts, operates with integrity, and protects the legitimate rights and interests of suppliers.

Supplier Admission

Each affiliated industry groups of C&D Group establishes a supplier admission process based on its own business characteristics, improving the overall efficiency of supply chain management and effectively identifying and selecting high-quality partners.

> C&D Inc. conducts due diligence on suppliers during the admission process, focusing on indicators such as brand reputation, quality standards, production capacity advantages, green factories, and energy consumption qualifications to identify and select high-quality suppliers. **Business Market Pre-**Comprehensive Supplier Declaration **Evaluation** selection Confirmation Submit through the Conduct credit Comprehensively Confirm and assess ERP system. investigations and evaluate various the comprehensive closely monitor relevant risks evaluation results changes, promptly based on credit of suppliers for reporting any management, admission. abnormalities. credibility, performance ability, and business qualifications. ▲ C&D Inc. supplier access process



Supplier Performance Management

Each affiliated industry groups of C&D Group have gradually established a supplier evaluation management mechanism based on their own business characteristics, assisting suppliers in improving their management level, strengthening their performance and accountability capabilities, and enhancing supplier service quality.

> C&D Inc.continues to improve regulations such as the "Supply Chain Business Operation Management Regulations", "Supply Chain Business Process Management Regulations", and "Supplier Credit Management Regulations", clarifying supplier assessment and exit mechanisms.



Case

C&D Inc. uses the digital supplier platform "E zhangxin" to dynamically assess supplier behavior risks

C&D Inc. implements dynamic monitoring of suppliers through the "E zhangxin" platform. The platform monitors and pushes daily negative external information about suppliers, real-time attention to risks such as supplier dishonesty, height restrictions, litigation involvement, environmental penalties, and wage arrears. Timely verification feedback is conducted for exceptional suppliers, and rectification notices are issued.

Collaborating with Partners for Mutual Success

Xiamen C&D Group Co., Ltd. | 2022 Sustainability Report

> C&D Real Estate implements hierarchical management of suppliers based on the aggregated evaluation scores during the supplier performance process. Measures such as introducing third-party evaluation inspections and establishing a "blacklist" system are used to supervise and evaluate supplier performance.

Third-party evaluation

During the construction phase, third-party evaluations are introduced to assess the construction quality level and material quality level of suppliers. The third-party evaluation adopts the "random inspection + accompanying inspection expert" system, strictly following national standards to conduct inspections on ongoing projects, and publicly announcing the inspection results and rankings.





"Blacklist" system

Monthly evaluations are conducted on awarded suppliers, including multiple dimensions such as engineering quality and safety production. A "blacklist" system is established. Suppliers involved in fraudulent practices in bidding, major quality accidents, and other situations are listed in the supplier blacklist by C&D Real Estate. The legal responsibilities of relevant individuals are pursued based on the actual circumstances to regulate supplier behavior.

Promoting Supplier Performance

C&D Group and its affiliated industry groups take proactive measures to reduce the potential impacts of supplier environmental and social risks on business operations and promote emissions reduction in the supply chain. They empower their partners to achieve green development, enhance supply chain resilience, and build a sustainable supply chain.

C&D Inc. has formulated the "Supplier Code of Conduct", which sets forth requirements for supplier management and supplier behavior in terms of business ethics, human rights protection, environmental protection, occupational health and safety, etc. They actively practice responsible procurement and promote sustainable and ethically conducted business activities throughout the supply chain.

In addition, C&D Inc. proactively explores opportunities for sustainability, aggregates high-quality industry resources, and provides resource support to partners, working together for sustainability.

> C&D Real Estate implements its own "Supplier Code of Conduct" and actively promotes suppliers' fulfillment of social responsibilities in areas such as safety, environment, and employees, including:

Protecting the rights and interests of labor outsourcing employees

Clarifying the prohibition of child labor, anti-forced labor, anti-discrimination, and adherence to minimum wage standards.

Ensuring the safety and rights of construction workers

Requiring suppliers to provide insurance for their own personnel and third-party personnel on construction sites.

Protecting the rights and interests of migrant workers

Establishing mechanisms to ensure the payment of wages to migrant workers and prevent wage arrears, and urge construction contractors to promptly disburse full labor costs to migrant workers

- > C&D Tourism takes factors such as environmental protection, low-carbon, and recycling into the selection considerations for product and service procurement, practicing green procurement. They reasonably require suppliers to participate in carbon neutrality plans and set standards to measure their partners' contributions to carbon neutrality, enhancing their awareness and actions towards low-carbon environmental protection. They work together with partners to reduce the environmental impact of business operations.
- > C&E Group prioritizes the use of green exhibition booth construction materials and green supplies, practicing low-carbon procurement. For example, in the booth construction process, they prioritize the procurement of energy-saving and environmentally friendly materials such as LED lights, new aluminum profiles, and biodegradable lightweight materials, reducing energy consumption and carbon emissions in exhibitions, and promoting the construction of a green supply chain.



C&D Light Industry collaborates with partners to promote the green transformation and sustainability of the footwear industry

C&D Inc.'s subsidiary, Xiamen C&D Light Industry Co., Ltd., actively explores the research and design of green materials such as GRS (Global Recycling Standard), bio-based materials, biodegradable materials, and sustainable packaging materials to provide environmental solutions for footwear and bag products. Meanwhile, C&D Light Industry achieves GRS certification throughout the entire supply chain, from the selection of environmentally friendly materials in the procurement process to the implementation of social responsibility audits and the adoption of new technology materials in production, empowering partners for green development.



Practing Responsible Investment

C&D Emerging Industry Equity Investment is a professional equity asset management institution affiliated to C&D Group. C&D Emerging Industry Equity Investment focuses on opportunities in the healthcare, advanced manufacturing, and TMT/ consumer sectors. While paying attention to financial performance, it also considers factors such as green development, people-oriented approaches, and technological empowerment in the decision-making process regarding invested enterprises. Through financial and resource support, it empowers the invested enterprises and promotes sustainability together.



Case Investing in the new energy industry to promote green and low carbon

C&D Emerging Industry Equity Investment continuously enhances industry insights, grasps investment opportunities in the new energy industry, and supports the development of clean energy core technologies. It aims to build a clean, low-carbon, safe, and efficient energy system, while strengthening green and lowcarbon technologies and innovative applications.

Investing in Anhui Yingfa Ruineng Technology Co., Ltd. to promote the development and progress of battery technology in the photovoltaic industry chain. This investment contributes to the development of renewable energy and the improvement of energy efficiency, making contribution to green development.





Investing in Maitian Energy Co., Ltd., C&D Emerging Industry Equity Investment is supporting the innovative research and development of energy storage and inverters in the clean energy sector. This investment aims to promote the adoption of stable, safe, and low-cost clean energy solutions in households, contributing to improved energy efficiency, reduced carbon emissions, and the development of renewable energy.



Case Investing in the healthcare industry to practice life care

C&D Emerging Industry Equity Investment drives the advancement of medical technology, improvement of public health, and the promotion of "Healthy China construction by investing in innovative healthcare enterprises with strong research and development capabilities.

Investing in Jiangsu Yahong Pharmaceutical Technology Co., Ltd., C&D Emerging Industry Equity Investment is supporting the research and development of innovative drugs and therapies in the field of genitourinary system tumors and other major diseases. This investment aims to provide the best integrated solutions for diagnosis and treatment to patients in China and around the world, benefiting a larger number of patients.



Investing in Ludaopei Medical, promoting the advancement of medical science, and supporting clinical practice and basic research in the field of hematological diseases. This investment aims to practice life care and fulfill social responsibilities.





Case Investing in the new consumer industry to create green consumption

C&D Emerging Industry Equity Investment promotes environmental protection in the full process chain from production to sales of agricultural products and enhances the management of quality and safety traceability by investing in Fengji Food Group Co., Ltd., which owns the high-quality egg brand "Yellow Swan". This investment helps create a green consumption ecosystem and supports the development of the new consumer industry.





All-round Talent Introduction

C&D Group adheres to a talent selection and cultivation mechanism based on the principles of promoting capable individuals, matching employees to suitable positions, and leveraging their strengths. We uphold a diverse employee recruitment policy, establishing multiple recruitment channels to attract employees from diverse backgrounds, striving to build an outstanding employer brand.

| Attracting Excellent Talents

C&D Group employs a multi-channel approach, including social recruitment, campus recruitment, and university-industry cooperation, to recruit excellent talents.

As of the end of 2022

Create job positions nearly

The proportion of female managers in C&D Group

Labor contract signing rate

50,000

35%

100%

The employee composition of C&D Group is as follows:



Taking Multiple Measures to Increase Campus Recruitment

C&D Group continuously develops and expands employment opportunities for fresh graduates.

In 2022, C&D Group organized a total of 4 online job fairs, among which the fall job fair attracted a cumulative online viewership of over 140,000.

Meanwhile, innovative collaboration between academia and industry is being pursued to expand the talent pool. The affiliated industry groups of C&D Group actively engage in the integration of industries, universities and research institutes, and explore new avenues for the fusion of education and industry.

C&D Inc. collaborates with universities such as Dalian University of Technology, Shandong University, Xiamen University, East China University of Science and Technology, Ocean University of China, Dalian Maritime University, and University of International Business and Economics. In this way to innovate the "School-Enterprise Joint Training" model for talent development, providing excellent students with internship and practical opportunities.

C&D Real Estate collaborates deeply with Xiamen Academy of Arts and Design, Fuzhou University through research projects, academic competitions, and other forms of cooperation.

In May 2022, C&D Group launched the 2023 campus recruitment campaign at the Xiamen International Conference Center, attracting nearly 700 local university students for on-site exchanges.



| Building Employer Brand

Employer brand is a clear banner that attracts talents to outstanding companies. In recent years, C&D Group has been dedicated to building its employer brand image. After extensive research, we have identified the core strengths of the Group and distilled the employer brand value proposition (EVP) of C&D Group.

Meanwhile, the affiliated industry groups of C&D Group have launched multiple campus employer brand projects, gradually enhancing the influence and recognition of the employer brand, and providing a source of vitality for the company's high-quality development.

"When the sycamore tree reaches great heights, the phoenix will come; When the flowers emit their fragrance, the butterflies will arrive". In recent years, C&D Group's employer brand has achieved outstanding performance.



▲ The Employer Brand Value Proposition (EVP) of C&D Group



C&D Inc. Campus Recruitment Brand

"Chain Internship" summer internship program was initiated in 2011. The program aims to provide college students with an early understanding of the workplace and leverage C&D Inc.'s global platform to learn about the practical operations of supply chain business, enhancing their professional capabilities.



建习生

C&D Real Estate Campus Recruitment Brand

"Flagship Internship" and "Construction Internship" recruitment projects were initiated in 2018, symbolizing the cultivation of future leaders within the company. They have become influential brands in campus recruitment within the real estate industry.



Lianfa Group Campus Recruitment Brand

"Joint Power" project was initiated in 2012, and Lianfa Group has developed a systematic training program exclusively for fresh graduates called the "Potential Rock Plan", forming a "Full Chain, All-round, Full Cycle" training mode.



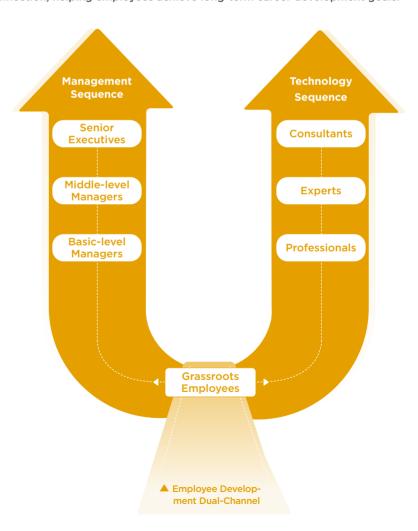
Empowering Employee Growth

Talent team building is the dynamic engine for corporate development and the "source of vitality" for future success. C&D Group emphasizes talent cultivation and development, provides smooth career development channels, continuously improves the talent training system, and offers employees broad prospects for development, enabling them to achieve their career development aspirations.

Employee Development Mechanism

C&D Group adheres to the "Annual Contract Renewal" employment system, the "three capabilities" concept of "ability to enter and exit, ability to rise and fall, ability to have high or low compensation", and a performance-oriented culture. We also adhere to the principle of "matching talents with positions" in the selection and appointment of cadres. C&D Group emphasizes that leaders at all levels shoulder the primary responsibility for talent development and team building. We advocate accelerating talent development through methods such as mentoring, practicing, and shouldering responsibilities, and has established a distinctive mechanism for selecting, nurturing, employing, motivating, and restraining talents.

C&D Group provides employees with diverse career development opportunities and continually optimizes career development channels. We have established a dual-channel development path of "technology + management". Meanwhile, we leverage the business platforms of the group headquarters and industry groups to facilitate career development interconnection, helping employees achieve long-term career development goals.



Employee Training and Development

Talent Development System

C&D Group continuously improves and enriches talent development system, establishing a three-tier training system of "Group-Industry Group-Business Unit". We clearly define the target and focus of training and development at each level, providing targeted training for all cadres. While organizing internal training, external learning, and online learning activities, we also encourage employees to continuously improve and enhance their job skills through personal learning, on-the-job practice and other methods.

Leadership Development

C&D Group continues to advance the construction of cadres in the Group and industry groups, creating a "3+2" leadership development system, which includes cadre leadership enhancement programs such as the "Jianling Program", "Jianzhen Program", and "Jianmeng Program", as well as reserve cadre development programs such as the "Jianyuan Program" and "Jianyi Program". These programs focus on nurturing, enhancing, and developing cadre management and leadership at different stages.

In 2022

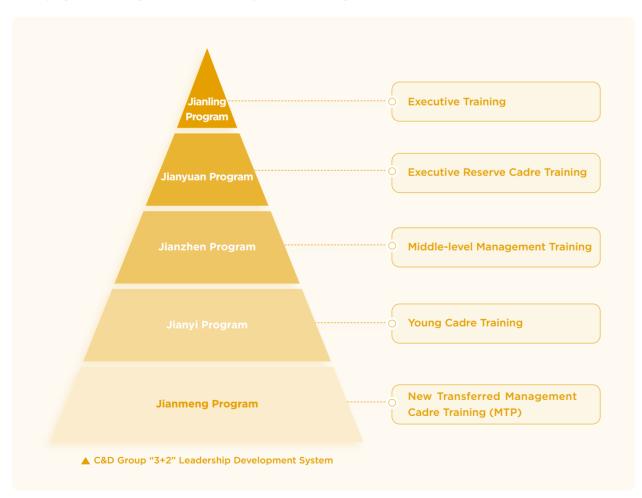
Training investment RMB

11.56 million

More than 4,000 training sessions were held

The total offline training time is

 $100,910_{\mathsf{hours}}$



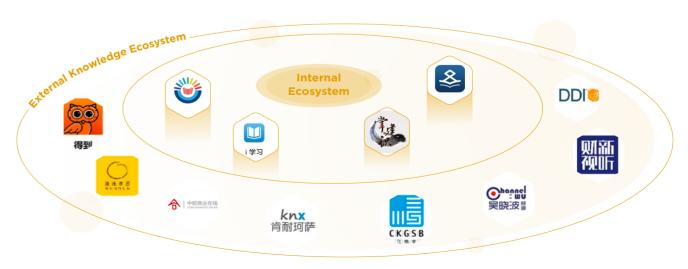


▲ C&D Group Leadership Development Program

Building an Online Learning Platform

With the core positioning of empowering employee growth and resource sharing, C&D Group has built the online learning platform "C&D Academy". By precipitating high-quality internal courses and connecting with excellent external learning resources, it aims to create an ecosystem for internal and external learning, accelerating talent development.

In 2022, "C&D Academy" has built 7 secondary platforms and 13 tertiary sub-sites, offering over 5,000 learning courses. The average online learning duration of employees exceeds 30 hours.



▲ "C&D Academy" Builds an Online Learning Platform Ecosystem

Caring for Employees

C&D Group has established a comprehensive human resources management system and management policies. We strive to create a proactive, simplicity, fairness and caring work environment by providing employees with a competitive compensation system, actively safeguarding their rights and interests, creating a democratic and autonomous management platform, and offering a diverse range of cultural activities.

| Enhanced Compensation and Benefits System

C&D Group provides employees with competitive compensation and benefits packages in the industry, adhering to fair and just performance evaluation principles to strengthen the "dual benchmarking" of performance evaluation and incentive levels.

In terms of medium- and long-term incentives, C&D Group takes positive incentives as its guidance, focuses on the core talent team, ensures the equivalence of incentives and constraints, and builds and constantly improves the long-term mechanism of interest sharing and risk sharing between individuals and enterprises.

Meanwhile, C&D Group provides employees with comprehensive welfare policies. In addition to statutory benefits such as social insurance and paid annual leave, we also provide supplementary commercial insurance coverage for employees, including medical and accident insurance, to demonstrate our care for employees.

Social security payment rate

100%

| Establishing Smooth Communication Mechanisms

C&D Group fully respects the democratic rights and freedom of speech granted to employees by the constitution and laws, and encourages democratic management among employees. C&D Group has formulated regulations such as the *C&D Group Trade Union Federation Management Regulations*, establishes organizations such as trade unions, women's committees, and regularly convenes employee representative conferences to safeguard employees' rights to information, participation, management, supervision, and other democratic rights, promoting the establishment of long-term harmonious labor relations between the company and its employees.

We have established internal platforms such as the Group Leaders' Mailbox and the Union Mailbox in the early time. In addition, we organize forums, surveys, and other forms of communication regularly or irregularly, in order to fully listen to the opinions and suggestions of our employees.



As of the end of 2022 —

the union membership rate of C&D Group reached

| Pleasant Working Environment

C&D Group provides employees with humane and quality living guarantees, to enhance their work experience. To achieve this, we strive to provide facilities such as comfortable and modern office environment, staff canteens, staff dormitories, and gyms, considering employees' work and living needs comprehensively from mechanisms to services.









Enriching Employee Cultural Activitie

C&D Group has established interest groups such as badminton, swimming, yoga, and basketball, encouraging employees to engage in fitness activities during their leisure time and enhancing team cohesion. Additionally, the Group organizes various employee activities to enrich their work and personal lives.

Caring for Employees in Need and Illness

In terms of caring for employees in need and illness, the Group actively resolves their difficulties and has established the "C&D Employee Assistance Fund" to promptly provide care and warmth to employees.



In 2022, C&D Group successfully held the 10th Sports Games, attracting a wide participation of over 1,500 athletes from 49 representative teams across the Group. The event enriched employees' leisure activities and further enhanced team cohesion and unity.



| Nurturing Employee Physical and Mental Health

C&D Group prioritizes the health of its employees and provides comprehensive health security. We offer annual medical examinations, group commercial insurance, and third-party medical services to employees.

To care for the physical health of employees and enhance their health awareness, C&D Group's labor union federation irregularly organizes the "C&D Employee Health Care Day" series of activities. Renowned experts from Xiamen Humanity Hospital are invited to provide professional medical consultations and lectures on health issues that employees and their families are particularly concerned about.

In 2022 -

Medical examination coverage rate

In 2022, on World Reading Day, C&D Group organized the "C&D UP Youth Forum" live streaming event.







Building a Green Future

Xiamen C&D Group Co., Ltd. | 2022 Sustainability Report

Layout of Green Industries

C&D Group, in line with the international and domestic consensus on green and low-carbon development, has started to lay out green and environmentally friendly emerging industries with low energy and resource consumption, minimal environmental pollution, high added value, and strong market demand, in order to promote green, low-carbon, and high-quality development.

Green Products and Clean Technologies

C&D Group deepens innovation and exploration, accelerates investment and layout in green and low-carbon industries, develops green products and services, aiming to promote the construction of a diversified and clean energy system, and collaborate in building a green and sustainable future.

Photovoltaic Business

C&D Inc., through combining internal and external resources, focuses on the development, construction, and operation of photovoltaic power plants, bringing safe, green, low-cost, and sustainable clean energy to partners, achieving a win-win situation for both economic and ecological benefits. By the end of 2022, distributed photovoltaic projects invested and constructed in Jiangsu, Shanghai, and other areas have been officially connected to the grid and generating electricity.



 The 1.8 MW Distributed Photovoltaic Power Generation Project in Jiangsu Junda, with an expected average annual power generation of 1.98 million kWh



 The 1. MW Distributed Photovoltaic Power Generation Project in Shiheng Medical, with an estimated annual power generation capacity

of 1.2 million kilowatt-hours



O The MW Distributed Photovoltaic Power Generation Project in Shanghai C&D Center, with an expected average annual power generation of 1, 1 million kWh



o The 3.5 MW Distributed Photovoltaic Power Generation Project in Sihong Yantie Food Technology, with an estimated annual power generation capacity of 4 million kilowatt-hours







New Energy Vehicles Business

C&D Group's subsidiary, C&D Automobile, actively extend presence in the new energy vehicle sector, keep strengthening cooperation with leading or emerging enterprises in the new energy vehicle industry, continue to improve our energy vehicle sales and service network, providing consumers with lower-carbon and higher-quality travel services. As of the end of 2022, C&D Automobile has obtained sales and after-sales service authorization for 4 new energy vehicle brands and has invested in the construction of 10 4S stores for new energy brands such as Xiaopeng. Smart, Avita, and Lotus.

Lithium Materials Business

C&D Inc. is cooperating with many leading enterprises upstream and downstream of the industry, rendering customized supply chain operation services according to customer needs and offer professional supply chain services for various lithium materials (such as cobalt sulfate, cobalt hydroxide, tricobalt tetroxide, lithium carbonate, etc.). This achieves a full industry chain service from overseas raw materials to processing plants to batteries.

Smart Energy-saving Products

Lianfa Intelligent Technology
Company, a subsidiary of Lianfa
Group, independently develops smart
energy-saving products and solutions.
Its nightscape lighting hardware and
software integration product system
was selected into the "Xiamen 2022
Green Technology and Product
Catalog", leading the trend of green,
efficient and safe nightscape lighting
technology.

Efficient Resource Recycling

C&D Inc., through integrating industry advantage resources, vigorously promotes the recycling and circular utilization of waste steel, waste aluminum, waste paper, and other resources. It establishes a flow system for the recovery of waste resources, promotes the green and specialized development of the renewable resources industry, and contributes to energy conservation and emission reduction.

Steel Scrap Recycling

In 2022, C&D Inc. established new steel scrap processing and distribution centers in Baotou, Inner Mongolia, Tianjin, Tangshan, based on the existing center in Benxi, Liaoning. With an annual processing capacity of 3.5 million tons, C&D Inc. provides a reliable supply of steel scrap raw materials to neighboring steel plants such as Benxi Steel, Baotou Steel, and Shougang, helping industry partners improve the utilization rate of recycled steel scrap resources.



Aluminum Scrap Recycling

C&D Inc. leverages its expertise in international trade to develop the recycling and reprocessing business of aluminum scrap by linking up high-quality recycled aluminum product resources in Japan. This effort helps promote the overall low-carbon transformation of the aluminum industry.

In 2022 -

C&D Inc. recycled approximately

57,200 tons of aluminum



Waste Paper Recycling

C&D Inc. actively engages in waste paper recycling business. using waste paper as the main raw material to produce coated paper, kraft cardboard, and other paper types, significantly saving the use of natural resources such as wood. At the same time, it recycles all of the waste pulp generated in the production process and put it into reproduction to replace the raw materials and reduce the waste of resources.

C&D Inc. recycled 307,400

by approximately 184 square kilometers



Practicing Green Operations

With the promotion of green operation as the focal point, C&D Group firmly establishes the awareness of energy conservation and low carbon, strengthens the green management in production and operation, makes full use of new technologies and new processes to promote the implementation of environmental protection, and reduces resource waste and environmental pollution in production and operation and daily office to the maximum extent.

Developing Green Buildings

Upholding the concept of people-oriented green development, C&D Group integrates green operational concepts into the entire lifecycle of buildings in the urban construction and operation sector, actively promotes the development of green and low-carbon cities.

Green Buildings

In the process of project development and construction, C&D Real Estate and Lianfa Group, on the one hand, pay attention to source management, strengthen the application of green, environmental protection and energy saving new technology. new technology and new materials; On the other hand, we pay attention to process management, strengthen civilized and environmental protection construction, actively prevent dust pollution, and take multiple measures to create "green buildings".

In 2022, the "Phase III of Haicang Xinyang Affordable Housing Project", constructed by C&D Real Estate, and the "Zhan Nan Primary School" project, constructed by C&D City Service, have been included in the "Fujian Province Green Low-Carbon Pilot Projects" in the field of urban and rural construction. This demonstrates their commitment to exploring carbon reduction pathways.

In 2022

C&D Group Added

25 Building Projects









Building a Green Future Xiamen C&D Group Co., Ltd. | 2022 Sustainability Report



Case Xiamen International Conference & Exhibition Center Phase 5

C&E Group actively practices the concept of green, low-carbon, and environmental protection, and builds a green ecological venue. In accordance with the one-star green construction plan, Xiamen International Conference & Exhibition Center Phase 5, optimized the architectural form and spatial layout, made full use of natural resources such as natural lighting and ventilation. Measures such as thermal insulation, heat insulation, and sun shading are adopted in the enclosure structure to reduce the energy demand of the building.



Prefabricated Construction

C&D Real Estate and Lianfa Group actively promote the use of prefabricated construction technology and advocate for energy-efficient and environmentally friendly prefabricated materials. They adopt centralized processing in factories to avoid material waste during construction. They also provide guidance for the application of prefabricated technology in the three stages of early-stage design, process standardization, and construction control by developing technical guidelines such as the "ALC Partition Board Construction Standard".

In 2022, C&D Real Estate has a total of 124 projects under construction using prefabricated construction technology, with a floor area of 12.54 million square meters using prefabricated construction technology, and an average assembly rate of 56%.





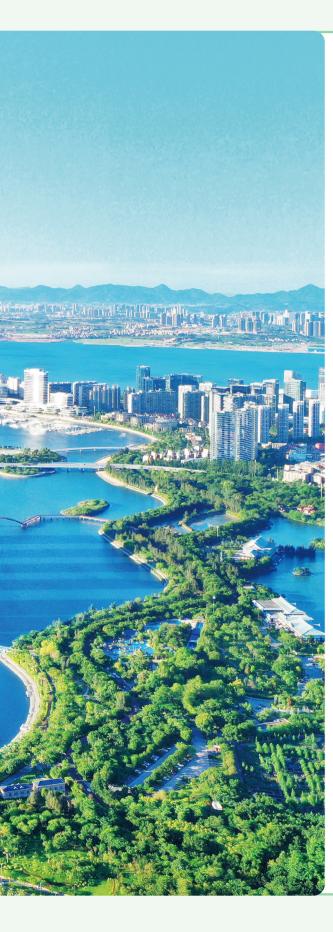
In 2022, Lianfa Group added 18 new projects under construction using prefabricated construction technology, and the construction area of new projects using prefabricated construction technology reached 1,175,700 square meters, with an average assembly rate of 51%.



Promoting Energy Conservation and Emissions Reduction

C&D Group incorporates the concept of sustainability into our daily operations, emphasizing the coordination between production and operation development and energy conservation and emissions reduction. We continuously enhance the management level of energy and water resources, among others.

- > C&D Inc. adhere to high standards of energy conservation management, develop energy management systems such as the Energy Management System and the Energy Management Rewards and Punishments System, and improve energy efficiency by adopting advanced electrical equipment and strengthening equipment maintenance and upkeep measures.
- > C&E Group establishes an energy management leadership team, coordinating the formulation of standards for the operation and maintenance of lighting systems, night scene lighting, and other systems, continuously carrying out venue lighting and air conditioning hardware upgrades, and starting to create an ecological venue.
- > C&D Tourism establishes energy consumption management procedures, each member hotel decomposes the annual energy consumption assessment method into monthly targets, which serves as regular inspections and performance assessment criteria for the energy consumption management department.
- > Lianfa Group introduces the "Energy Consumption Management Measures for Lianfa Property", establishes a three-level energy consumption management structure, summarizes the promotion and implementation of multiple energy-saving and consumption reduction measures, and manages and motivates them through quarterly assessments, encouraging the replication and application of improvement measures with obvious energy-saving effects in other projects.



Water Resource Management

Water conservation is both a resource-saving and environmental protection measure. C&D Group integrates the concepts of water conservation and water recycling into the daily management of various industry groups, emphasizing water conservation at the process and source levels, and continuously improving water resource utilization efficiency.

- > C&D Real Estate and Lianfa Group fully implement sponge city design, adaptively set up low-elevation greenbelts, rain gardens, rainwater collection and utilization facilities, and other sponge facilities, comprehensively considering rainwater comprehensive utilization and the utilization of various water resources.
- > C&D Urban Service continuously explores the application of water-saving technologies, such as promoting intelligent irrigation systems that precise control of irrigation time and water quantity based on weather conditions, dust reduction needs, etc. Real-time adjustments to irrigation plans can save over 70% water, greatly improving water resource utilization efficiency.



Waste Management

C&D Group achieves resource recycling and reduces the negative impact of waste on the environment through effective waste management. We have formulated regulations such as the 'Implementation Plan for Household Waste Classification of Xiamen C&D Group Co., Ltd.' and the 'Waste Reduction Plan of Xiamen C&D Group Co., Ltd.' to standardize the process of waste disposal and management. We have implemented multiple measures to continuously improve the level of waste management.

- >C&D Real Estate promotes the application of aluminum formwork system in construction, which can be repeatedly reused and recycled, improve product standardization, encourages standardized processing, reduces material loss and waste during construction, and reduces construction waste discharge.
- > C&E Group encourages customers to adopt minimalist design in the boots, achieving optimal display effects with minimal resource consumption and implement secondary classification of exhibition waste, collect recyclable metals and wood, etc., and hand over to professional targeted organizations for recycling and disposal.



Case Automatic Self-Cleaning Eco-Toilets

C&D City Service invests in Xiamen's first 'Automatic Self-Cleaning Eco-Toilet,' utilizing 'Cleaning Robots' for automated waste collection and cleaning, realizing 24-hour unmanned automatic cleaning. The fixtures adopt foam-washing biocidal technology, with foam generated during flushing preventing water splashing and reducing water usage by over 80%.

Promoting Green Office

C&D Group actively promotes the fine tradition of practicing thrift and carries out the creation of conservation-oriented units, implementing multiple measures to promote green office.

Emphasizing technological empowerment, we actively utilize digital and intelligent means of information technology to promote paperless office practices, continuously reducing paper consumption in various business and management scenarios. For example, the self-developed "E Jian Signature" electronic contract platform by C&D Inc. facilitated over one million online contract signings in 2022, saving a significant amount of costs associated with printing and mailing paper documents.

Focusing on "management energy conservation", "behavioral energy conservation", and "technological energy conservation", we systematically promote electricity conservation in office spaces: saving electricity in lighting by turning off lights when not in use and maximizing natural light; setting cooling control for air conditioning above 26°C during summer; advocating for reduced elevator usage and encouraging the use of stairs when possible; prioritizing the procurement and use of various energysaving products and continuously exploring opportunities for energy-saving.

Protecting the Ecological Environment

Biodiversity is the foundation for human survival and development. C&D Group actively participates in ecological environment restoration and protection efforts, acting as practitioners and promoters of ecological civilization construction, contributing to the modernization of harmonious coexistence between humans and nature.



"Love Xiamen, Safeguarding the Chinese White Dolphins"

Seaview Resort Xiamen of C&D Tourism has been collaborating with the Xiamen Chinese White Dolphin Nature Reserve Management Office since 2009, advocating for public attention to the Chinese white dolphins and the protection of these rare marine animals.

In April 2022, the "Chinese White Dolphin Conservation Awareness Day Launch Ceremony and Chinese White Dolphin Observation Rescue Study Activity" was held at the Seaview Resort Xiamen, aiming to raise awareness about marine biodiversity and ecological environmental protection.







Ecological Restoration of Shitoupi Mountain

C&D City Service aims to achieve ecological objectives such as vegetation restoration, stormwater management, and enhancement of local biodiversity. It has undertaken a comprehensive transformation and improvement of Shitoupi Mountain, turning it into a regional mountainous integrated park that combines fitness, leisure, and scenic hiking activities.





Case Guarding the Green Earth, Planting Trees in the Desert

In 2015, C&D Group joined hands with the Xiamen Marathon Organizing Committee to launch the "C&D Green Run in Action" public welfare activity. Through this initiative, the Group collaborated with the China Green Foundation and became part of the "Million Forest" project.

Every year, the project organizes green run families to plant sand-fixing plants in the Ala-Shan Desert, spreading the concept of green environmental protection. As of 2022, the project has donated over 200,000 windbreak and sandfixing plants, creating a vibrant "Xiamen Marathon Love Forest".







In-situ Conservation of Ancient Banyan Trees

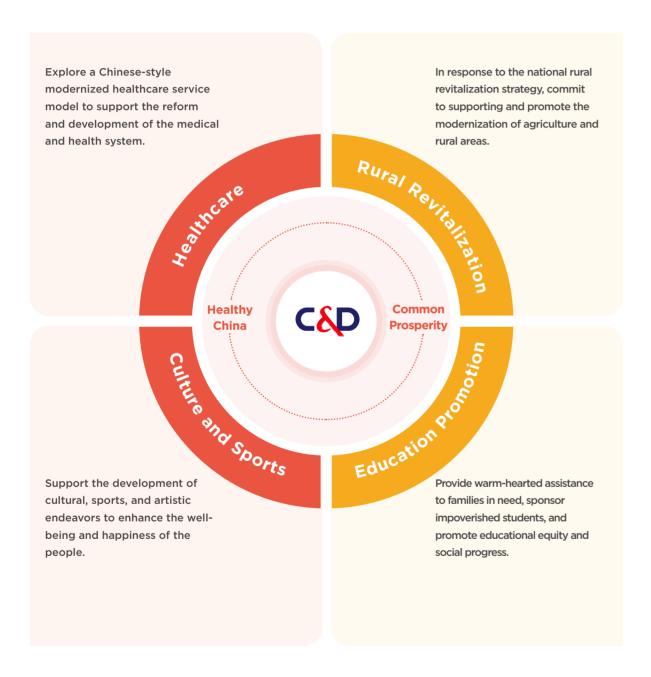
In the development and construction of the Zhenrong Mansion project in Fuzhou, Lianfa Group carried out insitu protection for several ancient banyan trees in the site boundary line and integrated them into the community environment with landscape design to establish an interactive link between banyan tree protection and community life.





The Concept of Public Welfare

C&D Group is committed to fulfilling corporate social responsibility while ensuring our own business development. We actively participate in public welfare activities in areas such as Healthcare, Rural Revitalization, Cultural and Sports Development, and Educational Assistance and Support. By practicing the mission of a state-owned enterprise, C&D Group contributes to the strategies of "Healthy China" and "Common Prosperity" by leveraging its strength.



Supporting the Healthcare Industry

The construction of a Healthy China is not only related to people's well-being but also to the overall and long-term development of the country, social stability, and high-quality economic development. C&D Group always cares about people's well-being and upholds the principle of "Put people and their lives first". We strive to support the healthcare industry and safeguard the health of the public.

| Donate funds to establish the Xiamen Humanity Hospital

In 2013, C&D Group actively innovated and explored ways to support local livelihoods by initiating the establishment of a charitable fund to establish a tertiary comprehensive hospital - Xiamen Humanity Hospital. Since its opening in September 2018, Xiamen Humanity Hospital has been committed to providing high-quality healthcare services to the majority of patients with high-level hardware, exquisite medical technology and high-quality medical service. It has established over 40 clinical departments and planned a total of 1,380 beds. In 2022, Xiamen Humanity Hospital ranked first among general hospitals in Xiamen in the satisfaction survey of medical institutions.

Xiamen Humanity Hospital is the largest social public welfare project of C&D Group. As of the end of 2022, the company has cumulatively donated and invested a total of RMB 2 billion in the project.



Carrying out Charitable and Public Welfare Activities

Xiamen Humanity Hospital makes use of its professional advantages to carry out activities in the field of medical and health care such as assistance for patients with difficulties, voluntary public welfare services, and health science popularization to escort people's health.

In 2022, Xiamen Humanity Hospital assisted 15 poor patients with social charity resource links,, raising a total of about 650,000 yuan. The hospital also intervened in 9 cases of patients without medical insurance, all of whom were successfully discharged and properly placed with social referrals. The hospital organized voluntary blood donation activities, with a total blood donation volume of 31,500ml. Additionally, the breastfeeding volunteer service project "For Feeding Love" was carried out, and a total of 544,680ml of breast milk was donated.

In 2022 -

Xiamen Humanity Hospital organized a total of 1,033 volunteers to participate in various volunteer service activities

The cumulative volunteer hours

amounted to 17,028 hours



ase AED Equipments Donation

Since 2020, the "Healthy Xiamen, Walking with Love - AED Public Welfare Donation" activity has been ongoing. This public welfare initiative involves donation of AED equipments by the C&D Group, with Xiamen Humanity Hospital providing public welfare first aid training. As of 2022, a total of 80 AED devices had been donated, and over 5,000 volunteers from various sectors of society had been trained.

At present, the AED equipments are mainly deployed in Xiamen Shanhai Health Trail, Botanical Garden, BRT (Bus Rapid Transit) routes and other public places to safeguard the lives and health of the citizens.





Supporting Rural Revitalization

Rural revitalization is the path to achieving common prosperity and the new direction and goal for rural development in the new era. In 2022, C&D Group actively leveraged industrial advantages to promote initiatives such as "East-West Cooperation" and "Joint Village Assistance" based on local conditions. We also brought together various social forces to explore the development path of rural revitalization and jointly create a new chapter in rural revitalization.

Supporting for Rural Revitalization Work by C&D Group

Pairing Assistance

• Minning Town, Yongning County, Yinchuan City, Ningxia Hui Autonomous Region

Targeted Poverty Alleviation Assistance

- Xinkang Village (Old Area Village), Chengyuan Township, Zhenghe County, Nanping City
- Seven Co-built Villages in Xiamen City: Baijiaoci, Renshe, Yunyang, Tulou, Zhenei and Qiange in Tong'an District, and Donghui Village in Jimei District

East-West Cooperation

The initiation of East-West Cooperation is a significant decision made by the Central Committee of the Communist Party of China to focus on overall development and promote regional coordinated development and common prosperity. Since 2018, C&D Group has reached a cooperation agreement with the People's Government of Yongning County to develop Minning Town. With the support and guidance of leaders from Ningxia Hui Autonomous Region, Fujian Province, and Xiamen City, C&D Group actively leverages our strengths and adheres to the principle of "C&D Group will do everything in its power to create a model that meets the needs of both Fujian and Ningxia", aiming to contribute to the industrial development of Minning Town.

Leveraging the advantages of the supply chain, supporting the export of specialty products

C&D Group has linked the advantages of Helan Mountain's eastern foothills wine with the C&D Wine Industry supply chain. Together with local wineries, C&D Group created own brand "Boya" wine which will represent the quality of Ningxia wine brand to the country and even the world.

Currently, the "Boya" wine has been laid out more than 2,000 distribution outlets in 23 provinces, 5 autonomous regions, and 4 municipalities directly under the central government through C&D Wine Industry. Up to now, C&D Group has purchased nearly 800,000 bottles of Ningxia wine from the local market.



In the distinctive practice of helping advantageous products in producing areas to "go out", C&D Hengrong Supply Chain, a subsidiary of C&D Group, relying on its own consumer goods supply chain advantages, has set up a Ningxia specialty product mall in its own "Wanfu Qianjia" online sales platform, listing nearly 300 kinds of commodities produced in Ningxia, such as grain, grain, oil, rice noodles, special dry goods, drinks and snacks, and fresh fruits. In 2022, the cumulative amount of consumer support in the mall has reached nearly 18 million yuan.



Strengthening investment empowerment, promoting industrial transformation and upgrading

In 2020, C&D Group took investment as the starting point, took advantage of its own industrial chain in the field of pulp and paper, introduced a national packaging leader enterprise, Xiamen Hexing Packaging Printing Co., Ltd., and set up a joint venture Ningxia Jianxing Environmental Protection Technology Co., Ltd. (referred to as "Jianxing Environmental Protection Technology") in Minning Town. C&D Group holds a 49% stake in the company. The project plans to invest 100 million yuan, and currently, both parties have invested over 60 million RMB.

In August 2022, Jianxing Environmental Protection Technology was officially put into operation.. The factory adopts an international advanced factory design scheme and introduces advanced facilities and equipment and equipment to provide packaging solutions for the local food industry, dairy industry, wine industry and other industries, promote industrial upgrading, and help local employment and tax growth. At present, nearly 90 local employees are employed, of which the Hui, Yi and other ethnic minorities account for more than 60%.



Jianxing Environmental Protection Technology was awarded the title of "2022 Minning Cooperation Demonstration Enterprise"



Targeted Poverty Alleviation Assistance

According to the deployment of the Xiamen Municipal Party Committee, starting from 2022, C&D Group and some of its affiliated industry groups are linked to assist in the co-construction of seven villages in Xiamen City, namely Baijiaoci, Renshe, Yunyang, Tulou, Zhenei and Qiange in Tong'an District, and Donghui Village in Jimei District.

The Party Committee of the Group has included the linkage assistance in the annual work plan of the Party Committee, clearly defining the responsible leaders and departments. The Party Committee actively communicate and interact with the co-construction villages through on-site research and communication, focus on various forms of assistance, including industrial assistance, village assistance, and charity assistance. C&D Group signed assistance and co-construction agreements and leveraged the unique business characteristics and resources of our own to promote the development of characteristic agricultural economy in the co-construction villages. C&D Group also provided assistance and guidance in medical services, infrastructure construction, environmental improvement, project planning, and technical training, aiming to support the economic development of the co-construction villages.



Case Agricultural public welfare live streamin

In 2022, the Youth League Committee of C&D Group, under the leadership of the Party Committee, planned and implemented the "Youth Assisting Farmers Public Welfare Live Streaming" event for the first time. This activity aimed to establish an e-commerce channel from scratch for the co-construction villages and helped to increase their income and promote rural brand development, achieving a "double harvest" in terms of income growth and brand promotion for the co-construction villages.





Case C&D Group has linked and supported Baijiaoci Village for twenty-eight years

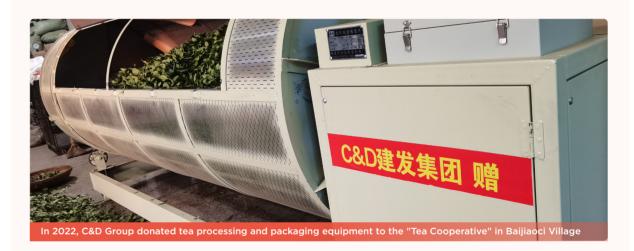
Baijiaoci Village, located in Tong'an District, Xiamen City, was once the poorest village with the highest elevation. Since the establishment of a fixed-point assistance relationship with Baijiaoci Village in 1995, C&D Group has worked with all parties to actively improve the village appearance and infrastructure, support the development of local characteristic industries, and walk out of a 28-year long road of linked assistance.

Highlights

Through funding and technological equipment, we have carried out industrial support to help villagers overcome difficulties in tea cultivation and processing.

In terms of infrastructure construction, we have addressed the urgent needs of the villagers and completed projects such as constructing mechanized farming roads, providing piped water to households, installing streetlights for illumination, and building a community center for villag

Combining the development of rural tourism, we have used cultural and tourism resources to promote the development of the rural tertiary industry. By donating cherry blossom gardens and co-organizing cherry blossom festivals, we have contributed to the revitalization of Baijiaoci Village.





Supporting the Development of Culture and Sports

C&D Group actively participates in and supports the development of cultural and sports undertakings, empowering a better quality of life through the power of culture and sports, and contributing to the continuous enhancement of Xiamen's urban influence.

Join Hands with Xiamen Marathon for 20 years

Since serving as a senior partner in the inaugural Xiamen Marathon in 2003 and becoming the title sponsor from 2005 onwards, C&D Group has been the most steadfast promoter of the Xiamen Marathon. C&D Group has successfully integrated the marathon event with the sports activities and leisure entertainment of the local residents, effectively promoting the development of nationwide fitness. Meanwhile, through innovative practices, C&D Group continuously enriches the green public welfare connotation of the Xiamen Marathon.

As of the end of 2022, C&D Group has invested over RMB 200 million to support the organization of the Xiamen Marathon and the development of public welfare projects.

The Xiamen Marathon has become the highest standard "Platinum Label" road race event of the World Athletics. It serves as an important driver for the development of Xiamen's sports industry and national fitness, as well as a shining card to showcase Xiamen's civilized image. It empowers Xiamen to build a higher-level, high-quality, and modern international city image.



2003

2005

2014

The first Xiamen Marathon started with a gunshot at the Xiamen International Convention and Exhibition Center of the C&D Group



The C&D Group has officially become the title sponsor of the Xiamen Marathon



C&D Group joined hands with



2021



2019

C&d Group has been running together with Xiamen Marathon for 20 years, spreading the "power of persistence" and promoting the "city business card" and the "running economy" effect



Awarded the "Elite Platinum Event" by World Athletics Awarded the "Green Environment Award" by the Association of International Marathons and Distance Races (AIMS) (the first in Asia)





Inspired by the spirit of marathon, an increasing number of C&D employees have participated in the Xiamen Marathon volunteer service activities, silently dedicating themselves to providing various support services for athletes.



Advocating for Green Environmental Protection

Since 2014, C&D Group and the Xiamen Marathon Organizing Committee have jointly launched the "C&D-Green Run in Action" public welfare project. During the Xiamen Marathon each year, over a hundred "Green Run" families run on the marathon track while picking up trash. This not only reduces the post-race cleaning pressure on municipal sanitation, but also conveys the public welfare and environmental protection concept of "leaving only beauty, not garbage" through practical actions.

In 2015, the C&D Group, in collaboration with the Xiamen Marathon Organizing Committee, partnered with the China Green Foundation to plant the "Xiamen Marathon Love Forest" in the Ala-Shan Desert.Up to now, the donated sand-fixing plants have accumulated about 3,282 tons of carbon sink, which helps Xiamen become a "zero-carbon marathon" while building a windbreak and sand-fixing forest network.

In 2022 —

more than

2,500 families have participated in the "C&D-Green Run in Action" charity event



"C&D-Green Running in Action"

In 2022, "C&D-Green Running in Action" attracted nearly 900 participants from 300 families, promoting the concept of environmental protection.

Along the racetrack, C&D Group set up multiple interactive installations made of recyclable materials. At the same time, environmental protection medals, environmental protection tips, environmental protection knowledge, public orienteering and other supporting content will be added to enhance the experience of participants and enhance public awareness of green environmental protection.





Providing Charity and Education Assistance

C&D Group actively explores sustainable mechanisms for charitable and public welfare projects through initiatives such as establishing a charitable foundation. We focus on supporting disadvantaged students and vulnerable groups, aiming to provide assistance to those in need and uplift the weak, and to enable vulnerable and disadvantaged communities to share in the warmth of society.

| Charity Assistance

In 2007, C&D Real Estate established the C&D Real Estate Charity Fund at the Xiamen Charity Federation. Adhering to the concept of "Where there is love, there is a way," the fund carries out public welfare activities such as donating funds for education, poverty alleviation, disaster relief, and other urgent issues faced by the masses. It has also developed several distinctive public welfare projects, including "Let Your Dreams Go" "Warmth for the Needy" and "Nourishing Youth".

As of the end of 2022, the C&D Real Estate Charity Fund has donated and invested over RMB 100 million, supporting more than 7,500 poor students, 3,600 poor families, and more than 5,500 migrant workers in need. As a result, C&D Real Estate has been honored with the "Outstanding Contribution Award in Chinese Charity" by the China Charity Federation.

As of the end of 2022 —

the cumulative donations have exceeded RMB

10,000 million

Let Your Dreams Go

The "Let Your Dreams Go" educational assistance program is a project implemented by the Xiamen Charity Federation in collaboration with the C&D Real Estate Charity Fund.



Nourishing Youth, Safeguarding the Future

The "Nourishing Youth" project was initiated in 2012, specifically aimed at providing assistance to underprivileged children under the age of 16.



Warmth for the Needy, Joyfully Reaping the Fruits

The "Warmth for the Needy" project has been running for 13 years, providing regular visits and support to disadvantaged households and critically ill families. It has cumulatively assisted nearly 3,000 impoverished families.



Public Welfare Education Assistance



Case C&D Group builds "C&D Love Library"

The C&D Group has been continuously exploring ways to integrate educational development with social welfare practices. Over the past five years, we have organized employees to donate over RMB 6.4 million. We have also built more than 20 "C&D Love Libraries" in various impoverished areas and donated two batches of musical instruments. Additionally, the Group regularly organizes employees to enter schools and conduct public welfare classes, safeguarding health and assisting in growth.





Case C&D Group Youth League Committee's Public Welfare Education Assistance

In April 2022, C&D Group signed a contract with Baijiaoci Hope Primary School in Tong'an District, Xiamen, to jointly establish the "C&D Youth Practice Base". The base will regularly organize various public welfare volunteer services, such as low-carbon environmental protection, traditional cultural popularization courses, as well as sports, handicrafts, and music interactive courses, to support the key "one-kilometer" education in mountainous areas.





Case C&D Inc. Hand in Hand Education Assistance

Since 2013, C&D Inc. has established a friendly cooperation with Xiamen Ding'an Elementary School. As of 2022, C&D Inc. has actively engaged in various volunteer service activities with the core concept of "Warming Education". Over the past ten years, education assistance activities have served over 6,000 teachers and students, totaling over 600 hours and over 200 service events.





Case Lianfa Group's Education Donation

Lianfa Group has been actively involved in the public welfare undertakings for women and children in Xiamen. Since 2013, it has donated a total of RMB 7.4 million to the Xiamen Women and Children's Foundation, which has been used for projects such as the "Spring Buds Project-Love and Care for Education".

In 2022, the Love Foundation of Lianfa Group has allocated a total of 415,600 yuan to support 73 female college students and 37 primary and secondary school students to help them realize their dreams.



Appendix

Indicator Index

Chapter	CASS-ESG 5.0	GRI Standards
About the Report	P1	2-2,2-3
Preface	P2	/
About C&D Group	P4	2-1
Annual Focus		
Highlights of Sustainability in 2022	A2	201-1
Topic 1: Promoting the Continuous Deepening of Reform, Empowering High-Quality Development of Enterprises	P3	/
Topic 2: Consolidating the Foundation of Corporate Culture, Renewing Brand Concept and Image	P3-P4.2	/
Sustainability Management		
Sustainability Model	P4.2	2-6
Sustainability Governance	P3.1-G2.1-G2.2-G3.1	/
Materiality Issue Management	G3.5	2-16,2-29,3-1,3-2,3-3
Stakeholder Communication	G3.6, G3.7	2-29
Corporate Governance		
Optimizing Corporate Governance	G1.2	2-9,2-10,2-12
Adhering to Compliance	G1.3-1.8	205,206
Strengthening Risk Management	\$3.4-3.5,\$3.7-3.10,\$4.6	2-25,403,418
Serving the Overall Development		
Supply Chain Operation		
Municipal Construction and Operation		
Hospitality & Expos	V1.1-1.4,V2.5-2.6,V3.1,V3.3	203
Medical and Health		
Emerging Industry Investment		
Focusing on Customer Satisfaction		
Production and Service Innovation	V2.1-2.4	/
Continuous Improvement in Quality Management	S4.1-4.2	/
Implementing Responsible Marketing	\$4.3	416,417
Improving Customer Satisfaction	\$4.5,\$4.7	/

Chapter	CASS-ESG 5.0	GRI Standards
Collaborating with Partners for Mutual Success		
Building a Cooperative and Win-Win Ecosystem	V2.7, V2.8	/
Building Sustainable Supply Chain	S5.1-5.2	308, 414
Practing Responsible Investment	V1.2-1.4	203
Motivating the Growth of Employees		
All-round Talent Introduction	S1.2-1.4, V3.1	2-7, 401, 405
Empowering Employee Growth	S2.1-S2.4	404
Caring for Employees	S1.6-1.8, S1.10, S3.1	401, 403, 407
Building a Green Future		
Layout of Green Industries	E1.8, E2.4, E2.6	301
Practicing Green Operations	E1.1, E1.3, E2.1-2.3, E2.9, E2.14, E3.5, E5.7	302, 303, 305, 306
Protecting the Ecological Environment	E4.2-4.3,V4.4-4.5	304
Supporting Social Welfare		
The Concept of Public Welfare	V1.1-1.2,V3.4,V3.6	203
Supporting the Healthcare Industry	V3.3-3.5	203, 413
Supporting Rural Revitalization	V1.1-1.4, V3.1-3.2, V3.4-3.5, V3.7	203, 413
Supporting the Development of Culture and Sports	V3.4-3.5, V3.7	203, 413
Providing Charity and Education Assistance	V3.3-3.5, V3.7	203, 413
Appendix		
Indicator Index	A4	/
Feedback Form	A5	/

Readers' Feedback

Dear readers:

Thank you very much for taking the time to read the Report. In order to further enhance the management and practices of C&D Group's sustainability, we highly value and look forward to hearing your valuable opinions and suggestions.

1.What type of stak	eholder do you belo	ng to?		
Government	☐ Shareholder	☐ Client	☐ Public	
☐ Partner	☐ Media			
2. What is your ove	rall evaluation of the	Report?		
☐ Excellent	☐ Good	☐ Fair	☐ Poor	☐ Very Poor
3.How would you rat	e the authenticity, acc	uracy, and effective	ness of the informati	on and data disclosed in the Repo
☐ Excellent	Good	☐ Fair	□ Poor	☐ Very Poor
4. How do you thin	k the Report reflects	the comprehensi	veness of C&D Gro	up on the sustainability efforts?
☐ Excellent	□ Good	☐ Fair	☐ Poor	☐ Very Poor
5. How do you thin	k the structure and a	rrangement of the	e Report	
☐ Excellent	□ Good	☐ Fair	☐ Poor	☐ Very Poor
6. Do you think the	language, content o	rganization, and I	ayout design of the	e Report are easy to read?
☐ Yes	□ No			
7. What are your o	pinions and suggesti	ions regarding the	sustainability effo	rts of C&D Group and the Repo
Name:		You can co	ntact us through en	nail or other ways:
		Tel: 86-592	2-2263333	



Feedback form for C&D Group's 2022 Sustainability Report