

2023 Sustainability and ESG Report



Add: No. 10 Yongchang Dongsu Road, BDA, Beijing
Tel: +86 010-67856668
Business hotline: +86 4000-603098
Website: www.centerint.com

CONTENTS

Introduction

About This Report	04
Chairman's Statement	06
About CENTER	08

Sustainable Development Management

Sustainable Development Philosophy of CENTER	14
ESG Governance	16
Stakeholder Engagement	17
Materiality Assessment	18

Features: Green Development is Imperative

Dual Carbon Era Calling CENTER to promote the construction industry to reduce carbon emissions	21
Corporate Mission Leading CENTER into the field of soil and groundwater remediation	26

Technological Innovation and Quality Assurance

01

1.1 Leading Technology Through Constant R&D Innovation	30
1.2 Quality Guarantee	32
1.3 Excellent Customer Service: 25 Years of Warranty for BIPV	40

Practice Responsibility for Win-Win Results for All Parties

03

3.1 Employee's Welfare	60
3.2 Occupational Health and Safety	65
3.3 Community Improvement	69
3.4 Responsible Supply Chain	71

Green and Low-Carbon Operations

02

2.1 Strengthen Environmental Management	46
2.2 Addressing the Risks of Climate Change	47
2.3 Green Concept Through Project Life Cycle	49
2.4 Green Office Culture	55

Compliant Operation to Ensure a Steady Development

04

4.1 Standardize Corporate Governance	76
4.2 Value the Investor Relations Management	77
4.3 Strict Compliance and Risk Control Management	78
4.4 Abide by Business Ethics	79

Appendix

ESG Key Performance	81
GRI Content Index	83
Assurance Statement	85
Your Feedback	88



Preface

About This Report

Introduction of the Report

This is the first sustainability and ESG report issued by CENTER International Group Co., Ltd. This report is published on an annual basis, in line with the financial year. This report provides a comprehensive introduction of the company's practices and performance in the fields of economy, society and governance in 2023, with the aim of conveying the operation status of the company to investors and other stakeholders, in order to help shareholders, partners, employees and the public have a deeper understanding of the company.

Source of Data

The information and data disclosed in this report are derived from CENTER's statistics, internal documents, public reports or surveys, etc. The financial figures in the report are all in RMB. If the financial data is inconsistent with the company's annual financial report, the annual financial report shall prevail. The Company undertakes that the content of this report does not contain any false records, misleading statements or significant omissions, and is responsible for the authenticity, accuracy and completeness of the content.

Criteria of the Report

The preparation of this report aims to comply with the relevant standards commonly used in the industry, while showing the characteristics of the company based on its background, focusing on the following guidelines:

- This report has been prepared with reference to the "Disclosure Guidelines on Environmental Information of Companies Listed on the Shanghai Stock Exchange".
- This report has been prepared in accordance with the Sustainable Development Reporting Standards (GRI Standards) by the Global Reporting Initiative (GRI).
- This report has been prepared with reference to the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-Related Financial Disclosures (TCFD).

Access to the Report

You can download the Chinese version and English version of this report from the official website of CENTER (www.centerint.com). In case of any discrepancy or ambiguity between these two versions, the Chinese report shall prevail.

Appellation of the Company

For the convenience of presentation and reading, "CENTER International Group Co., Ltd." is referred to as "CENTER Group", "CENTER INT", "CENTER", "the company" or "we" in this report.

Reporting Scope

This report covers the CENTER Group as a whole, involving the Group headquarters and its wholly-owned and holding companies.

Chairman's Statement



2023 is destined to be an extraordinary year. This year, global ecological issues have become increasingly prominent, and the concept of "carbon neutrality" has reached global consensus. This year, green and low-carbon transformation has become a critical issue for societal development, since the proposal of the "3060 Goal". This year also marks the strategic shift of CENTER INT towards the new energy field. The Building-Integrated Photovoltaic (BIPV) advocated by CENTER is an important path for China to achieve its "dual carbon goals" and is set to start a new chapter in the green energy revolution. This year, CENTER, in collaboration with LONGi Green Energy, launched the new generation BIPV product "LONGi Roof 4.0," marking the third consecutive year of introducing a new generation of BIPV products and further solidifying its leadership in the BIPV field.

Meanwhile, CENTER has always been forward-looking and continuously expanding BIPV application scenarios to help various industries achieve deep decarbonization. From the perspective of customers, CENTER has established a comprehensive product assurance system for the entire lifecycle, promoting the industry's move towards high-quality development.

Adhering to the concept of sustainable development, committed to long-termism for steady progress.

Since its establishment, CENTER has always adhered to the principle that technological innovation is the primary productive force. Guided by the corporate mission "to create a better working and living environment for human society," the company fulfills its social responsibilities through practical actions.

From breaking the overseas monopoly in the field of high-end building metal enclosure, to responding to the call that "green mountains and clear waters are invaluable assets" by entering the field of ecological management, and further assisting in achieving the "dual carbon goals" with a comprehensive transition to the new energy field, each step taken by CENTER has been in accord with the national strategic development. By doing these, CENTER practices corporate social responsibility.

In 2023, CENTER deepened its practice of the sustainable development concept, and initiated ESG work. CENTER established its sustainable development management framework and completed the preparation of its first ESG disclosure report.

Guided by the business philosophy of "charitable altruism and integrity-focused pragmatism," CENTER practices corporate social responsibility.

CENTER consistently adheres to the primary principle of putting customers first, fulfilling customer commitments through high-quality product and service. In 2023, it officially announced a 25-year quality warranty for BIPV projects.

Every year, CENTER recruits a large number of new graduates (recruiting 200 in 2023) to address the employment issues of university students. The company values employee development and welfare, establishing the CENTER College to provide comprehensive training for employees, ranging from Special Forces Training Camps to the Swan Plan, from Mentorship Programs to Sales Elite Training Camps. At the same time, it actively supports community development and places a strong emphasis on social welfare activities.

CENTER focuses on building a green supply chain and improving the supply chain system, strengthening communication and empowering suppliers to create a favorable business environment. CENTER actively practices green operations and development, carrying out green carbon reduction actions across the entire business chain to promote the group's green and low-carbon transformation. CENTER adheres to compliance management and abide by the integrity of management. It continuously improves corporate governance mechanisms, maintains effective communication with all stakeholders, and safeguards the rights and interests of stakeholders effectively.

Standing at the pinnacle of architecture, with green mountains and clear waters accompanying green energy, we stride towards a new chapter of development.

In 2024, which is the "Year of Scale Development" for CENTER Group, the company aims to "seek development through transformation and seek benefits through scale." Guided by the "dual carbon" policy, and seizing market opportunities in "green building" under the development philosophy of "green mountains and clear waters," we are eager to join hands with more partners to collectively develop the green energy business in the field of building-integrated photovoltaic (BIPV). Meanwhile, we aim to promote ecological civilization in the field of ecological environment management, contribute to the improvement of ecological environment and sustainable development of society, and create a better working and living environment for human society.

Liu Aisen

Chairman of CENTER International Group Co., Ltd.

About CENTER

About Us

Company Profile

CENTER International Group Co., Ltd. was established in 2001 with a registered capital of 539 million RMB. The company employs over 1,600 people. It has 26 branches across the country and mainly operates in three businesses, building metal cladding, ecological management, and building integrated photovoltaic (hereinafter referred to as "BIPV"). CENTER is the first company to be listed on the main board in China in metal cladding industry. Adhering to the core values of "Integrity, Dedication, Care, and Innovation" and striving to build a "professional, efficient, and high-quality" team, the company aims to become a reputable and respectful enterprise with sustainable operation.

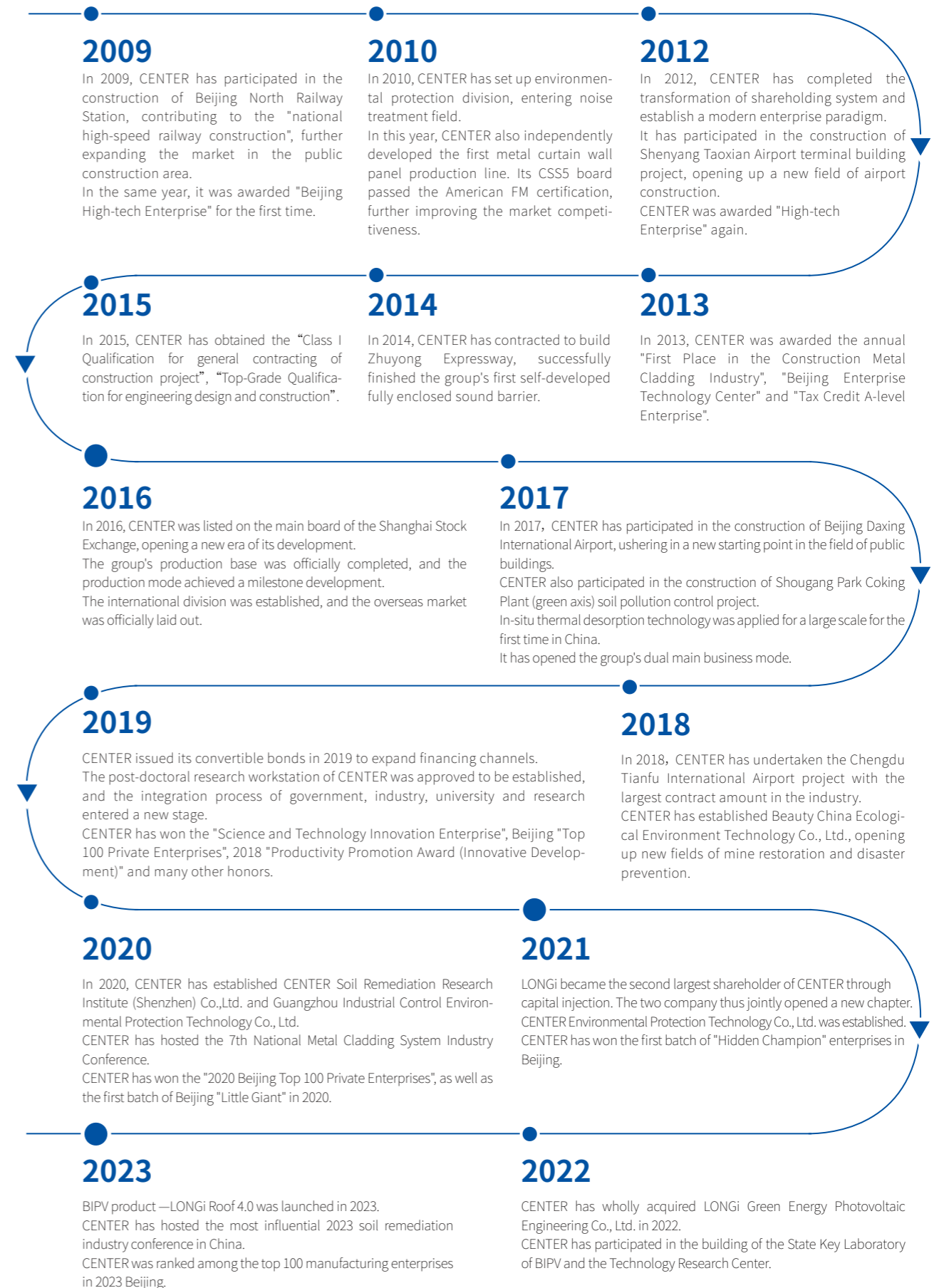
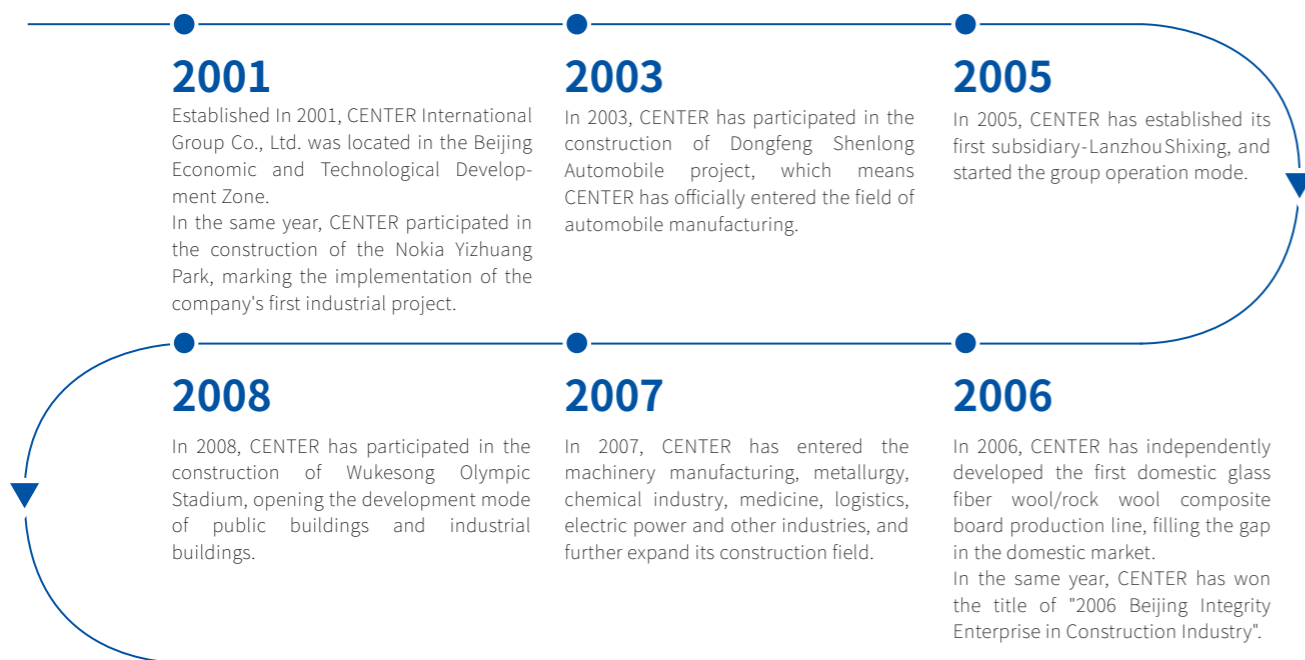
Transformation and Development

In March 2021, through forming a strong partnership and underwent deep integration with LONGi Green Energy, CENTER Group transformed into a new energy enterprise. LONGi Green Energy became the second-largest shareholder of CENTER. In April 2022, CENTER acquired 100% of the shares of LONGi Green Energy Photovoltaic Engineering Co., Ltd., and established LONGi&CENTER New Energy Co., Ltd. Guided by the dual-brand strategy of "LONGi & CENTER", they are fully committed to becoming the leading global brand in Building Integrated Photovoltaic (BIPV).

Honors and Awards

CENTER has successively been recognized as a National High-Tech Enterprise, Beijing Enterprise Technology Center, Beijing Design Innovation Center, Mechanical Industry Engineering Research Center, Top 100 Private Enterprises in Beijing, Beijing Little Giant, and National Little Giant issued by the Ministry of Industry and Information Technology. In 2021, it was honored as one of the first batch of "Hidden Champions" in Beijing. The company has won more than 24 "Lu Ban Awards" and 22 Engineering Technology Awards (Jin Yu Awards).

The Development History



Our Corporate Culture

<p>Mission</p> <p>To create a better working and living environment for human society</p>	<p>Vision</p> <p>Become a reputable and family-like company</p>	<p>Core values</p> <p>Integrity Dedication Care Innovation</p>
--	--	---

Working Policy

Loyalty Fulfillment High-efficiency Collaboration

Business Philosophy

<p>Technology leadership</p>	<p>Win-win results for all parties</p>	<p>Charity and altruism</p>	<p>Adherence to principles and pragmatism</p>
------------------------------	--	-----------------------------	---

Company Qualifications and Honors

Company Qualifications

<p>Class I Qualification for General Contracting of Construction Project (main steel structure project)</p>	<p>Top-Grade Qualification for Engineering Design and Construction</p>
<p>Class A for Design of Light Steel Structure Engineering</p>	<p>High-Tech Enterprise Certificate</p>

Company Honors

<p>Beijing "Hidden Champion" Enterprise</p>	<p>National Specialized, Refined, and Innovative "Little Giant" Enterprise</p>	<p>Beijing Specialized, Refined, and Innovative "Small and Medium-Size" Enterprise</p>	<p>No.5 of 2023 Beijing Top 100 Specialized, Refined, and Innovative Enterprises</p>
<p>The Top 10 Enterprises with Comprehensive Competitiveness in Building Metal Industry</p>	<p>Outstanding Contribution in the Ten Years Development of Metal Containment System Industry</p>	<p>No.24 of Top 100 Advanced Enterprise in Beijing</p>	<p>"Star of Waste Reduction" in Beijing E-Town</p>

■ Main Businesses

CENTER's main business is consisted of three major parts, which are building metal cladding, ecological governance and building integrated photovoltaic (BIPV).



► Building Metal Cladding

CENTER provides integrated solutions for high-end building metal cladding system based on its industry-leading product technology. These solutions span from professional consulting on metal enclosure systems, engineering design, material processing, to construction and installation. CENTER's metal roof and wall cladding systems, along with intelligent metal roofing systems, are extensively used in high-end industrial and public building fields. The public buildings include large sports venues, airport terminals, high-speed railway stations, cultural and arts centers, conference and exhibition centers etc. Industrial buildings include the automotive industry, heavy industry, electronics, logistics sectors and so on. The company adheres to a "technology leadership" strategy, continuously advancing product research and development upgrades, and has successfully developed products such as the wind-resistant and leak-proof roofing system, the CENTER-Lok roofing system, the CSS5 roofing system, and the composite panel wall system etc.



► Ecological Governance

Soil and Groundwater Remediation

The company upholds the principle of "clean land brings a peace of mind", and is dedicated to providing customers with comprehensive full-process solutions in the field of contaminated soil and groundwater risk control and remediation. Focusing on digital intelligence and green, low-carbon products and equipment, the company has built a business service system for investigation, consulting, monitoring, planning, and engineering.



Noise Treatment



CENTER entered the environmental protection field in 2010, starting with noise treatment and has vigorously developed since then. After more than a decade of development, the company has established strong capabilities of product technology and accumulated extensive experience in noise management. The company has the capability to undertake large-scale steel structure projects, enclosure system projects, and sound barrier engineering independently.

It has accumulated rich experience in the field of design, production, and construction, and has created many landmark projects in the four major transportation sectors of railways, urban rail, municipal roads, and highways. In the field of high-end noise management, CENTER has established a good brand image.

► Building Integrated Photovoltaic(BIPV)

CENTER is committed to becoming the largest solution provider for BIPV. As CENTER built a powerful alliance with LONGi Green Energy in March 2021, CENTER began its journey to transform into a new energy company, exploring new areas of BIPV and expanding the BIPV market application. In collaboration with LONGi, CENTER continues to advance the research, development and upgrade of BIPV products. It has launched and rapidly commercialized BIPV series products such as LONGi Roof 3.0 and 4.0, contributing to energy saving and carbon reduction in building industry, and supporting the national dual-carbon strategy. CENTER also continues to promote the research and applications of BIPV in multiple scenarios, accelerating the implementation of BIPV solutions across various industries.

Leveraging their comparative advantages in the fields of building metal cladding and photovoltaic, CENTER and LONGi have jointly developed monitoring and maintenance system for roof and PV station. This system integrates roof monitoring with operation and maintenance for PV station, providing customers with a 25-year guarantee of safe, stable, and reliable returns.



Sustainable Development Management

Sustainable Development Philosophy of CENTER

The development process of CENTER INT has been a continuous practice of the corporate mission ("to create a better working and living environment for human society"). The corporate mission leads CENTER to enhance environmental management, practice green carbon reduction across the whole business chain and minimize the impact on the environment while promoting business development. At the same time, aligning with the national development trends, CENTER has expanded from high-end metal cladding industry to ecological environment governance and BIPV industry, dedicated to providing customers with services of ecological environmental management and BIPV, for supporting the national ecological civilization construction and green low-carbon transformation.

In 2023, based on systematically summarizing our development experiences and scientifically predicting future trends, CENTER innovatively proposed the business philosophy of "Technology leadership, Win-win Results for all parties, Charity and altruism, Adherence to principles and pragmatism". The philosophy of business operation has been clarified in multiple dimensions, such as internal improvement, compliance, and co-prosperity with stakeholders, fully reflecting the CENTER's sustainability philosophy. The following sections elaborate on the CENTER's sustainability philosophy in four aspects.

Technology Leadership

Always maintain the leading position of technology in the industry, CENTER strives to create differentiated product competitive advantages, to achieve the strategy of "leading one generation, R&D one generation, and reserving one generation". CENTER keep strengthening quality management to provide customers with high-quality products and service assurance.

Technology Innovation

Through continuous R&D innovations, CENTER offers industry-leading products and solutions in multi-application scenario to our customers.

Quality Assurance

Practicing quality management responsibility, CENTER has established a comprehensive quality management system. Adhere to the 25-year warranty commitment for BIPV business, CENTER ensures quality assurance through first-class product quality, engineering quality, intelligent systems and maintenance services."

Win-Win Results for All Parties

CENTER practices corporate social responsibility, focusing on the interests of multiple parties and realizes the enterprise's own interests while achieving a win-win situation with other stakeholders (such as suppliers, customers, partners, etc.), including the harmonious coexistence with the ecological environment.

Green Environment Harmonious Coexistence

CENTER commits to green and low-carbon development, respond to climate change risks, and promotes energy-saving and carbon reduction, resource-conserving, and pollution-reducing practices throughout the whole business chains, achieving harmonious coexistence with the environment.

Win-Win Cooperation with Stakeholders

Co-prosperous development with customers. Cooperate and win-win with business partners. Supply chain compliance management, supplier communication and empowerment, and win-win cooperation with suppliers.

Charity and Altruism

CENTER encourages a compassionate heart, transpositional consideration, cares about stakeholder development, and aligns with their sustainable development philosophies.

CENTER encourages practicing social responsibility. Internally, CENTER promotes mutual development with employees and provides them with welfare; and externally actively participates in community development and contributes to community development.

Employee's Welfare

Providing welfare for employees, supporting their development, ensuring their occupational health and safety, and building co-prosperity with employees.

Community Development

Practicing corporate responsibility, CENTER offers charitable services to communities and schools, promoting community development and sharing prosperity with the community.

Adherence to Principles and Pragmatism

CENTER adhering to righteousness, practicality, and realism. CENTER creates real value for customers, establishes a good reputation in the industry, and ensures maintaining long-term sustainable growth. CENTER enforces standardized and compliant operations, adheres to business ethics, and establishes a good public image as a listed company.

Compliant Operation

Improve the corporate governance mechanism, enhance communication with all stakeholders, and fulfill the responsibilities of a listed company. Standardize the internal operations, enhance the risk management system, and ensure the company compliant operation.

Adherence to Business Ethics

Insist on fairness and justice, continue to promote anti-corruption, strengthen privacy and information protection, and maintain a positive public image. Commit to honest, integrity, and down-to-earth attitude in business practices.

ESG Governance

CENTER INT strictly complies with the relevant requirements of "Measures for the Administration of Information Disclosure by Listed Companies", "Code of Corporate Governance for Listed Companies in China", and "Guidelines on Environmental Information Disclosure of companies listed on the Shanghai Stock Exchange", and actively promotes sustainable development and systematic construction to enhance the company's ESG governance capabilities.

To advance sustainable development, CENTER has established and will continue to enhance the ESG management structure. CENTER will continually optimize the related institutional systems to ensure that all departments prioritize and effectively implement ESG initiatives for integrating the principles of sustainable development into actual business operations and management strategies.

ESG Governance Structure

In 2023, CENTER established a three-tier ESG governance structure covering the governance, management, and execution. In the structure, the Board of Directors serves as the highest decision-making body, leads and supervises the ESG works of the company. The Strategy Committee under the Board of Directors supervises and reviews the company's ESG practices.

The Strategy Committee shall convene at least one time annually to bring ESG topics to discussions with the Board of Directors. Sustainable Development Management Leadership Team, the management body of the company's sustainable development, is led by the Strategic Planning Department to develop ESG strategies and action plans. The ESG Task Force is responsible for the comprehensive implementation of ESG initiatives.

CENTER's ESG Governance Structure and Responsibilities of Each Tier

Governance	Board of Directors (Strategy Committee)	Members of the Board	The committee leads and supervises the CENTER's sustainable development performance; The committee approves and supervises the ESG strategy, ESG plans, and the formation and fulfillment of ESG policies; It also reviews material ESG topics and progress of ESG goals.
Management	Sustainable Development Management Leadership Team	Company Executives	The leadership team reviews CENTER's ESG development strategy and work plans; It also promotes the ESG-related work; It also reviews the performance of ESG goals and ESG reports.
	Sustainable Development Office	Strategic Planning Department	The office establishes the governance system for sustainable development and ESG; The office formulates sustainable development strategic goals and plans; The office coordinates the ESG work with relevant departments.
Execution	ESG Task Force	Points of contact of ESG task in the headquarters and subsidiaries	Timely identify climate change and related ESG risks; Based on the company's ESG policies, implement ESG targets and promote their achievement; Assist the Sustainable Development Office in completing ESG information disclosure and other related tasks.

Stakeholder Engagement

CENTER prioritizes active engagement with stakeholders and ensures the availability of continuous engagement channels. By establishing diverse online and offline engagement channels, CENTER attentively listens and responds to the needs and opinions of stakeholders. This facilitates a deeper understanding of CENTER's operational activities and decision-making processes, allowing stakeholders to effectively participate in the company's future operations and planning, which continuously yields comprehensive benefits.

Stakeholders	Topics of Concern		Channels of Engagement	
Shareholders and investors	· Corporate governance · Financial performance	· Investment returns · Investor relations	· Regular reports · Information disclosure	· Shareholders' meetings
Governments and regulators	· Compliance in employment and employee rights · Compliance in operations	· Environmental management · Information disclosure	· Special reporting/reports · Information disclosure	· Monitoring and inspections · Official correspondence
Customers	· Safety and quality assurance · Customer service	· R&D innovation · Privacy and information protection	· Website and social media interaction · Offline exhibitions/promotional events	· Customer hotline · Customer satisfaction surveys
Staff	· Occupational health and safety · Employee rights	· Employee training and growth · Diversity and equality among employees	· Internal office system · Online and offline communication meetings	· Online and offline training
Suppliers	· Supply chain management · Equal opportunities and transparency	· Labor management · Supplier empowerment and communication	· Site visits · Inter-company visits	· Online/offline supplier conferences · Supplier evaluations/audits
Media	· Safety and quality · R&D innovation	· Corporate social responsibility · Compliance in operations	· Press releases · Media exchange meetings	· Offline experience activities · Management interviews
Cooperative partners	· Company development · R&D innovation	· Advancing industry development · Fulfilling responsibilities and obligations	· On-site communication · Offline exhibitions	· Industry seminars · Partners conferences
Community and public	· Environmental protection responsibility · Community improvement and responsibilities	· Resource usage and occupation · Promotion of photovoltaic applications	· Community activities · Volunteering	· Charitable donations

Materiality Assessment

Process to Determine Material Topics

Based on the GRI standards and the corporate strategy, CENTER identifies and summarizes the sustainable development and ESG material topic, by combining the characteristics of the industry in which it operates, and synthesizing the feedback and expectations of stakeholders. At the same time, we analyze and ranks the importance of the topics and establishes the company's material topics matrix by means of benchmarking against peers, consulting with experts, and interviewing with company's management.



Material Topic List

Topic Categories	Topic Names
Environmental Topics	Addressing the Risks of Climate Change, Environmental Management, Green Office Culture, Energy Consumption, Development of Green Products, Green Production, Green Construction, Promotion of Carbon Emission Reduction in Construction
Social Topics	Leading Technology Through Constant R&D Innovation, Occupational Health and Safety, Quality Guarantee, Excellent Customer Service, Compliance in Employment and Employee Rights, Attraction and Retention of Talent, Employee Diversity Equality and Development, Community Improvement, Supply Chain Management, Labor Management
Governance Topics	Corporate Governance, Enhancing Business Performance, Business Ethics, Compliance in Operations, Privacy and Information Security

ESG Materiality Matrix



(Note: Different color areas represent the importance of related topics, with darker colors indicating greater importance.)

Feature: Green Development is Imperative

In the global wave toward a sustainable future, green development has become an imperative mission for all enterprises. CENTER INT has always adhered to the corporate mission of "to create a better working and living environment for human society". Guided by this mission, our company's business operations, as well as industrial expansion, are dedicated to promote a green and low-carbon environment and promote a better working and living environment for the society.

Guided by the "corporate mission," our company has resolutely chosen three industrial fields highly related to our corporate mission: high-tech architectural metal cladding system, ecological Governance and building integrated photovoltaic, to promote green and sustainable social development. These three choices reflect our company's consistent commitment to green sustainable development principles and to corporate social responsibility.



CO₂ Dual Carbon Era Calling CENTER to promote the construction industry to reduce carbon emissions

Opportunity for Transformation

Under the urgent threat of global climate change and China's strongly commitment to achieving carbon peak and carbon neutrality goals, all Chinese industries face the severe challenge of reducing emissions and decarbonization. In China, the building energy consumption account for more than 30% of the energy consumption of the whole society. The transformation towards energy conservation and carbon reduction in the construction industry is not only an essential pathway to fulfill the "3060 dual carbon goals" commitments but also heralds an unprecedented industrial revolution.

Guided by national policies such as the "14th Five-Year Plan for Energy Conservation of Construction and Green Building Development" and the "Opinions on Accelerating the Advancement of New Types of Construction Industrialization," CENTER remains committed to our corporate mission and has resolutely chosen the path of BIPV solutions—a green and sustainable industrial development route, contributing to China's "3060 dual carbon goals".

Building Integrated Photovoltaic (BIPV) Can Help Achieve China's "3060" Goals

► BIPV: The Best Way for Green Energy Transition in Urban Buildings

01

Reducing carbon emissions throughout the entire life cycle of a building

According to research by the China Building Energy Conservation Association, the energy consumption and carbon emissions generated during the stages of **material production and building operation** account for over **95%** of the entire life cycle of buildings. The use of BIPV products can effectively reduce the electricity demand of traditional energy for building material production and daily operation

02

Efficient utilization of construction resources

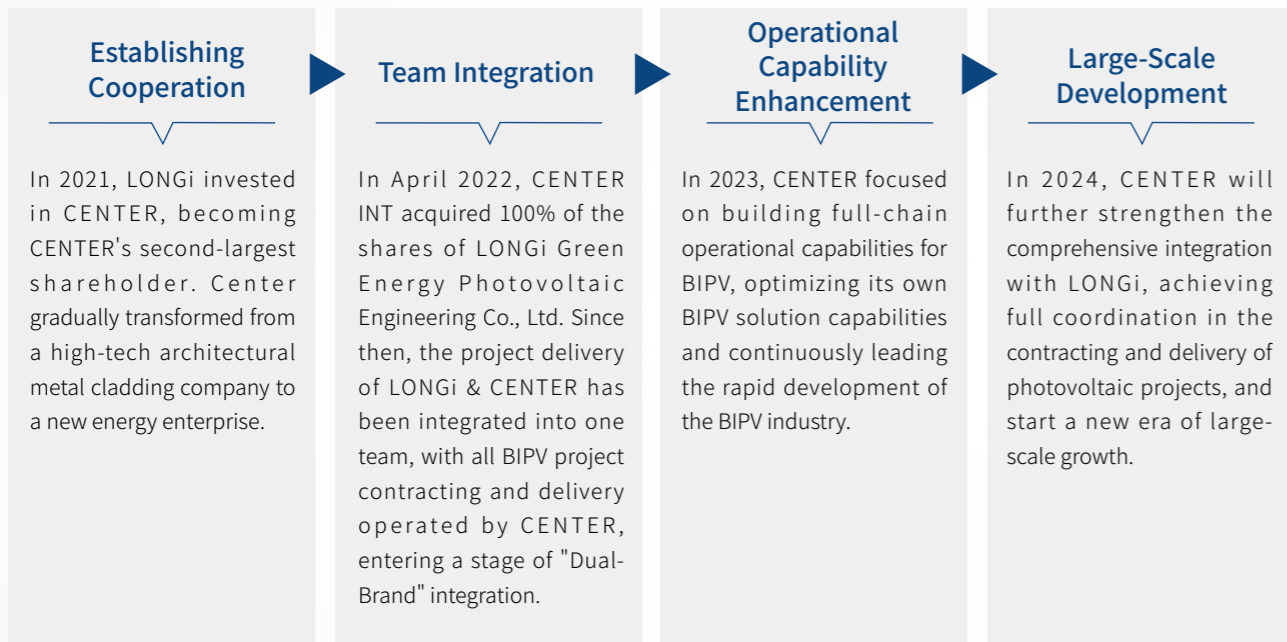
At present, China's existing building area reaches more than **60 billion square meters**, which can be installed with BIPV products of about **1,500GW**; the new building area increased every year is more than **2 billion square meters**, which can be installed with BIPV products of more than **18GW**.

03

Remarkable effect of emission reduction

Making buildings produce clean electricity through BIPV products is an effective emission reduction measure. Every **1MW** of distributed PV power plant constructed can reduce carbon emissions by about **1,000 tons** per year.

Cross-Border Cooperation Between CENTER and LONGi



Based on the Dual Attributes of "Architecture + Photovoltaics" in BIPV, a Joint Development Model Emerged with the Cooperation of Construction Companies and Photovoltaic Enterprises



Advanced technology and product performance

LONGi

- Broke the latest world record for monocrystalline silicon wafer solar cell conversion efficiency at 27.09%
- Ranked first in the world in terms of module sales, market share and brand influence
- Cumulative R&D investment exceeds 18 billion RMB, with over 4000 R&D personnel
- The minimum attenuation of modules in the first year can be within 1%, and the linear attenuation can be within 0.4%.

Extensive construction project experience and innovation capability

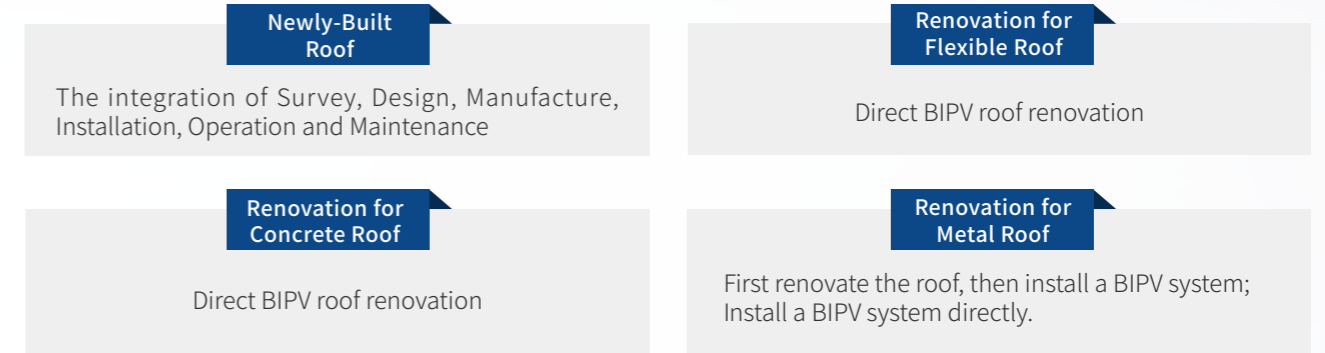
CENTER INT

- The first movable factory for metal cladding products in China
- The first sandwich panel production line for metal curtain wall in China
- The first "Finite Element Non-Sliding" wind-resistant and anti-leakage roofing system in China
- The first intelligent roofing system in China



Create a Top-Selling Series as "LONGi Roof", Showcasing the Beauty of Cross-Border Integration

► BIPV is the best way to distributed photovoltaics, and perfectly matches with industrial and commercial buildings.

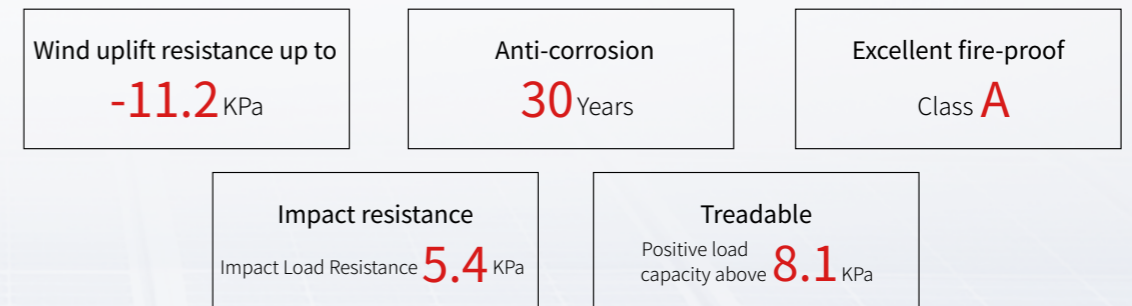


► LONGi Roof 4.0 BIPV Product – High-Efficiency Power Generation Roof

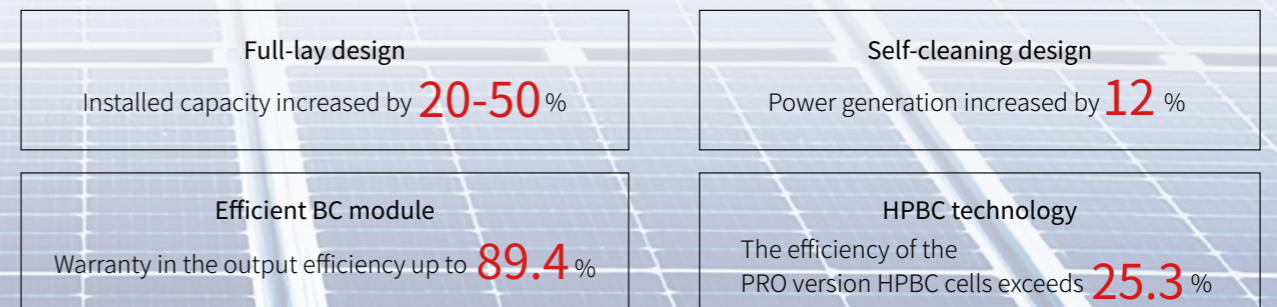
In September 2023, LONGi Green Energy and CENTER INT jointly released a new generation of Building Integrated Photovoltaic (BIPV) product, the LONGi Roof 4.0. LONGi Roof 4.0 was the world's first BIPV product equipped with BC type of photovoltaic cells, and also another innovative upgrade after the releasing of LONGi Roof 3.0 within one year.

The newly upgraded LONGi Roof 4.0 equipped a green energy building material specifically designed for industrial and commercial roofs, leading the industry in various parameters: safety and reliability, efficient power generation, stable revenue, and worry free operation. This product has passed rigorous airtightness and water tightness tests, as well as fire and wind resistance tests. In addition, the world's first intelligent roof and photovoltaic monitoring and maintenance system with independent intellectual property rights developed by the LONGi&CENTER operation and maintenance team provides strong guarantees for the stable operation of photovoltaic power plants.

Safe & Reliable



Leading in Efficiency



Expanding New Scenarios for Building Photovoltaic Applications, Making Each Inch of the Roof Generate Electricity

CENTER leverage its industry-leading product and technology strengths to deliver comprehensive solutions of full-lifecycle BIPV to its customers. CENTER's BIPV projects are all over China, and the service scope for diffident industry customers continues to expand. By the end of 2023, CENTER has successfully executed and high-quality completed several landmark BIPV power station projects, including the Hainan Boao Forum and the BaoWu Steel Group, setting multiple industry benchmarks. These projects significantly contribute to energy savings and carbon reduction for clients, facilitate the green and low-carbon transformation of key industries, and support the national "Dual Carbon" strategy.

Case 1

Boao Zero Carbon Demonstration Zone BIPV Photovoltaic Power Generation Project

National first international forum zero carbon park project

The project is located in Boao Zero Carbon Demonstration Zone on Dong Yu Island, which is the first international forum zero carbon park in China and a benchmark project of green development with international influence jointly created by Hainan Province and the Ministry of Housing and Construction, and one of the six landmark projects in Hainan Province. The LONGi & CENTER's team jointly developed BIPV projects on the island, and loaded LONGi's safe, reliable, and efficient BIPV products, such as LONGi Roof and LONGi Park, to provide full life-cycle services for the projects. The total installed capacity of the project is about 3.88MW, including the roof BIPV of the Ya Lun Hotel, the roof BIPV of the conference Centre, the integrated PV carport, the PV railing, the PV corridor, the PV floor tiles and the PV grille application scenarios. It is estimated that the project's 25-year power generation will reach 114 million kWh, and the emission reduction will reach 114,000 tons.



Boao Asia Forum project 3.88MW

From roof to carport, the dual-brand operation of LONGi&CENTER emphasizes "let architecture return to architecture and let photovoltaics return to photovoltaics." The Boao Forum's architectural complex is endowed with some green by the BIPV facilities, and making it one of the "green business cards" of the Boao Asia Forum.

Case 2

Baowu-TISCO BIPV Project

First BIPV project in the steel industry, first BIPV project combining stainless steel and photovoltaics

TISCO, a subsidiary of China BAOWU Steel Group, collaborated with LONGi&CENTER on an innovative energy project—an 11.04MW LONGi Roof BIPV photovoltaic project at Taigang Stainless Steel's hot-rolling mill. This project not only changes the traditional production mode of TISCO, but also sets a model for the green transformation of the global steel industry. The project makes use of the vast space on the roof of TISCO's plant to install high-efficiency BIPV products, thus realizing the greening of energy. It is estimated that the project will have a lifespan of more than 25 years and a total power generation capacity of 296 million kWh, which is enough to reduce about 295,000 tons of carbon dioxide emissions.

The project has achieved "four firsts": the first real BIPV project in the iron and steel industry across a large purlin pitch; the first BIPV project that combines stainless steel with photovoltaic; the first BIPV project in the steel industry where both the roof maintenance system and photovoltaics are implemented by the same entity, ensuring clear responsibility; the first steel industry project using double-glazed frameless anti-dust modules, which can be stepped on the roof BIPV project. The successful implementation of this significant project marks that TISCO has taken a firm step to transform into a green and low-carbon enterprise.



Baowu-TISCO project 11.04MW

Case 3

Xiaomi Automobile Factory BIPV Project

Building the most advanced, safest, most beautiful and most technological smart factory

On March 28, 2024, Xiaomi SU7, the first product of Xiaomi Automobile, was officially launched. Besides the eye-catching Xiaomi SU7 at the launch event, the "Xiaomi Automobile Super Factory," which integrates high automation and green environmental protection concepts, became the focus of the entire event. It is worth mentioning that CENTER INT, which ranks among Beijing's top 100 enterprises along with Xiaomi, played an indispensable role in the construction and completion of the Xiaomi Automobile Super Factory.



Xiaomi automobile launch event



Xiaomi automobile factory

The Xiaomi Automobile Factory Project is in the Beijing Economic and Technological Development Zone, covering an area of 718,000 square meters. It includes an R&D and testing base, six workshops dedicated to new energy vehicles, test tracks, etc., and is an intelligent manufacturing park integrating R&D, production, sales, and experience. The Xiaomi Automobile Factory's BIPV project relies on the roofs of six workshops within the factory area to build a solar photovoltaic power station, with a total building area of about 230,000 square meters and a total installed capacity of 16.2MW.

From the outset of the Xiaomi Automobile Factory's construction, it deeply embedded green, environmentally friendly, and sustainable production concepts. LONGi&CENTER, with its rich industry experience and comprehensive risk estimation system, proposed an innovative solution for Xiaomi Company—using BIPV (Building Integrated Photovoltaic), perfectly integrating the photovoltaic system with the building. The "Rigid + Flexible" dual-layer waterproof wind-resistant roof system ensures the roof's waterproof performance while enhancing the overall structure's stability. It not only solved the technical challenge of combining waterproofing and photovoltaics but also created the most advanced, safest, most beautiful, and most technologically advanced intelligent factory for Xiaomi Automobile, setting a new industry benchmark.

LONGi&CENTER's BIPV products not only enable the building to realize the goal of environmental protection and energy-saving but also provide a continuous supply of green electricity for Xiaomi's super factory, injecting new vitality into the development of green buildings and greatly promoting the enterprise's sustainable development process.

The total installed capacity of the Xiaomi Automobile Factory Project is 16.2MW. It is estimated that the total grid-connected electricity generation over 25 years is approximately 434.5 million kWh, which can reduce carbon dioxide emissions by about 433,000 tons.



Xiaomi automobile factory project 16.2MW

Corporate Mission Leading CENTER into the field of soil and groundwater remediation

CENTER Group actively responds to the national call for ecological civilization construction. Guided by its corporate mission "to create a better working and living environment for human society," the company strives to contribute to environmental and ecological governance. Since entering the field of ecological governance in 2017, CENTER has leveraged its professional technical team, strong research and development capabilities, and extensive project management experience, establishing three main business sectors: soil and groundwater treatment, noise treatment, as well as disaster prevention and mine management. CENTER's services span the entire industry chain, including consulting, design, management, operation, and maintenance of ecological environments.

Over the past 6 years, CENTER has adhered to the national strategy of synchronous development of economic growth and environmental protection, embracing the path of green development. It has achieved significant accomplishments in the field of soil and groundwater management. The company has undertaken numerous high-profile soil remediation projects in industries such as steel, coking, pesticide, etc. This has quickly established it as a leader in the industry.

By Proactively Taking Responsibility, CENTER Entered Soil and Groundwater Remediation Field

During the preparation for its IPO, CENTER conceived and proposed the corporate mission "to create a better working and living environment for human society," clearly indicating its firm commitment and action plan towards social responsibility. Looking back at the development history of CENTER, during the period of preparing for the A-share listing, the company had already established itself as a market leader in the metal enclosure industry. While serving many top clients, the company keenly identified the tremendous potential of the untapped market for soil and groundwater remediation. Coincidentally, the State Council issued the "Action Plan for Soil Pollution Prevention and Control" (commonly known as "Soil Ten Articles") on May 28, 2016. The introduction of this policy not only highlighted the national emphasis on soil pollution control, but also provided strong policy support and market assurance for the company's entry into the soil and groundwater remediation field.

Trough Constant Innovation, CENTER Filled Multiple Domestic Technology Gaps

Since entering the field of soil and groundwater remediation in 2017, CENTER Group has placed a strong emphasis on talent development and the application of technological innovations, continually conducting research and development of new technologies and equipment suitable for pollution site remediation projects in China. Based on numerous typical domestic engineering cases, the company has innovated in technology and equipment development and practical applications, tailored to the characteristics of domestic polluted sites, accumulating extensive experience in innovation, research and development, and project management. The innovative remediation technologies applied by CENTER include thermal desorption, solidification/stabilization, etc. These encompass all major mainstream process technologies. Risk control technologies have also been applied, such as barrier impermeabilization, barrier landfilling, etc.

At present, CENTER Group held a bunch of intellectual property rights such as effective patents in the field of soil and groundwater remediation. The company received a lot of awards and honors. These achievements reflect CENTER's significant contributions to the fight against pollution, promoting the coordinated development of pollution reduction and carbon reduction, and advancing the high-quality development of the soil and groundwater remediation industry.

Trough Focusing on R&D, CENTER Drives Rapid Development of the Soil Remediation Industry

CENTER has strategically positioned itself in the field of ecological environmental protection and governance by establishing a dual-platform development model of "business plus sci-tech innovation" around the two major economic development zones in China: the Beijing-Tianjin-Hebei region and the Greater Bay Area. This model not only strategically positions the company in the largest market areas for marketing purposes, but also aggregates the richest talent and scientific research resources in terms of technological innovation, fully implementing the concept of sustainable development.

In Beijing, CENTER has collaborated to establish the Machinery Industry Soil Remediation Technology and Equipment Engineering Research Center, focusing on the integration of key processes and the development of intelligent equipment.

In Shenzhen, the company has partnered to create the Chinese Academy of Sciences (CAS)-CENTER Soil Remediation Science and Innovation Center, with a focus on targeted soil purification materials and the research and development of technologies for emerging pollutants.

The R&D platforms have successively participated in the implementation of two sub-projects under the "Thirteenth Five-Year Plan" National Key R&D Program special project on "Causation and Remediation Technologies for Site Soil Pollution". Specifically, the project 2.6 in 2018 focused on "Green and Sustainable Remediation Assessment System and Methods for Polluted Sites," and project 4.2 in 2019 dealt with "In-situ Thermal Treatment Coupled Remediation Technologies and Equipment for Sites with Complex Organic Pollution." In 2023, the company also took part in implementing the "Fourteenth Five-Year Plan" key special project on "Comprehensive Governance of Air, Soil, and Groundwater Pollution". The project 5.7 focuses on "Coordinated Remediation Technologies and Demonstrations for Soil and Groundwater in Typical Industrial Clusters of the Pearl River Delta."

CENTER Takes the Initiative to Practice the Principle that "Green Mountains and Clear Waters are Invaluable Assets"

Since fully launching its ecological environmental protection business, CENTER has undertaken a large number of key projects and demonstration projects in the industry, receiving high recognition from clients and making significant contributions to national ecological environmental protection.

Case 1

Soil Remediation Project at Hangzhou Former Steel Factory Site Park



To deeply implement the spirit of President Xi Jinping's important instructions and directives, and to build the Grand Canal cultural belt, Hangzhou City has proposed a planning and construction scheme for the northern area around the canal culture construction. This site will preserve some industrial relics and create the Grand Canal National Industrial Site Park at the former site.



Thermal desorption disposal construction site



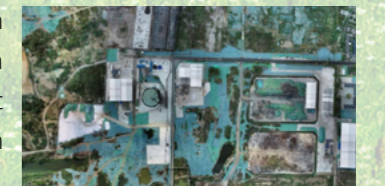
Risk control on construction site

Case 2

The Soil Remediation Project in Central Area B Zone of Hefei Iron & Steel Factory of MASTEEL



The site is the former Hefei Iron & Steel Factory of MASTEEL production site, which is a key project of Hefei's "14th Five-Year Plan" modern service industry development plan. The remediation of Yaohai District in Hefei province would help it realize the splendid transformation from "industrial rust belt" to "industrial show belt".



Contaminated soil remediation project site

01 Technological Innovation and Quality Assurance

CENTER INT adheres to the business philosophy of "technology leadership", continuously establishing a high-efficiency R&D innovation system, aiming to achieve "leading one generation, R&D one generation, and reserving one generation", to maintain the industry technology leadership. CENTER places great emphasis on quality management, continuously advancing the construction of the quality management system, and striving to provide customers with high-quality products and services.

1.1 Leading Technology Through Constant R&D Innovation

1.2 Quality Guarantee

1.3 Excellent Customer Service: 25 Years of Warranty for BIPV

SDGs addressed in this chapter (United Nations Sustainable Development Goals)



R&D Investment:

In 2023, R&D expenditure reached **125** million RMB, accounting for **3.55%** of total business revenue.

R&D Innovation Platform:

- Jointly establishing the state key laboratory to promote the application of national key demonstration projects of BIPV.
- Relying on the Postdoctoral Programme, promoting R&D innovation in product and technology.

R&D Innovation Achievements:

- In 2023, the company undertook **4** key R&D topics from the Ministry of Science and Technology of China.
- In 2023, the company participated in **1** National standard, **2** Local standards, **15** Group standards and **1** Enterprise standard.
- By 2023, the company has accumulated **300** patents, **37** computer software copyrights and **20** trademarks.

1.1 Leading Technology Through Constant R&D Innovation

CENTER INT adheres to the business philosophy of "technology leadership", continuously advancing R&D innovation to maintain an industry-leading position. The company implements construction methods innovation, independently develops a "Digital Mobile Factory System", and has successfully developed the first sandwich panel production line for metal curtain wall in China, perfectly aligning with market demands; It has innovatively developed a wind resistance-antiseep roofing system, establishing the first super-strong BIPV wind resistance laboratory in china; CENTER continuously advances R&D upgrading of BIPV products, leading the industry development; it has pioneered the CENTER Cloud-Intelligent Roof, and Monitoring, Operation and Maintenance System for PV, providing customers with 25-years quality service guarantee; It possesses world-leading complete technologies, equipment, and products for soil and groundwater treatment, continuously contributing to the nation's ecological civilization construction.

R&D Investment

CENTER places high importance on innovation in R&D, continuously increasing investment in this area. In 2023, R&D expenditure reached **125** million RMB, accounting for **3.55%** of total business revenue.

The Strength of Scientific Research



Collaborative R&D and Innovation

CENTER INT adheres to a dual-brand strategy, continuously promoting R&D innovation, enhancing collaborative innovation and cooperative R&D, advancing the construction of state key laboratories, strengthening the enterprises-universities-researches Integration platform, establishing a collaborative innovation center with external research institutions, continually achieving breakthroughs in R&D innovation, and maintaining the technology leadership in the industry.

► Construction of State Key Laboratories (Building Integrated Photovoltaic)

Since 2022, the company and LONGi jointly began to establish a state Key Laboratory to promote the application of national key demonstration projects of BIPV, participated in national-level scientific research projects, and contributed to establishing industry technical standards and norms, jointly advancing the market promotion and application of BIPV technologies and products.

► Enterprises-Universities-Researches Integration - Postdoctoral Programme

CENTER has introduced doctors to carry out scientific research work, providing technical support for CENTER's engineering projects. The postdoctoral programme plays a significant role in science and technology innovation, pushing forward breakthroughs in related key technologies, taking solid steps towards domestic transformation, with the potential to break foreign monopolies and generate significant economic and social benefits. Relying on the postdoctoral programme, the company presides over or participates in scientific and technical R&D projects, publishes many significant papers, applies for and obtains a number of authorized invention patents, actively participates in the formulation of national standards, and has won awards such as the first prize of the China Nonferrous Metals Industry Science and Technology Award.



Postdoctoral Programme

Intellectual Property Innovation

CENTER places great emphasis on R&D innovation, continuously increasing input. CENTER has achieved fruitful results in intellectual property innovation, making significant achievements in Metal Cladding, BIPV, Soil and Groundwater Treatment, and Noise Management.

By the end of 2023, the Group has cumulative **357** intellectual property rights, including **300** patents (78 invention patents, 207 utility model patents, 15 appearance design patents), **37** computer software copyrights, and **20** trademarks. In 2023, the Group added **66** new intellectual property rights, including **40** patents (24 invention patents, 15 utility model patents, 1 appearance design patent), **22** computer software copyrights, and **4** trademarks.



The Certificate of "Beijing Intellectual Property Advantage Unit"

Taking on Key National, Provincial and Ministerial R&D projects

CENTER INT actively participates in and takes on key national, provincial and ministerial R&D projects. In 2023, the company proactively applied for and undertook **4** key R&D topics from the Ministry of Science and Technology of China, with all tasks progressing according to plan.

Participating in Formulating Standards

CENTER INT places great importance on standard-formulating work and actively participates in the develop and revision of industry standards. In 2023, the company participated in **1** National standard, **2** Local standards, **15** Group standards and **1** Enterprise standard, covering the fields of building Metal Cladding, BIPV, Soil and Groundwater Treatment, etc.

1.2 Quality Guarantee

CENTER has adhered to the principle of "Quality First" for over twenty years, implementing the company's quality policies. CENTER conducts comprehensive quality control over the raw materials, assembly, and installation processes in the project construction, maintaining the quality goal of passing the project in the first single inspection.

Quality Management System

CENTER has met the requirements of quality management system standards and completed the relevant certifications regularly as required. In terms of quality management, CENTER actively implements the ISO9001 quality management system requirements, closely integrating the ISO9001 quality management system with the company's quality management practice, promoting the scientization and internationalization of the project quality management.



CENTER Quality Management System Certificate

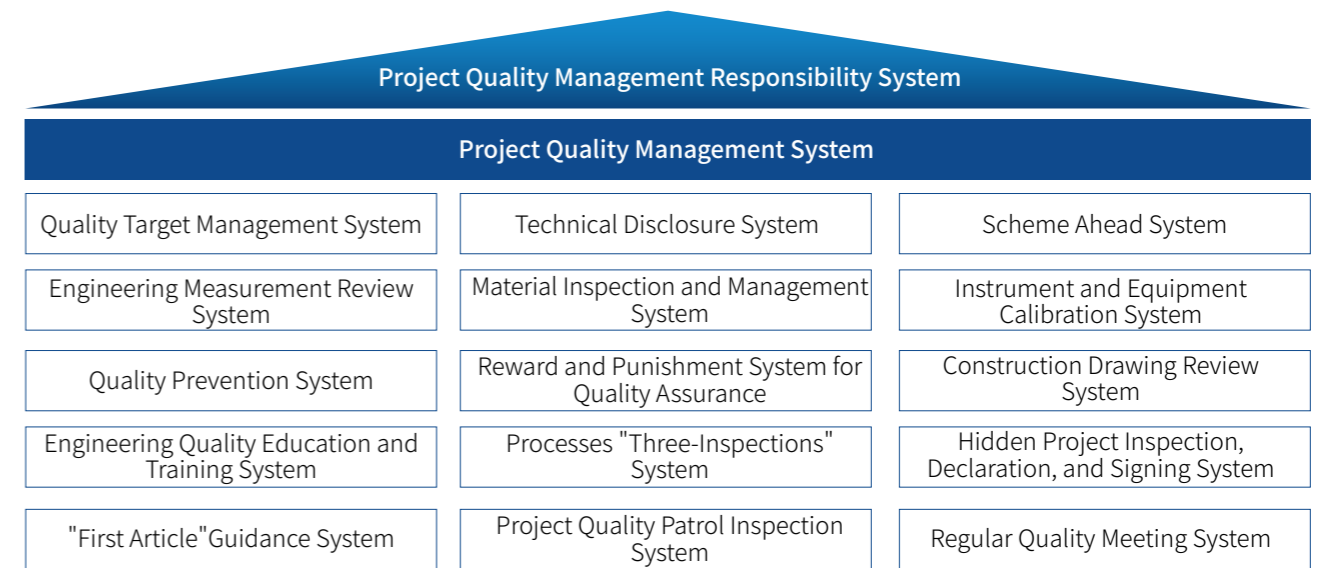


Composition of CENTER's Quality Management System

CENTER's "Quality Management System" consists of the "Quality Assurance System", the "Quality Control System", and the "Quality Supervision and Inspection System". The effective implementation of the "Quality Management System" ensures the traceability of the quality management process. CENTER has established a comprehensive quality management organizational system, clarified organizational division and job responsibilities, strictly implemented relevant quality management systems, strengthened quality management and control, and established quality inspection mechanisms to identify and strictly implement the rectification measures.

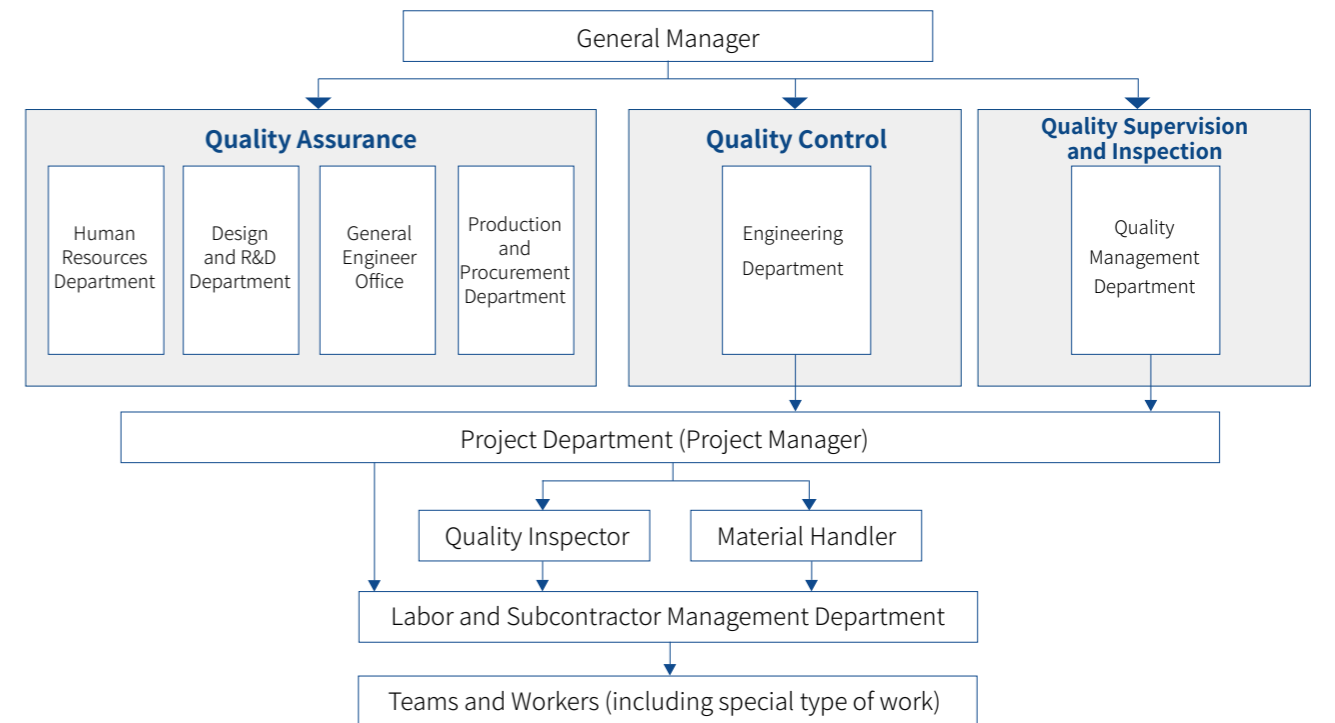
Project Quality Management

In accordance with the "Construction Law of the People's Republic of China", State Council "Regulations on Quality Control of Construction Projects", "Standardization Law of the People's Republic of China", "Code for Quality Management of Engineering Construction Enterprises"(GB/T50430-2017), and other laws and regulations, CENTER formulated the "Project Quality Management System" and sent it out company-wide for implementation, to comprehensively improve the construction quality and management level of the whole company and eliminate the quality hazards in the construction process, regularly optimizing and updating the quality system as the management needed.



Project Quality Management System (2023 Edition)

CENTER has established a comprehensive management organization for the quality management of the construction projects, with clear definition of the relevant personnel quality responsibilities as follows:



Organizational Structure for Quality Management in Construction Projects

CENTER's all on-site construction and installation of construction projects require full-time quality inspector responsible for the quality management of the on-site daily operations, always adhering to the principle of "Quality First, Safety First" to ensure project quality and construction safety.

Quality Management of the Labor Subcontract

CENTER attaches great importance on the safety and quality management of the labor subcontractors' work processes. Before the labor subcontractors enter the project site, CENTER provides safety and technical disclosure guidance to the labor subcontractors, and supervises the compliance with the rules and regulations of the on-site personnel, attaches great importance to the safety and quality of the construction, and carries out irregular inspections.

Quality Management of the Production Base

To strengthen the production quality management, CENTER Production Base has established the "Production Process Quality Control Management Regulations" to effectively control the product quality during the manufacturing. CENTER Production Base has passed the relevant "Quality Management System Certification".

In 2023, the Production Base fully optimized quality standards and the production quality management system, clarifying multiple testing standards and operation manuals to ensure product production quality, including:

Raw Materials and Auxiliary Materials	Finished Product Inspection	Procedure Documents	Operation Manuals
<ul style="list-style-type: none"> Steel Coil Inspection Standard Glass Wool and Rock Wool Inspection Standard EPS Inspection Standard 	<ul style="list-style-type: none"> Metal Composite Panel of Curtain Wall Inspection Standard Purlin Inspection Standard Profiled Steel (Aluminum) Plate Inspection Standard Stamping Part Inspection Standard Packaging and Loading Standard 	<ul style="list-style-type: none"> Unqualified Product Control Procedure Measurement and Testing Equipment Control Procedure Product Labeling and Traceability Control Procedure Corrective and Preventive Measures Control Procedure 	<ul style="list-style-type: none"> Metal Composite Panel of Curtain Wall Standard Operation Manual Four-Side Tongue and Groove Joint Group Standard Operation Manual Edge Banding Group Standard Operation Manual Purlin Standard Operation Manual Veneer Group Standard Operation Manual Hand-Made Panel Group Standard Operation Manual

Quality Management Improvement Measures

CENTER actively promotes the quality culture and training, focusing on the quality culture concept of "In a One-Hundred Year Strategy, Quality First", to enhance the quality awareness of all employees. CENTER's quality culture construction is centered on two aspects: "Quality Qualified Control" and "Quality Unqualified Prevention".

"Quality Qualified Control" culture construction, includes the promotion and learning of related quality process control experiences of "Lu Ban Awards" projects.

"Quality Unqualified Prevention", focuses on analyzing the major injury and loss accidents caused by quality defects domestically and internationally to enhance quality awareness.

At the same time, CENTER emphasizes that when quality problems are found during the construction of the projects, analysis should be timely conducted for possible problem causes, and the problem solutions should be confirmed on time. CENTER strengthens the quality awareness of the whole company, to ensure that the quality culture construction runs through the entire project construction processes and every work position.

CENTER promotes quality management improvement from four aspects: "Quality Organization System, Comprehensive Quality Inspection, Quality Risk Investigation, and Quality Management Implementation".



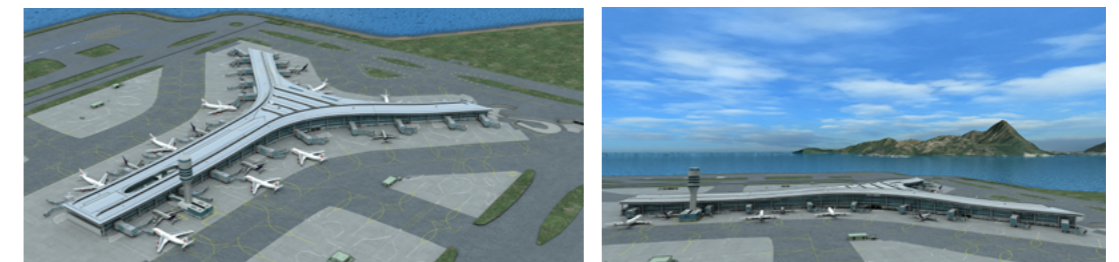
In 2023, CENTER optimized and improved the "Quality Management System and Quality Standards", and conducted the "Complete Quality Inspection Month" activities in June and December respectively. To promote the effective implementation of the quality inspection mechanism, CENTER assigned several cadres from the Group to participate in the quality patrol inspections and spot checks for various projects, and achieved good practical results.

Case 1

High-Quality Project Case 1: Hong Kong International Airport Project



Hong Kong International Airport, located at Chek Lap Kok on Lantau Island in the New Territories of the Hong Kong Special Administrative Region, is a 4F class civil international airport. The project, with a total investment of 141.5 billion Hong Kong dollars, mainly involves 7 core projects, including sea reclamation, the construction of a new T2 passenger corridor and apron, a new 3800-meter runway and associated taxiway system, the expansion of Terminal 2, the construction of a new 2600-meter rapid transit system, a new baggage handling system, and other supporting infrastructure.



Hong Kong international airport project

Among these, the Third Runway Concourse (TRC) metal roofing project, as the largest single metal roofing project under construction internationally, covers a total building area of 310,000 square meters with over 100,000 square meters of metal roofing, which will adopt an aluminum-magnesium-manganese roofing system, and subsystems such as aluminum eaves/gutters, glass skylights, and partition systems. The entire construction will adopt international leading assembly-style modular installation, marking the first use of this method in overseas airport projects. CENTER is responsible for the design, supply, installation, and acceptance of the TRC metal roofing and apron at Hong Kong International Airport.

Ensuring high-quality delivery of the entire project, the parallel installation of ultra-large area and multiple systems, are all CENTER's strengths. The challenges for the project include:

1. Adopting assembly-style modular installation for the whole project;
2. Strictly implementing British and European standards;
3. Adopting Hong Kong Localized operation and management models.

To ensure overall quality in such a large and complex project, CENTER INT responded swiftly, assembling a team of elite personnel to form a special project team and established a comprehensive quality management system with specific implementation measures:

• **Strict adherence to quality management systems:** CENTER INT has passed ISO 9001, ISO 45001, and ISO 14001 certification. The Hong Kong International Airport project team ensures full implementation of the company's quality management system, and the quality management system is also applied to the first phase of the project at the Dongguan assembly site and the second phase at the Hong Kong international airport project site.

• **Establishment of comprehensive quality management systems:** Combining the company's management system and adhering to Hong Kong's laws and regulations (such as the "Site Supervision Ordinance" "Building Ordinance"), a series of detailed rules of quality management were formulated, including: SITE SUPERVISION PLAN, QUALITY SUPERVISION PLAN, etc.

• **Strengthening the input of the special team and quality management personnel:** Clarifying the responsibilities and work requirements of quality management personnel at all levels, and arranging on-site quality management personnel in the project management for Hong Kong International Airport project. A total of 15 full-time quality management personnel were arranged for the whole project, and the resumes were all rigorously reviewed.

• **Clearing and refining the inspection and testing work:** Develop comprehensive plans for engineering production inspections and tests, module assembly inspection and test plan for site 2, etc. Professional experiments and tests are conducted to strictly control installation quality and on-site physical tests, to ensure the reliability of connections, the continuity of waterproof, soundproof, and thermal insulation performance, and other quality requirements.

• **Carrying out comprehensive quality control for 12 supplier factories:** Clarifying the qualifications and capabilities of each supplier one by one, reviewing their quality certification systems, specifying the quality inspection plans of all factories, the quality management personnel invested by the supplier in the project, and quality management organization.

- Developing customized quality improvement measures according to the project characteristics.
- Using professional software for structural analysis of various systems to avoid quality risks during the deepen design phase.
- Adopting BIM technology from the outset to simulate construction processes and perform collision analysis throughout the entire process of fabrication and installation.
- Take various technical measures to reduce deformation of the module shipping process and protect the finished products.
- Adopting the material coding system in the engineering organization and management to facilitate material tracking and quality progress control.

CENTER has been recognized by the Hong Airport Construction Authority Project Headquarters and the General Contractor for its excellent engineering and quality management capabilities, and has won wide acclaim. In December 2023, CENTER was awarded the "Hong Kong Airport Third Runway Project T2C MC1 Module Shipment- Outstanding Contribution Award".



The outstanding contribution award for Hong Kong airport project

Case 2

High-Quality Project Case 2: Phase II of the New National Exhibition Project



► Overall Project Overview

The Phase II of the New National Exhibition project is located in the Shunyi District of Beijing, bounded by Anhua Street to the north, southern boundary at the Phase I plot of the New National Exhibition project, Planned Road One to the west, and Yudong Road to the east. The total building area is about 610,000 square meters, with about 440,000 square meters above ground, including an exhibition center area of about 338,550 square meters. The project is scheduled to be completed in 2024 and will become the largest, most functional, and most technologically advanced comprehensive convention and exhibition venue in Beijing, significantly enhancing the overall competitiveness of Beijing's exhibition industry and serving as a new, impressive name card for Beijing's international exchanges.



Phase II of the New National Exhibition project

The roofing project for the Phase II of the New National Exhibition project's west area (the general contract section of China Construction Second Bureau) was undertaken by CENTER. The western area project includes exhibition hall (west 1-west 5), entrance hall (north entrance hall), conference center, connecting bridge, and the roofing area includes aluminized zinc standing seam roofing system, skylight system and roofing grille system.

► Construction of the Project Quality Management System

Under the quality control management requirements of the Phase II of the New National Exhibition project, CENTER established the subcontracting project quality management system, set up a quality management framework, drafted quality management system forms (including team structure, quality management plans, the lists of quality control point, self-inspection forms, and daily report formats), specified key points of quality management, installation process of the roofing system, all process standards and quality management rules to fully meet the management requirements proposed by the project quality management side. Additionally, the project team conducted an analysis of potential quality risk points in the implementation process and proposed corresponding strategies. Key documents and forms related to the quality control system include:

Composition of the quality control team	Site quality control	The quality management of factory	Regular meeting on quality control	Construction drawings	Seal sample of materials	Weekly key concerns
<ul style="list-style-type: none"> Senior management staff Site quality control team The supervision team assigned to the factory The Group-level inspection team 	<ul style="list-style-type: none"> Self-inspection report (daily) Self-quality ledger The feedback documents of daily report and ledger The ledger of water leakage 	<ul style="list-style-type: none"> The daily report of supervision of factory The quality feedback ledger for supervision of factory 	<ul style="list-style-type: none"> Report on the weekly key matters The tracking report of key matters last week 	<ul style="list-style-type: none"> Reporting the completion of the construction drawing weekly Analysis of reasons for stagnant or affected design drawings 	<ul style="list-style-type: none"> Submission of sealed sample documents Analysis of reasons for stagnant or affected sample sealing issues 	<ul style="list-style-type: none"> Combing out key concerns Tracking the delays for the last week The first time to remind and solve the most urgent problems

Ensuring Effective Implementation of the Quality Management System

Clarifying the context and rhythm of construction of quality management system

- Establishing the quality management organization, and clarifying the time node plan
- Clarifying the internal management structure
- Implementing multiple rounds of disclosure, disassembly of the quality management scheme, and clarifying the timeline.
- Forming a list of quality control points.

1 Establishment stage of organization 2 Analysis stage of quality management 3 Disassembly stage of quality management 4 Implementation stage

- Clarifying the time node plan, and completing the propagation, implementation, and the detail presentation.
- Organizing the quality management analysis, and forming quality control scheme
- Carrying out the inspection of the first sample of the process, wind-resistance/pmu experiment, self-inspections and checks, submission inspection of the process, etc.
- Ensuring personnel in place, effective management and work implementation in place.

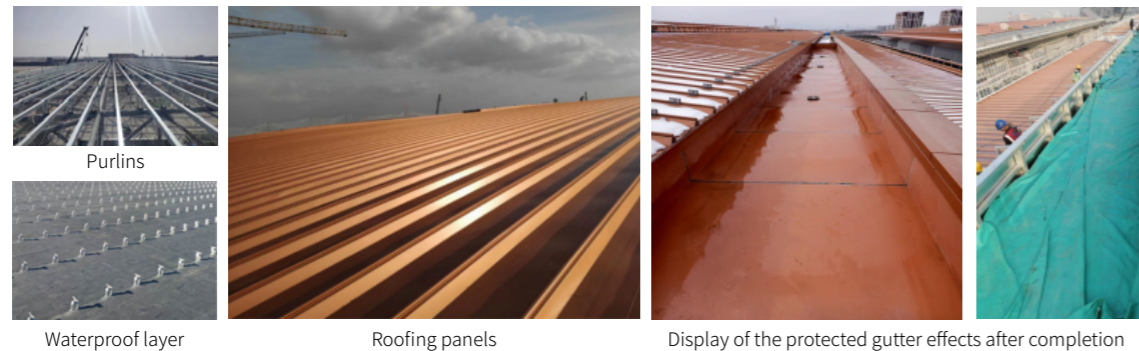
Ensuring the effective implementation of quality management actions

As the subcontractor of the roofing project, CENTER strictly followed the list of quality management actions, implemented self-inspections and checks, maintained photographic records, and reflected this in the quality management daily reports. The team participated in weekly meeting on time, reported situations promptly, implemented corrective actions for quality issues, and completed the rectification.

The Effect of Quality Management

Due to the excellent performance of CENTER's project team in the roofing engineering quality of the New National Exhibition Phase II project, as well as the remarkable quality control effect, it was awarded the honor of "excellent team" by the project party, and was awarded the "first prize" in the monthly assessment of roofing engineering for many times.

Display of the completed roofing project effects (part of the project)



Quality management honor of roofing projects



The Award Certificate for the Excellent Team

First Prize of Monthly Assessment of Roofing Engineering

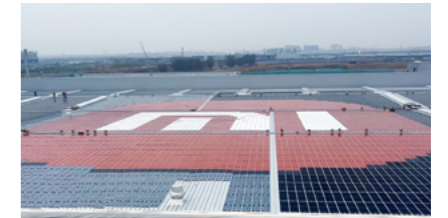
Case 3

High-Quality Project Case 3: The BIPV project of Beijing Xiaomi Automobile factory



Project Introduction

The Xiaomi Smart Manufacturing Industrial Base Project (Xiaomi Automobile Project) is a key strategic deployment to implement Beijing's "14th Five-Year Plan" for the development of the new energy, intelligent connected vehicle industry. Located in the Beijing Economic and Technological Development Zone, the project includes an R&D testing base, six workshops and testing tracks dedicated to new energy vehicles, etc., forming an intelligent manufacturing park that integrates R&D, production, sales, and experience. The Xiaomi Automobile Factory utilizes the rooftops of the six workshops within the factory area to construct solar photovoltaic power plant, covering a total building area of about 230,000 square meters.



The BIPV project construction glimpse of Beijing Xiaomi Automobile Factory

In this grand blueprint, CENTER plays a crucial role, responsible for the construction of BIPV on the walling and roofing for the Xiaomi Automobile project. CENTER holds extremely high standards for the quality of the project, ensuring that every link in the chain can be completed safely and efficiently, delivering the project to the highest standards. The company's goal at the outset of the project was not only to complete the construction tasks, but also to set a benchmark for BIPV solutions in the new energy vehicle industry, contributing to industry advancement.

Quality Management System

Under the framework of Group's quality management system, the company has built a more refined quality management system for this project. From the project planning stage to actual execution, strict quality control measures are implemented. CENTER adheres to a "scientific, pragmatic, and innovative" attitude, ensuring leading engineering technology, reliable quality, both high-quality and low-consumption, strictly following the established quality system specifications at every step of project construction management.

Quality Organization Assurance

To ensure the full implementation of quality management system, a complete quality management organization was established from the outset of the project, defining the roles and responsibilities of quality management professionals within the project team. The Group leadership, quality management department, and all the staff of the project manager department all place high importance on the quality of this engineering project. Given that the project site and CENTER headquarters are both located in the "Beijing Economic and Technological Development Zone," senior leaders of the company, especially during critical stages of the project, implements a "weekly on-site supervision mechanism" to ensure that the project progresses smoothly in accordance with high standards.

Integration of Advanced Technology and Precise Construction Process

Through the application of new technologies and processes, the project is constructed to high specifications, ensuring a perfect integration of the roofing and photovoltaic systems. The company has conducted in-depth professional training for the installation team to ensure that construction personnel are proficient in advanced installation technologies and processes. Additionally, the company emphasizes the strict control of material quality, aiming to ensure the stable quality of the project throughout its entire life cycle.

Quality Management and Quality Control of the Process

The project team rigorously implements the project quality management systems, in conjunction with the company's quality management requirements, adopts strict on-site quality control measures, including strengthening the onsite quality self-inspections, rigorously applying real measurements, and closely checking the implementation and application of the electrical standard process.

In the process management of the project, the company has established a quality inspection and assessment system and an engineering quality dynamic reporting system. The project management department provides monthly summary reports on quality management, specifying the implementation and progress of quality management. The Group quality inspection and patrol departments conduct monthly quality inspection and assessment, and carry out targeted spot checks and re-inspections according to the quality dynamic report. Meanwhile, a project quality ledger is established to record the quality assessment in various forms such as diagrams, characters, and audio video image, ensuring the high-quality delivery of the project.

Due to the successful completion of the BIPV project at Xiaomi Automobile Factory, CENTER has been highly recognized by the owner. This project not only highlights CENTER's professional strength in achieving high-quality construction but also demonstrates the company's firm commitment to delivering high-quality projects to clients across various industries.

1.3 Excellent Customer Service: 25 Years of Warranty for BIPV

Quality assurance is one of the core contractual responsibilities that enterprises owe to their customers. Since its establishment, CENTER INT has consistently valued customer service and genuinely ensured project quality. To comprehensively enhance customer's satisfaction, establish quality benchmarks in the BIPV industry, and lead the industry in high-quality development, CENTER and LONGi jointly announced that they would provide a "25-year warranty" for BIPV customers on April 25, 2023, pioneering a 25-year joint quality assurance by building enterprise and PV enterprise in the building photovoltaic industry.



On the April 25, 2023, the "25-year warranty" was officially announced at the LONGi Roof 3.0 launch event

The Core Commitment of the "25-Year Warranty"

CENTER INT has always adhered to a "long-termism" business philosophy. The company's BIPV system products are not only simple product deliveries, but provide a guarantee of safe, stable, and reliable returns for 25 years. The long-term quality assurance of roofing is the foundation of the safety, stability, and reliability of BIPV systems and also reflects CENTER 's differentiated competitive advantage.



Provide customers with a guarantee of safe, stable, and reliable returns for 25 years

The Original Intention of the "25-Year Warranty"

CENTER INT has proposed a "25-year warranty" commitment, aimed at fulfilling corporate social responsibility actively. This commitment fully reflects CENTER's emphasis on corporate social responsibility, specifically manifested in the following four dimensions.

Customer Contractual Responsibility

Ensure customers' peace of mind throughout their 25-year lifecycle to safeguard their interests; share project risks with customers.

Industry Leadership Responsibility

Establish quality benchmarks as an industry leader; creating standard service models for the industry.



Corporate Management Responsibility

Strengthen internal awareness of high-standard quality management; encourage continuous innovation, upgrading, and technological advancement of the company.

Supply Chain Influence Responsibility

Encourage upstream supply companies to strengthen quality control; enhance technological innovation to improve product performance.

The Confidence Behind the "25-Year Warranty"

CENTER INT's promise of a "25-year warranty" for BIPV is based on its solid capabilities and professional operational maintenance service system. CENTER INT has over 20 years of technical experience in the field of high-end metal enclosure engineering and owns a 25-year lifecycle, robust integrated building photovoltaic product system. It is also the first company to integrate roofing and photovoltaic operation and maintenance into an intelligent roof and photovoltaic monitoring and maintenance system, with a professional service team and operational management system. "Superior product quality, extensive engineering experience, advanced intelligent monitoring system, as well as professional operation and maintenance service team" provide CENTER with the strength of "25-year warranty".



Product Quality Assurance

The 25-year lifecycle for building integrated photovoltaic system is a key premise for CENTER 's 25-year warranty

The full lifecycle product assurance concept ensures that both photovoltaic modules and building roofing panels achieve 25 years of safe operation, implementing a five-sphere integrated plan: surveying, designing, manufacturing, installing, and maintaining:

- **Advanced photovoltaic modules:** Ensure the BIPV product system maintaining high electricity generation for 25 years, with up to 89.4% linear power warranty in the 25th year of use.
- **Integrated design philosophy:** In the integrated design of BIPV, photovoltaic modules serve as a "reinforcing" design for buildings. BIPV integrates photovoltaic modules into the architecture, significantly enhancing overall performance, such as wind resistance.
- **Systematic experimental verification:** The LONGi ROOF (BIPV) has been validated by multiple eyewitness laboratories and has received several certifications. The photovoltaic product's R&D laboratory has also been certified by TÜV Rheinland and DEKRA Dekai Beijing Certification Center.

Engineering Quality Assurance

The 23 years engineering operational strength of the high-end architectural metal enclosure projects has established a solid foundation for the engineering quality of BIPV projects

Continuous engineering and technological innovation to solve industry challenges: The company has been committed to innovation in construction methods and processes, continuously maintaining technological leadership in engineering technology to enhance quality.

For example, the company once innovated the 'containerized movable factory' which uses large-scale roof super-long panels and a full-length non-overlapping construction method to achieve standardized on-site production, significantly enhancing the reliability of comprehensive qualities such as leak prevention.

For instance, in 2016, the company pioneered the 66H wind-resistant and leak-prevention roofing system in China, and successfully applied it for the first time in Beijing Daxing International Airport, comprehensively enhancing the project's wind resistance and other quality levels.

Accumulation of rich industry engineering and technical experience: As the first company in the domestic architectural metal enclosure field to go public on the main board, the company has accumulated more than 3,000 engineering achievements, with a construction area exceeding 200 million square meters. In the BIPV business sector alone, the company's construction projects have already covered key enterprises and institutions in industries such as power, steel, metallurgy, building materials, chemical, and equipment manufacturing.

Pursuing ultimate quality, setting benchmarks of engineering quality in the industry: The company's project quality has been widely recognized within the industry, having received awards such as 'Top Ten Enterprises in Comprehensive Competitiveness in the Building Metal Roof (Wall) Surface Industry,' the 'Luban Prize' for construction engineering, and the 'Kim Yu Award' for engineering technology, all of which continuously provide significant motivation for enhancing the company's engineering quality.

► Intelligent Information System Assurance

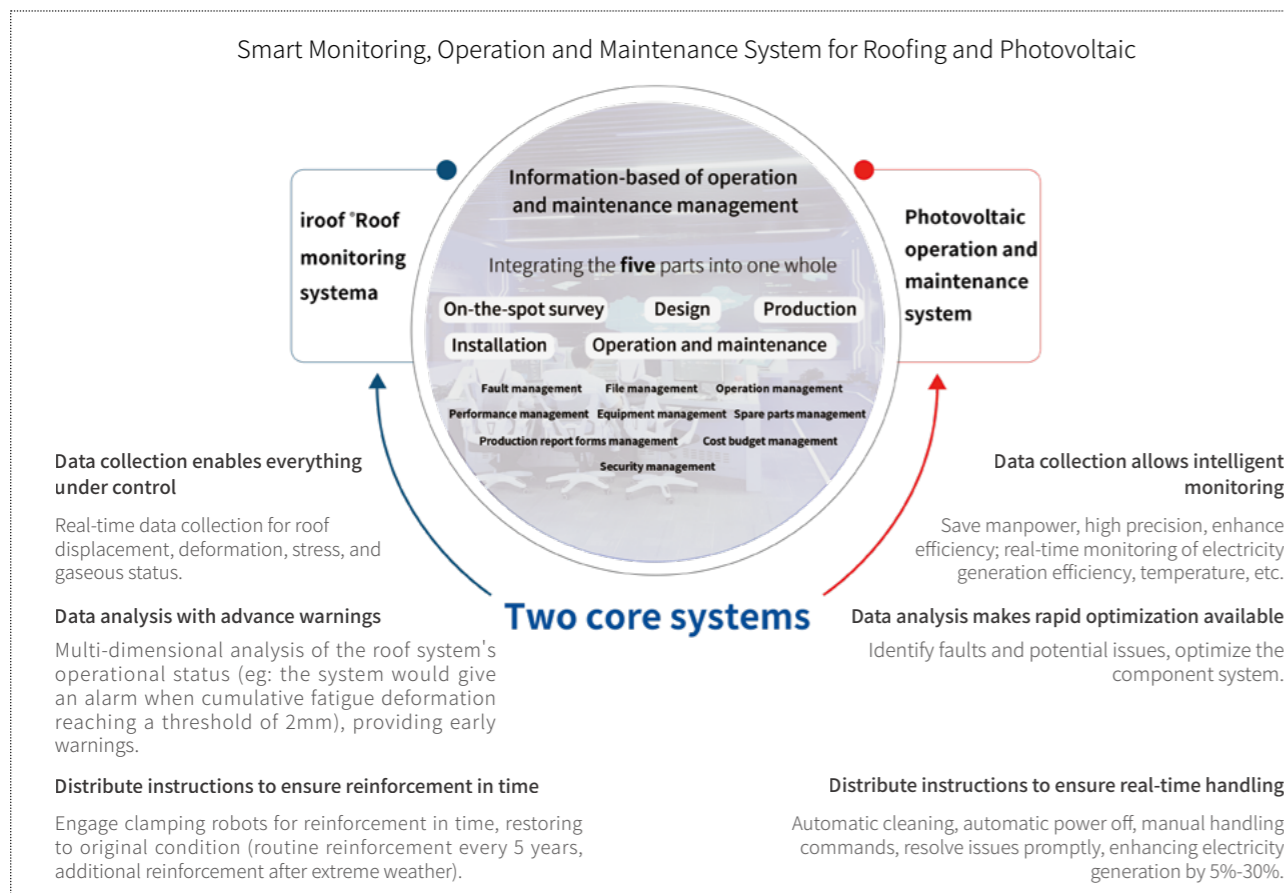
LONGi and CENTER have joined forces to create a smart monitoring, operation and maintenance system for roof and photovoltaic

CENTER and LONGi, relying on their outstanding advantages in the fields of metal enclosures and photovoltaics, have collaborated to create this intelligent system

- In 2014, CENTER initiated the development of a smart roofing monitoring system, which has already been applied to the Beijing Daxing International Airport
- In 2015, LONGi Green Energy started the development of a monitoring system for PV's operation and maintenance
- In 2023, CENTER and LONGi has successfully obtained multiple software copyrights in the smart operation and maintenance systems

The intelligent system integrates smart roofing monitoring, photovoltaic operation and maintenance monitoring

- Utilizing intelligent, digital, and informational methods to provide one-stop services
- Achieving integration of roofing monitoring and photovoltaic operation and maintenance monitoring, offering customers a 25-year guarantee of safe, stable, and reliable returns



► Guarantee for Professional Operation and Maintenance Service

Adhering to a "Customer-Centric" philosophy, we ensure safe, stable, and reliable returns for our clients

Equipped with a professional O&M service team

- Possessing a professional O&M team with over 10 years of experience in metal enclosures and more than 1 GW of power station O&M
- Established the first unmanned, digitalized, and informational O&M management model for distributed power stations in China

Unified service responsibility, specialized service management measures

The deep integration of CENTER and LONGi has avoided unclear O&M responsibilities between roofing and photovoltaic power station, preventing disputes over O&M responsibilities.

- BIPV construction phase: Managed by a single project manager who organizes reports and liaisons with the owner
- BIPV operation and maintenance phase: Implements a lifelong responsibility system for sales personnel



Center Intelligent Cloud

02 Green and Low-Carbon Operations

Global climate change represents a significant risk and challenge faced by all humanity, affecting the natural environment, economic and social development globally in various aspects. Responding to climate change actively has become a global consensus. For this reason, China has taken proactive measures, implementing the "3060 Dual Carbon" strategy, spanning from the national level to all industries and enterprises, broadly initiating actions for green and low-carbon development, energy saving and carbon reduction.

CENTER INT actively responds to the national "Dual Carbon" strategy, adhering to the transformations of green development, energy saving and carbon reduction throughout its entire business chain, addressing climate change risks actively, continuously strengthening environmental management, creating a resource-saving and environmentally friendly enterprise, and achieving harmonious coexistence with the environment.

2.1 Strengthen Environmental Management

2.2 Addressing the Risks of Climate Change

2.3 Green Concept Through Project Life Cycle

2.4 Green Office Culture

Attached Table: The Consumption Data of Energy and New Water (Municipal Water) for the Group in 2023

SDGs addressed in this chapter (United Nations Sustainable Development Goals)



Full Implementation of Environmental Management Responsibilities:

- CENTER has passed the ISO14001:2015 environmental management system certification, and continues to promote the improvement of environmental performance according to the PDCA closed-loop management mechanism.
- The whole life cycle of the project practiced the concept of green and environmental protection, which promoted China's green and low-carbon transformation, and harmoniously coexist with the environment.

Taking Practical Actions to Realize Green Carbon Reduction:

- The company started the creation of a green factory in 2023
- Power supply of Group headquarters office area and production base has been partly replaced by green electricity.

Effective Utilization of Water Resources:

- Group's production base has invested to establish a rainwater collection and recycling system, collecting up to **40** tons of rainwater annually.

Key Performance Data:

- Greenhouse Gas emissions in 2023 (Scope 1 and Scope 2): **3,157.98** tCO₂e
- Waste compliance disposal rate: **100%**

2.1 Strengthen Environmental Management

CENTER INT is well aware of the importance of enhancing environmental management, adhering to national environmental management policies and regulations strictly, implementing the requirements of the environmental management system documentation diligently, and continuously promoting improvements in environmental management, to minimize the environmental impact of the company's operations.

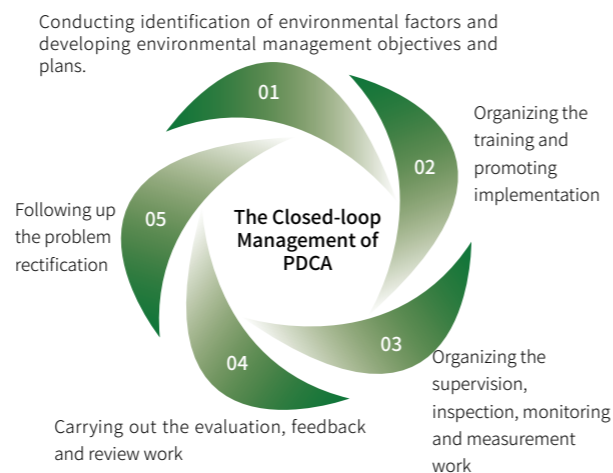
Establishing and Improving the Environmental Management System

CENTER INT has passed environmental management system certification. Adhering to the environmental management principles of "abiding by the law and discipline, clean production; energy saving and consumption reduction, protection of resources, pollution prevention and environmental care", in accordance with the requirements of ISO 14001:2015 environmental management system construction, and tailored to its specific circumstances, the company develops and improves the "Environmental Management Handbook" and procedural documents as the programmatic document of the company's environmental management system. At the same time, the company places great importance on the impact or potential impact on stakeholders, ensuring compliance and meeting stakeholder's requirements through the effective operation and continuous improvement of the management system. The company strictly adheres to the environmental management system documentation, ensuring all business activities are included within the scope of the environmental management system. Through continuous and effective environmental management, the company reduces the environmental impact of its operations, achieving a harmonious coexistence with the environment.



Strictly Implementing Environmental Management Responsibilities

CENTER INT places great emphasis on environmental protection, earnestly fulfilling its environmental responsibilities, and strictly adheres to national environmental policies and regulations such as the "Water Law of the People's Republic of China" "Law of the People's Republic of China on the Prevention and Control of Water Pollution" "Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution" "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste," and "Law of the People's Republic of China on the Prevention and Control of Noise Pollution". Based on the environmental management system, the company organizes the identification of environmental factors in key place such as office areas, project departments, and production base, identifying significant environmental factors, setting environmental management goals and plans, formulating corresponding control measures, and conducts regular tracking and monitoring, establishes an emergency preparedness and response mechanism, and regular internal audits and management reviews are organized to achieve a closed loop in environmental management. Although the company and its subsidiaries are not designated as key monitoring units by Ministry of Ecology and Environment of the People's Republic of China, the company still follows the dynamic management approach of PDCA (Plan-Do-Check-Act), continuously improving environmental management performance.



2.2 Addressing the Risks of Climate Change

Addressing climate change is a crucial aspect of ESG management of CENTER. The company is acutely aware of the importance of addressing climate change, actively identifying risks and opportunities related to climate change, formulating appropriate management strategies and responses for potential risks, and establishing mechanisms to enhance its capacity to address climate change gradually.

Climate Governance

CENTER INT follows the recommendations of the TCFD, constructing a climate change management system from four aspects: governance, strategy, risk management, and Indicators and goals. The company integrates climate risks and opportunities with its risk management system, enhancing its climate risk management capabilities through climate risk identification, risk analysis, and response strategies.

Governance	CENTER's management team pays high attention to the impacts of climate change, incorporating considerations of climate change transformation and physical risks into major decisions.
Strategy	Continue to push forward the transformation towards green energy, consistently enhance the technical capabilities of its metal enclosures, ecological governance, and BIPV products; continually strengthen the supply chain to increase resistance to risks; and persistently track national dual-carbon and distributed photovoltaic market policies and development trends, planning ahead and responding in time.
Risk management	Strengthen the identification of climate risks, establish climate risk prevention and control measures, and risk source emergency management systems, to enhance the ability to respond to climate change; continuously monitor the physical and transitional risks that climate change may bring to the company, organize training for relevant personnel on various potential risks and response strategies, and enhance the company's ability to resist risks.
Goals and indicators	Set clear annual goals and Indicators (such as energy saving and consumption reduction, carbon emissions verification and management, energy management system certification), draft plans and measures, rack and manage the performance against these targets.

Climate Risk Assessment

CENTER INT refers to the risk analysis framework of TCFD to proactively identify potential climate change risks and opportunities during its production and operational process, deeply analyzing the financial and other impacts of potential risks, and effectively integrates climate change management with the company's risk management efforts. Through organizing series of surveys and benchmarking within the industry, the following climate change risks and opportunities have been identified.

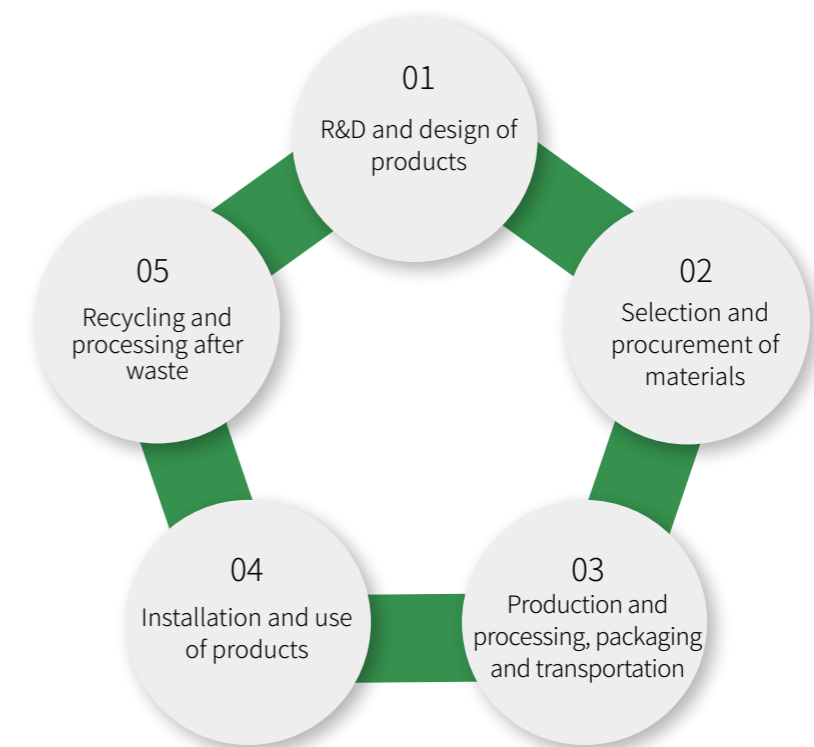
Type	Risk description	Countermeasure
Physical risks	Climate disaster risks. Such as typhoons, drought and flood disasters, may cause the damage or malfunction to company-built metal enclosures and photovoltaic power generation plants.	Continuously solidify the company's product technical level, enhance the ability to resist risks; establish emergency plans for disaster weather; continuously strengthen the intelligent monitoring and smart operation systems.
	Climate change risks. If the continuous high temperature causes abnormal power supply, unstable capacity and transportation, the supply of suppliers may not keep up with the demand.	Further optimize the supplier layout, stablish and improve the reasonable allocation mechanism of purchasing materials.
Transformation risks	Policy and legal risks. Under the dual-carbon strategy, the rapid development of building photovoltaics industry, if the inadequate and untimely support of national distributed photovoltaic policies and imperfect market supervision happen, it may lead to unregulated industry markets, potentially impacting the company's business development.	Continuously track the change trend of national and local policies and regulations in the distributed photovoltaic industry, predict it in advance, and respond to it in time.
	Technical risks. Under the dual-carbon policy, if clients demand the use of green, low-carbon materials and products, it could lead to increased production and operational costs for the company.	Keep pace with customer's demands, continuously increasing investment in the R&D of relevant green products/materials, and persisting in R&D innovation .
	Market preference risks. Capital markets, clients, and stakeholders increasingly focus on corporate climate actions, if the company's environment and climate performance are bad, may affect the company's reputation and business performance.	Strengthen communication with stakeholders through various methods, pay attention to stakeholder movements, and respond promptly.
Transformation opportunities	Policy and legal opportunities. In the context of the national dual-carbon strategy and ecological civilization construction, new energy and eco-environmental protection industries are facing a significant period of opportunity. The company should seize the opportunity to continue to deepen the new energy, energy saving and environmental protection industry.	Bring into full play of technological advantages in the BIPV industry to accelerate business deployment and rapidly capture market share; continue to strengthen and expand the soil remediation and noise treatment businesses.
	Technical opportunities. The trend towards green, low-carbon, energy saving and environmental protection are unmistakable. The company should continue to strengthen the R&D innovation of green products/materials, to meet customer's demands for green products.	Continuously develop market insights and track the demand trend of customers; consistently increase investment in the R&D of green products and materials.
	The market prefers opportunities. Under the trend of energy cleanliness, the demand for renewable energy is increasing. The company should vigorously develop its BIPV business, continuously innovate BIPV application scenarios, effectively meet the market's demand for clean energy, and continuously improve the company's overall strength and market competitiveness.	Continuously increase R&D investment in BIPV, strengthen market development, constantly explore new application scenarios for BIPV, and promote the rapid and healthy development of the BIPV business.

2.3 Green Concept Through Project Life Cycle

CENTER INT adheres to the concept of green development, focusing on the goal of building a resource-conserving and environmentally-friendly society, comprehensively implementing the concept of green and ecological development in all aspects such as product R&D, material procurement, production processing, and project construction, striving to create green operating ecosystem. In response to the national dual-carbon strategy, CENTER has initiated the creation of green factories in order to accelerate the company's green and low-carbon transformation. Establishing green factories will become an important measure for the Group's green and low-carbon transformation.

Adhering to the Ecological Design Concept to Reduce the Environmental Impact Throughout the Whole Lifecycle of a Project

CENTER INT adheres to the ecological design concept, considering the entire lifecycle of products-including R&D and design, material procurement, production processing and packaging transportation, installation and use of products, and recycling and processing after disposal (resource utilization), to maximize the reduction of energy, resource consumption and pollutant emissions throughout the project's lifecycle, achieving clean production and sustainable development.



Developing Green Products to Help Customers Save Energy and Reduce Carbon Emissions

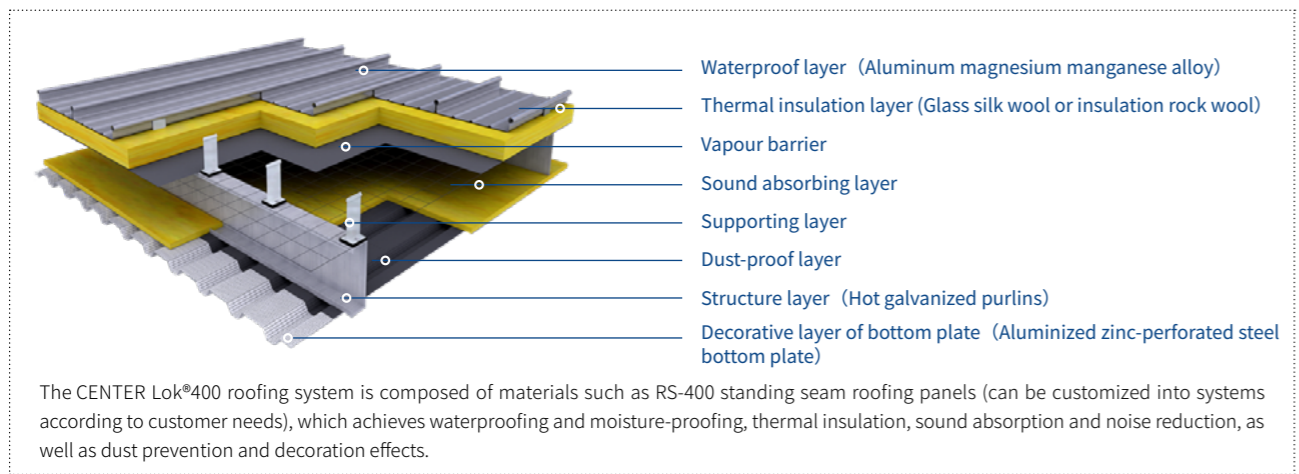
CENTER INT upholds the concepts of green and low-carbon, energy saving, and environmental protection, providing customers with green products continuously.

► Metal Enclosure System Products: Assembly-style Building Materials, Energy-Saving and Environmental Protection

CENTER INT, as the absolute leader in the high-end metal enclosure industry, utilizes its proprietary product technology advantages to provide customers with high-end metal enclosure system products and comprehensive solutions.

The metal enclosure system products use profiled metal sheets or metal-faced sandwich panels as the primary materials for roofing and walling systems. They are connected to the main structure through supporting structural components, fulfilling the functional requirements of the building enclosure system.

Profiled metal sheet materials have excellent weather resistance and durability, minimizing environmental pollution and material waste caused by replacements. The metal material can be 100% recycled, meeting the requirements for green building development, and has self-cleaning properties, reducing future labor maintenance costs. The insulation materials have excellent thermal insulation properties, significantly reducing the use of air conditioning and heating systems, achieving energy-saving and environmental protection effects. The product has good sound insulation and noise reduction performance, making the building have excellent sound insulation and noise reduction capabilities. The metal-faced sandwich panel is energy-efficient and environmentally friendly, using an assembly-style installation method that reduces material waste during construction, lowers construction waste, reduces the occupation and pollution of the construction site, and saves resources.



Center Lok® Roofing System (Example)

► BIPV System Products: New Green Building Materials

Based on the leading of the "DualBrand", CENTER INT owns industry-leading BIPV product technology and comprehensive solutions. The BIPV system of CENTER & LONGi is one of the first batch of Building Integrated Photovoltaic products to obtain the green building materials certification in China.



Green Building Materials Product Certificate

Low Carbon modules, Starting with Green Production

The LONGi Roof system adopts a series of high-efficiency module products. The single-crystal silicon used in the modules is produced, manufactured, transported, and stored all under a low-carbon model throughout its whole life cycle, certified by the French ECS carbon footprint certification. LONGi Roof modules also earned the UL EPD (Environmental Product Declaration) environmental products life verification certificate about solar photovoltaic modules by the world-renowned application security expert UL Solutions.

High-efficiency Conversion, Originating from Technological Innovation

LONGi Roof 4.0 product is equipped with LONGi's latest HPBC battery technology, with industry-leading conversion efficiency. The modules' conversion efficiency can reach up to 23.1%, also exhibiting excellent low-light power generation performance and superior degradation indicators, with the first year's degradation at a minimum of 1%, and linear degradation within 0.4%. Due to the application of various front-end technologies, LONGi Roof products can get higher green electricity output, which is also the deep embodiment of the "Solar for Solar" concept implanted product gene.

Minimalist Combination, Achieved through Relentless Progress

The LONGi Roof BIPV roofing system innovatively uses structural adhesive to combine modules with profiled steel plates, reducing overall material usage, carbon emissions, and energy consumption from material production, while also lightening the photovoltaic load. This reduces the original building structure's design load and the amount of structural engineering. The safety and trampling design of double-layer glass module makes it possible to cover the roofing, improve the utilization rate of the roofing, and greatly increase the electricity generation of green electricity.

Cooling of Buildings, Energy Saving and Consumption Reduction

The installation of the LONGi Roof BIPV roofing system can cool the building itself by 4-6°C in summer, and contribute to the temperature regulation and energy saving of the building while generating electricity.

Implementing Green Procurement to Build a Green Supply Chain

► Customized Production to Minimize Inventory and Waste

CENTER INT's products mainly include composite panels for metal curtain wall and single-layer panels for metal roofing and walling. These products are customized according to the Group's procurement management system, and are strictly produced according to the orders; customers specify the supplier, product specifications, delivery times, and other indicators when placing orders. The company purchases according to these customer's orders, greatly minimizing the backlog of products, materials and the waste of resources.

► Optimizing the Mechanism of Supplier Selection and Evaluation, and Incorporating Environmental Management into the Assessment System

CENTER INT has established the "Supplier Development and Management System" and the "Supplier Management Method," strictly implementing the requirements of the "Quality Management System Manual", establishing a list of qualified suppliers, and regularly evaluating the qualified suppliers. CENTER imposes strict environmental management requirements on suppliers (such as the use of hazardous substances, recyclable materials, and energy efficiency), formulates the bidding and procurement management system, and requires suppliers to obtain environmental management system accreditation. Suppliers who have not yet accredited must devise a certification plan; during the bidding and procurement process, supplier certifications, products, environmental protection for waste management, and the ability to provide corresponding qualification review materials are included in the evaluation system.

► Strictly Control the Admission of the Subcontractor Access to Projects, Integrating Green Construction and Environmental Protection into the Evaluation System

- CENTER INT strictly adheres to the Group "Labor Subcontracting System" and other system requirements, putting forward green construction and environmental protection requirements in the qualification examination of labor subcontractors, contract signing and construction process
- In the selection link of equipment renters, the relevant energy saving and environmental protection requirements are put forward

Implementing Green Production for Effective Energy Saving, Emission Reduction, and Consumption Reduction

► Production Automation, Driving the Energy Saving and Consumption Reduction

Embracing the pulse of the era, in 2012, CENTER INT launched the first composite panels production line for metal curtain wall in China, which marked the start of a new era for metal curtain walls competition. This production line integrates electrical control, machinery and other into a specialized automated production line, maximizing raw material usage. The curtain wall composite panel products produced can perfectly match the market. Prefabricated at the production base, these panels can be directly installed after transportation to the project site, reducing secondary pollution at construction sites and achieving assembly-style construction in building metal enclosure systems. While improving the production efficiency through the advanced production technology, the raw materials and energy consumption are accurately controlled.



The first composite panels production line for metal curtain wall in China

► Energy Saving and Consumption Reduction in Production Equipment and Facilities

CENTER INT always adheres to the concept of green production, and practices energy saving and consumption reduction with practical actions.

Upgrading of the equipment: The production base has added variable frequency control systems to two conventional motors in the production workshop, directly reducing energy consumption by 30%. Servo-electrical control systems in automatic bending machines and CNC punch equipment have replaced the original hydraulic systems, reducing energy consumption by over 70%.

Retrofitting of lighting facilities: The original 378 outdated 150W lighting fixtures in the production workshop of production base consumed high electricity and prone to damage, have been completely replaced with LED energy-saving lights, reducing energy consumption by 55% after the modification.

Updating and upgrading of the vehicles in the factory: After upgrading of the vehicles, electric-powered forklifts have replaced diesel-powered transfer forklifts at the production base, which save energy and reduce pollutant emissions.

► Using, Recycling, and Harmless Disposal of Production Materials

CENTER INT strictly follows the "Company Environmental Management Handbook" and procedural documents during production process, resolutely avoiding harmful, prohibited and restricted substances and effectively implementing various measures for material saving and environmental protection to ensure clean production and sustainable development.

► Avoiding the Using of Hazardous, Prohibited and Restricted Substances

The raw materials for metal composite curtain wall panels mainly consist of metallic materials such as galvanized steel plates, aluminum-magnesium-manganese steel plates, and insulation materials such as rock wool and glass silk wool, without prohibited and restricted substances. The production process does not use materials prohibited in the "List of Substitutes for Toxic and Harmful Raw Materials (Products) encouraged by the State (2016 Edition)".

Control and Use of Production Materials

CENTER strictly follows the operating instructions to control the production process, eliminating material waste and maintaining product quality stability. Regular process inspections are carried out to continually improve production process. The company's main products are customized, product design and production process are strictly implemented in accordance with the standards to improve the recycling rate of raw materials. The primary materials of the products are steel and wool, which can be dismantled and recycled, achieving a recycling rate of 80%.

The main waste materials in the production process, mainly including coil packaging (iron sheets), metal scraps, and waste rock wool, etc., are partly recycled, and non-recyclable wastes are transported away by professional companies. Waste materials management is conducted according to the "Waste Management System" of the production base. Hazardous wastes, mainly including waste machine oil and waste oil drums during the production process, are strictly classified and managed according to the Group "Regulations on the Management of Hazardous Waste Storage and Disposal", and are transported and centrally disposed of harmlessly by professional companies.

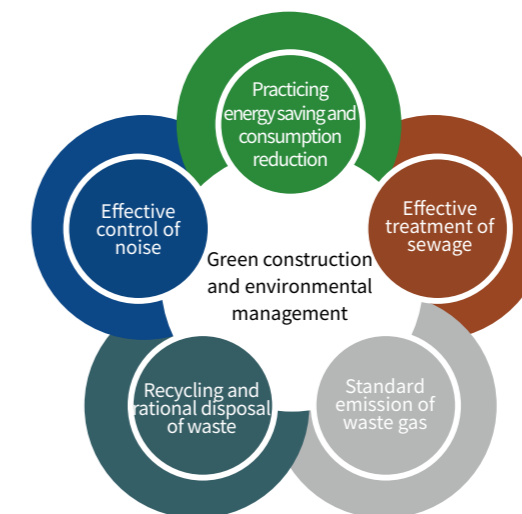
Practicing Green Construction to Minimize the Impact on the Surrounding Environment

► Construction in accordance with the Laws and Regulations

CENTER INT strictly adheres to national and local environmental protection laws and regulations, on the premise of ensuring the quality and safety of the project, minimizes resource consumption, reduces the adverse impact on the environment, and ensures that the site environment and sanitation meet the requirements of the environmental management system (ISO14001) and the project construction plan. CENTER integrates green development, environmental protection, and construction organization into a unified design, developing green construction plans, environmental management measures, and pollution control measures for each project. The company organizes regular training sessions and conducts inspections to ensure effective implementation. CENTER rigorously follows the green construction plan, effectively implements various environmental protection measures, and complies with various environmental protection system related to energy saving, water conservation, pollutant emissions, and noise management, etc.

► Practicing Green Construction to Minimize the Environmental Impact on Site

Based on the requirements of the company's environmental management manual, CENTER INT practices green construction, strictly implementing "Four Savings and One Protection" measures to minimize the impact on the on-site environment during the construction process.



Practicing Energy Saving and Consumption Reduction

The site energy consumption of building metal enclosure and BIPV project is mainly electricity, while the site energy consumption of environmental protection project is mainly electricity and natural gas. The main energy consumption is the office electricity of the project, and the natural gas consumption is mainly used for soil remediation and groundwater treatment at project site. Each construction site executes according to its specific construction plan and environmental measures.

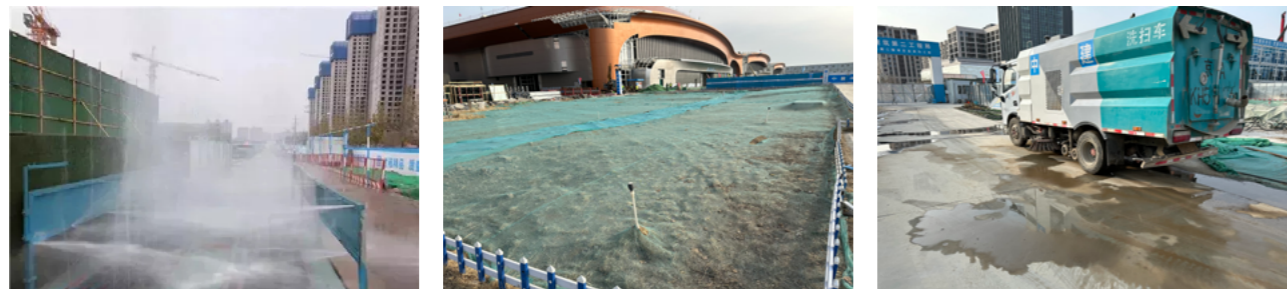
Effective Treatment of Sewage

Sewage at construction sites for building metal enclosure and BIPV mainly consists of domestic sewage. This sewage is settled in sedimentation tanks and then used for dust suppression on-site; after three stages of sedimentation, it is discharged into municipal pipelines. Toilets are equipped with septic tanks and cleaned regularly, the treated sewage meets the discharge standards before entering municipal pipelines. The sewage discharge of the construction site meets the requirements of "Integrated Sewage Discharge Standard" (GB 8978-1996).

The site wastewater of environmental protection projects is mainly the wastewater generated in the process of soil remediation and groundwater treatment. These sites strictly follow construction plans and water pollution control measures, regularly monitor the water environment, and discharge treated wastewater that meets the "Integrated Sewage Discharge Standard" (GB 8978-1996) and the "Environmental Quality Standards for Surface Water" (GB 3838-2002), etc.

Standard Emission of Waste Gas

The project site of building metal enclosure and BIPV does not directly produce waste gas, The main emissions are dust and motor vehicle exhaust.



Dust treatment site

The waste gas generated on the site of environmental protection projects is mainly nitrogen oxides, sulfur oxides and other gases produced in the process of soil remediation and groundwater treatment. These sites strictly follow construction plans and prevention measures for waste gas pollution, regularly monitor the waste gas, and treat emissions to meet standards before discharge, complying with the "Integrated Emission Standard of Air Pollutants" (GB 16297-1996).

Recycling and Rational Disposal of Waste

The site waste of building metal enclosure and BIPV project is mainly domestic waste and construction waste (such as metal waste material, wire, cable head, welding rod head). Waste is stored at designated locations and requirements, with reusable materials maximized for reuse, recyclable waste shall be handed over to company, and a record of recycling and disposal established. Non-recyclable waste is handled by qualified local sanitation departments under the "Agreement on Solid Waste Clearance and Transportation".

At construction sites for building metal enclosure and BIPV projects, potential hazardous waste mainly includes waste packaging materials from chemical products, welding rods, waste fiberglass cloth, waste aluminum foil paper, sandwich panel scraps, and paintbrushes. Hazardous waste is collected by category, securely stored, and then managed by a qualified local environmental sanitation department, which handles it in a unified manner. The construction sites retain entrust processing files.

General waste at environmental project sites includes construction waste and sediment from sedimentation tanks, with potential hazardous waste including spent activated carbon, quartz sand, and sludge. Waste is managed according to the construction plan and waste pollution control measures, with hazardous waste transported to a qualified company for compliant disposal, ensuring no secondary pollution occurs.

Effective Control of Noise

The noise produced by existing project sites mainly comes from construction activities (such as machinery noise). The sites strictly adhere to the construction plan and environmental management systems, implement noise reduction measures, perform regular noise testing, and ensure noise control within reasonable standards to minimize noise pollution. The noise of the project site meets the requirements of the "Emission Standard of Environmental Noise for Boundary of Construction Site" (GB 12523-2011).

2.4 Green Office Culture

CENTER INT places high importance on energy saving, consumption reduction, resource saving, and pollutant emission reduction, advocating for energy saving and emission reduction start from daily office, surrounding matters and little bit of life. The company has developed a variety of systems, including the "Environmental Health Management System of the New Office Building," "Greening Management Methods," "Management System of the Project Vehicle and Refueling Card," and "Management System of Smoking Control and Environmental Protection." A variety of measures are formulated refined according to the "Company Environmental Management Handbook" and procedural documents to ensure that practical actions are taken to practice green office culture. The office building of Group headquarters has been rated as a three-star green building.



CENTER INT headquarters office building rated as a "Three-Star Green Building"



Practicing Energy Saving and Consumption Reduction

Installation of Solar Energy Water Heating Systems

The residential area of Group's production base uses a solar energy water heating system to provide hot water all day, which is both energy-efficient and environmentally friendly.

Energy Management System - Adopting Intelligent Control System to Improve Energy Efficiency

The central air conditioning system, fresh air units, and all supporting function rooms at Group headquarters are equipped with variable frequency systems to achieve energy saving and consumption reduction. All the office buildings use LED lighting, and the first and second floors underground utilize radar-sensitive lighting controlled by an intelligent lighting system.

► Using Green Electricity to Replace the Traditional Electricity

From 2022 to 2023, photovoltaic power generation systems have been installed on the roof of Group headquarters and the production base, achieving a total installed capacity of 2.196 MW. The green electricity generated by these photovoltaic power generation systems can reduce the demand for traditional electricity to some extent.



The photovoltaic power generation plant on the roof of the office building at Group headquarters and production base

► Management and Use of Official Vehicles

The company strictly manages the office vehicles and project vehicles, establishing regulations for the management of official vehicles, rational scheduling and use of vehicles, and practice energy conservation and consumption reduction. Additionally, the company is gradually increasing the use of new energy vehicles to effectively decrease energy consumption.

Strictly Implementing Resource Conservation

► Water Resources Conservation

CENTER INT's daily office water is mainly domestic water (mainly for greening water, air conditioning refrigeration water, fire water, toilet water and staff drinking water). The company strictly implements water resources conservation, advocating that every employee starts saving water from small everyday actions. Toilets and hand washing facilities are equipped with high-efficiency water-saving devices to reduce water waste; additionally, water-saving micro-sprinkler systems are used for greening irrigation.

► Effective Utilization of Rainwater Resources

The production base of Group has invested 4 million RMB to establish a rainwater collection and recycling system within the factory. This system is capable of collecting 40 tons of rainwater annually, achieving the effective collection and utilization of rainwater resources.

► Saving Paper, and Advocating Paperless Working

CENTER advocates double-sided printing and strict management of color printing. Each employee is assigned specific printing permission, and a printing ledger is established to monitor printer usage, preventing the waste of paper and consumables.

Moreover, CENTER's major office area actively respond to Group's call for "paperless working" by reducing the use of paper through online office and other measures. Furthermore, CENTER has optimized financial processes to enable electronic invoice reimbursements without the need for printing, binding, or scanning, significantly reducing paper usage.

Strict Discharge Management of the Pollutant

► Compliant Discharge of Sewage (Wastewater)

The sewage produced in CENTER INT's office area is mainly domestic sewage, which is divided into rainwater and sewage, sewage and waste, with rainwater being discharged into the external pipeline network. Kitchen sewage, after being treated with oil insulation equipment, is discharged into the municipal pipeline network for centralized treatment. Other sewage, treated in the septic tank of the industrial park, is also discharged into the municipal pipeline network for centralized processing.

► Reasonable Disposal of Waste

The waste in the office area of CENTER INT is mainly domestic waste, which is stored at designated sites, collected and cleaned by municipal sanitation departments. The disposal of domestic waste strictly follows the "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Waste" (2020 revised edition) and the "Regulations on the Management of Domestic Waste in Beijing".

Attached Table: The Consumption Data of Energy and New Water (Municipal Water) for the Group in 2023

Number	Category	Unit	Annual consumption in 2023	Carbon emission (tCO ₂ e)
1	Purchased electricity	MWh	2,157.88	1,491.61
2	Gasoline	t	264.98	776.90
3	Diesel	t	9.69	30.02
4	Natural gas	m ³	25,361	55.79
5	Heat/Steam	GJ	7306	803.66
6	New water (Municipal water)	m ³	38,829.14	—

Remarks: 1. Scope of data statistics: daily operation energy consumption and new water consumption of the Group headquarters office area, production base, subordinate branch and holding subsidiary;
2. The carbon emissions of purchased electricity are calculated by referring to the average carbon dioxide emission factor of regional electricity in 2021 released by the state on April 12, 2024.

03 Practice Responsibility for Win-Win Results for All Parties

Adhering to a business philosophy of "Win-Win Results for All Parties" as well as "Charity and Altruism", CENTER INT is committed to co-building and thriving with all stakeholders. CENTER actively fosters a "family" culture, focusing on employee's safety and health, safeguarding employee rights, supporting employee development, and providing welfare to them. CENTER keeps practicing corporate social responsibility, actively participating in public welfare and charity, and promoting community and school development. In order to thrive together with its suppliers, CENTER builds a responsible supply chain, promotes compliant operations within the supply chain, and enhances communication and empowerment in the supply chain.

3.1 Employee's Welfare

3.2 Occupational Health and Safety

3.3 Community Improvement

3.4 Responsible Supply Chain

SDGs addressed in this chapter (United Nations Sustainable Development Goals)



Employee Development:

- In 2023, the average training duration for employees reached **31.2** hours.
- In 2023, CENTER implemented the first stock option incentive plan to establish a mid-to-long term incentive mechanism.

Employee Care:

- The Labor Union membership rate in 2023 reached **100%**
- In 2023, **4** employees received support from the company's "Employee Mutual Aid and Charity Foundation".

Supporting National College Graduates' Employment:

- In 2023, **200** college graduates were recruited, which helped China to address the university students' employment issue.

Strict Implementation of Safety Management Responsibilities:

- Safety management is always prioritized, with a total of **374** safety inspections completed in 2023.

Strengthening Supplier Management and Empowerment:

- In 2023, CENTER organized **30** supplier exchanges and training sessions.

3.1 Employee's Welfare

In 2023, CENTER INT adhered to its mission "to create a better working and living environment for human society." The company further enhanced its human resource management system, continuously improved its employee welfare system, expanded talent development opportunities, increased investment in employee health and safety, and committed to creating a fair, open, harmonious, and inclusive working environment while legally safeguarding employee rights.

CENTER INT respects and values each employee, fully leveraging their individual characteristics and intrinsic value. The company has developed comprehensive talent identification and tiered development strategies, optimized post grades rank system. CENTER has strengthened job-role alignment, enhanced multi-level incentive mechanisms, and effectively stimulated employee vitality to enable them to achieve a sustainable career development. In 2023, due to the outstanding performance in "corporate culture, talent strategy, employee welfare and social responsibility," and its extensive practice in brand building, the 14th Beijing HR Expo Organizing Committee awarded the company the "2023 Greater China Outstanding Employer Brand" honor.

Compliant Employment and Protection of Employee Rights

With the rapid development of CENTER's business and the increasing demand for talent, establishing a standardized talent recruitment system is crucial to CENTER. CENTER strictly adheres to the "Labor Law of the People's Republic of China," the "Labor Contract Law of the People's Republic of China," as well as national and local labor standards where the company is located. Combined with the actual situation of the company, we have issued internal regulatory documents such as "Recruitment Management System" and "Employee Handbook," striving to create a diverse and inclusive work environment to safeguard employee rights.

CENTER resolutely forbids the employment of child labor and forced labor, establishing a reporting mechanism to avoid non-compliant employment practices. We support international initiatives related to labor rights, adhere to equal employment and equal pay for equal work. We avoid any discrimination based on employees' ethnicity, race, nationality, religious beliefs, gender, age, disability, or marital and parental status, and respect employees' rights to freely assemble and form associations in accordance with the law.

In 2023, CENTER did not experience any incidents of employment discrimination, harassment, child labor, forced labor, or any other violations of labor rights.

Practice Diversity, Equality, and Inclusion

Adhering to an open, inclusive, and equal employment philosophy, CENTER is committed to creating a diversified work environment. We highly respect and value our female employees, supporting them in unleashing their potential, bravely pursuing their goals, and realizing their self-worth. The company has established a Women's Committee, organizing regular care activities for female employees. Additionally, we provide maternity leave, breastfeeding rooms, and offer variety of care and attention during special periods for women.

Gender diversity

We value workplace equality and advocate for gender diversity in the workplace. CENTER provides equal development platforms and opportunities for both male and female employees.

Age diversity

We welcome the entry of young talent and value experienced cadre employees, building a team with diverse age composition actively.

Regional diversity

We encourage the introduction of talent from all over the country, with employees covering 31 provinces, municipalities, autonomous regions, and special administrative regions.

Employee Communication

We establish diverse and open communication channels. Employees can fully express their opinions or make requests through forums, workers' congresses, and satisfaction surveys. For any illegal actions or behaviors that harm employee rights, employees can consult and report through the Group's internal HR department, the Group Office, or the Labor Union. We are committed to enforcing principles of protecting employees and ensuring fairness and justice, making sure that they can get feedbacks in time.

Attracting and Retaining Talent

Philosophy of Talent

We attract talent through a development philosophy that "attracts talent with a career, cultivates talent with practice, and achieves talent with development," providing employees a platform to showcase their talents and achieve career success, and establishing clear channels for professional development.

Talent Recruitment

CENTER has formulated a talent recruitment strategy that broadly absorbs outstanding talents from different regions of China, providing employment opportunities to people from different countries, ethnic groups, cultures, as well as disabilities. In 2023, CENTER refined its talent recruitment strategy, established a talent database, and set up a tiered classification management strategy to stimulate the vitality of the talent pool. To assist with national efforts in solving fresh graduate employment issues, we have established a specialized campus recruitment team to attract outstanding new graduates and cultivate a reserve talent tier. In the past three years, CENTER has brought in over 500 fresh graduates. Additionally, we offer a "721" training model for new graduates, establishing a "Fit-in the Company" training mechanism.

Over the past three years, a total of **553** new graduates have been recruited. CENTER has established partnership with more than **100** universities and colleges. New graduates receive **10** days of paid off-job training annually.

Compensation and Benefits

CENTER has established a comprehensive compensation and benefits management system and a scientific and efficient performance evaluation mechanism, improving systems such as the "Compensation Management System." We adhere to principles of compliance, fairness, reasonableness, and competitiveness, implementing equal pay for equal work regardless of gender. The company has established a comprehensive performance feedback and communication mechanism, reaching consensus through full communication between evaluators and those being evaluated at every stage of performance planning, coaching, evaluation, and feedback. Additionally, based on employee needs and the actual situation of the company, we have developed an "Employee Benefits Handbook," providing employees with benefits that cover multiple scenarios, such as business, life, communication, care, etc.

Performance and Evaluation

CENTER recognizes employees' efforts and achievements. By establishing a compensation system that balances internal fairness and external competitiveness, we share development achievements with our employees.

According to the company's "Performance Management System," CENTER conducts quarterly employee performance evaluations. Through performance reviews, we help employees set personal performance goals and continually enhance performance. To gain a more scientific and comprehensive understanding of employee performance, the evaluation process incorporates a comprehensive feedback mechanism, inviting peers and subordinates to provide multi-dimensional assessments.

We establish a "performance-oriented" incentive system, using performance evaluation results as a crucial basis for bonus distribution. For employees who perform exceptionally and have potential for development, the company offers promotion paths or stock option plans. Additionally, for key and multi-skilled talents, we also provide incentives such as talent recruitment and residence registration solutions.

Talent is a valuable asset to the company. In 2023, CENTER Group further optimized the breakdown and evaluation mechanisms of organizational performance goals, advancing the implementation of a comprehensive performance evaluation system centered around BSC and KPI tools, enhancing employee performance feedback, and exploring mechanisms for employees to share in the added value of their results, thereby stimulating the motivation and vitality of both the organization and individual employees.

► Stock Option Incentive

To further establish and improve the company's medium and long-term incentive mechanisms, attract, motivate, and retain outstanding talents, CENTER Group has formulated a comprehensive compensation and incentive plan composed of fixed salary, special incentives, short-term incentives, and long-term stock option incentives to reward employees for their contributions to CENTER. In 2023, CENTER Group announced and implemented the "2023 Stock Option and Restricted Stock Incentive Plan (Draft)," with stock options initially granted to 147 individuals and restricted stocks granted to 8 individuals for the first time. This equity incentive plan has significantly motivated the management team and key personnel. The establishment of the stock option incentive mechanism will encourage employees to focus more on the company's long-term development and also provide good conditions for building a shared destiny and career community between employees and the company.

Supporting Employee Development

► Talent Capability Development

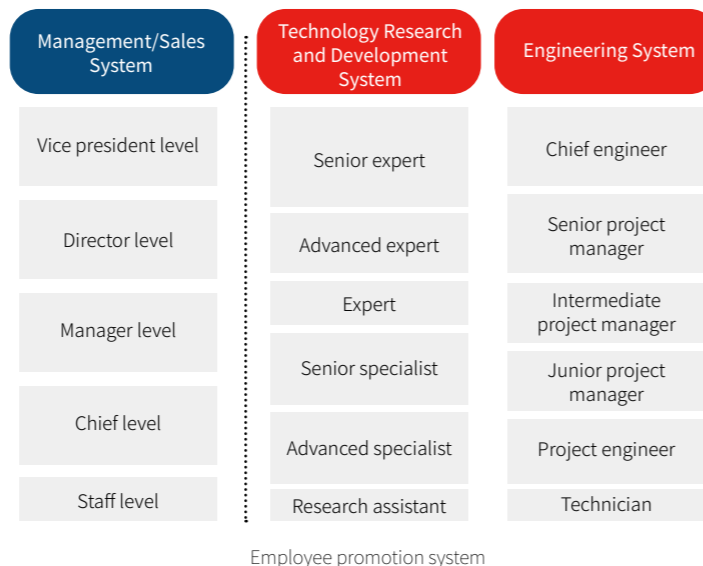
CENTER INT is committed to the dual unity of development and growth, cultivating a workplace culture of "lifelong learning" where learning and development become the main theme of employees' careers.

The company focuses on employee growth, formulates the "Training Management Methods," establishes a comprehensive training system, and provides all employees with multi-faceted training covering basic knowledge, professional training, and corporate culture, continuously empowering employees and improving their overall capabilities. The company provides specialized training for different types and levels of employees. Based on business processes and value chains, learning maps are created for the sales and operations systems, specifying the learning and development paths for different stages of growth from employee to leader. The "Apprenticeship" mechanism is implemented to ensure employee's growth and continuously offers training for different levels of talents, including new employees, grassroots management personnel, and young cadres. At the same time, the company initiates the work of internal trainers and course development, selects core professional courses, develops standardized courseware, completes instructor manuals, sets up categorized question banks, and continually advances the accumulation of specialized materials for technical lines.



► Clear Promotion Channels and Development Programs

We value each employee's outstanding performance, providing a growth system that aligns with job requirements and career planning. We establish dual channels for professional and management growth, setting up job levels and personal career advancement paths for each channel. We establish scientific promotion evaluation standards, formulating promotion principles with work performance and corporate culture as the core evaluation criteria, and develop the "Core Talent Selection and Management Detailed Rules," offering all employees the opportunity for promotion evaluation, and ensuring that the process is fair, transparent, and equal. We fully respect the natural growth patterns and development needs of employees, providing differentiated growth plans for employees at different stages of growth and with varying performance levels. Through regular talent reviews, we identify outstanding employees and provide them with accelerated promotion and other talent development supports.



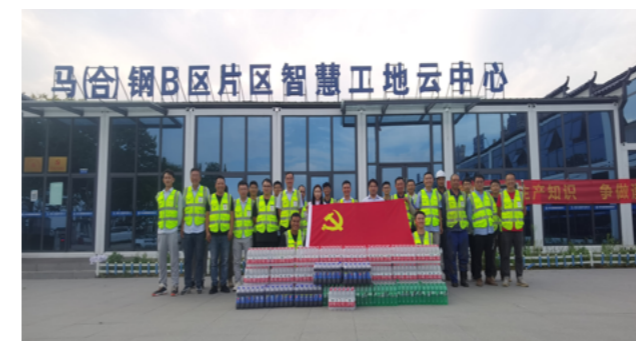
Promoting Employee Health and Vitality

► Employee Benefits

CENTER has long emphasized humane care for its employees. To reduce work and life stress, the company has implemented a series of employee care initiatives, providing employees with free accommodation and complimentary breakfast and lunch. To enrich employees' leisure time, CENTER offers over 1000 books for free borrowing and provides free access to fitness facilities such as gyms, tennis courts, and basketball courts. The company regularly organizes employee care activities to balance work and life, alleviate work stress, and enhance employees' sense of belonging and happiness.

In 2016, to prevent employees and their families from falling into financial difficulties due to serious illnesses, the company established the "Employee Mutual Aid Love Fund," with a total of 3.7 million RMB currently. By the end of 2023, 7 colleagues and their families have benefited from the fund.

In 2023, the company's union organized volleyball, badminton, and table tennis competitions, and arranged cultural evenings, flower arranging, movie watching, oil painting, and building block assembly activities. In line with corporate culture development, the Human Resources Department organized a series of activities, such as birthday parties, showing solicitude for people in the construction site, corporate culture open month, family open days, and writing competitions.



Sending summer-relief supplies to the workers in the environmental projects



Flower arranging in Women's Day



Employee birthday parties



Corporate culture open month



Family open days



Corporate culture journey

► Construction of Labor Union

The company has always attached importance to strengthening the construction of the Labor Union, supporting its work in many ways. We often unite our employees by organizing Labor Union activities in combination with company cultural activities. This is to build the company's core team, improve cohesion, and contribute to the company's development and social development.

In 2023, the company's Labor Union organized a variety of activities to maintain close contact with employees and make them feel the warmth like a big family. The Union provides employees with channels to communicate with management, effectively ensuring that employees' legitimate interests are not violated.



The labor union organized the "Mosaic desk lamp making" activity



The labor union organized employees to participate in the "E-town Youth Cup" fun orienteering off-road activity

3.2 Occupational Health and Safety

The company focuses on employees' occupational health and safety, actively builds a corporate safety culture, establishes relevant safety systems, and takes preventive measures in various areas such as production process safety management and construction site safety management to mitigate occupational health and safety risks for employees, creating a healthy and safe working environment.

CENTER INT strictly adheres to laws and regulations such as the "Work Safety Law of the People's Republic of China" and the "Occupational Disease Prevention and Control Law of the People's Republic of China", and has established the "Quality, Environment, and Occupational Health and Safety Management Manual", "Production Safety Management Regulations", "Quality, Safety, Occupational Health Procedures Documents", "Occupational Health Management System", "Labor Protection Supplies Management System", "Workshop Safety and Health Regulations", and other systems. The Group has met the standards of the occupational health management system and completes the relevant certifications regularly as required.



CENTER Group Occupational Health and Safety Management System Certificate

► Production Process Safety Management

The production base fully implements the "Work Safety Law of the People's Republic of China", earnestly implements the production safety responsibility system, and always adheres to the policy of "safety first, prevention as the main approach, comprehensive management, people-oriented, continuous improvement, health assurance, and safe development". It promotes the work of production safety in a standardized, regulated, and systematic manner. By establishing a series of safety management systems, it solidifies the foundation for production safety. Through training, publicity, and assessments, it strives to enhance employees' awareness of safety and continuously improve the level of safety management in production.

► Establish and Improve Various Systems and Measures, Implementing Safety Responsibilities Layer by Layer

The production base has developed a series of safety management systems, including the "Safety Production Regulations", "Safety Production Risk Grading and Control Management System", "Occupational Health Management System", "Safety Operating Procedures", and "Safety Fire Accident Emergency Response Plan". According to the safety management systems and safety production plans, safety production responsibility agreements are signed layer by layer. Monthly all-staff safety production meetings are held to summarize the work of the month, ensuring that safety production activities are planned, inspected, implemented, and taught, to eliminate potential accidents in their incipient stages. The production base conducts pre-shift safety education daily, reminding employees to pay attention to safety matters and enhance their safety awareness.

► Safety Production Standardization Certification, Creating a Safe and Efficient Production Environment

In 2022, after rigorous review and assessment, the production base officially obtained the Safety Production Standardization Certification. This certification affirms and recognizes the production base's efforts in safety production management and is a result of continuous efforts to improve safety management levels.

The Safety Production Standardization Certification is a comprehensive evaluation of a company's safety production management, covering the company's safety management system, operating procedures, equipment, and working environment, among other aspects. Obtaining this certification indicates that the production base has met national standards and industry requirements in safety production, possessing a well-developed safety management system to achieve better safety performance.

▶ Actively Conduct Safety Education and Training, Enhancing Safety Management Levels

The production base consistently prioritizes safety education and training. New employees must undergo three levels of safety education—from the company, workshop, and team—and must pass an exam before being allowed to work. Incumbent employees undergo retraining each year for no less than 8 hours to ensure they are proficient in safety operating procedures and emergency measures. Safety management personnel and occupational health management personnel are also trained and assessed annually. Operators of special equipment are 100% certified for their positions. The organization conducts widespread legal and regulatory education, safety knowledge learning, safety skills training, and safety operating procedures education. It regularly organizes emergency drills for special situations like mechanical injuries and electric shocks, covering 100% of employees. In daily operations, team leaders conduct safety education before each shift, reminding employees of safety matters and enhancing safety awareness. The production base integrates production site management, safety culture development, and hazard identification with training content for predictive control, increasing employee participation, and significantly improving safety management levels.



Safety education and training at the production base

▶ Strengthening Safety Inspections to Eliminate Safety Hazards

The production base regularly conducts comprehensive safety inspections involving personnel, machinery, materials, methods, and environmental factors. It promptly assesses and rectifies any identified safety hazards (such as adding upper limit switches to bridge cranes, incorporating infrared sensors and dual foot pedals to bending machines, adding dual emergency stop buttons and protective nets to production equipment, installing foreign object prevention devices at production inlets, and upgrading to intelligent smoke alarms for electrical equipment). These upgrades and modifications are validated through production processes to ensure they are both safe and effective.

▶ Occupational Health Management and Labor Protection

The production base adheres to the policy of "prevention first, combined prevention and treatment" and diligently implements the Occupational Disease Prevention and Control Law. Efforts are intensified in promoting education about occupational disease prevention and the use of labor protection items, aiming to enhance employees' awareness of the importance of occupational disease prevention. In accordance with national regulations, CENTER provides employees with labor protection items, such as safety helmets, work uniforms, protective shoes, gloves, dust masks, and noise-canceling earplugs. CENTER Organizes regular occupational health examinations for employees based on the type and level of occupational hazards. CENTER establishes occupational health and employee health records that detail each worker's health status; conducting annual detection of occupational hazard factors and publicly disclosing the results. CENTER also equips workshops with advanced dust-proof units and soundproofing facilities, significantly improving the working environment and reducing the risk of occupational diseases.

▶ Regular Organization of Fire Safety Training and Safety Drills



Fire drill scene

To enhance employees' awareness of fire safety and their ability to respond to emergencies, the production base regularly organizes fire drills and emergency evacuation exercises. Through these drills, employees become more familiar with fire escape routes, learn the correct use of fire extinguishers, and master escape techniques, thereby improving their ability to respond to fire incidents and truly achieving the goal of understanding and mastering fire safety "four knows and four abilities." On June 28, 2023, and November 9, 2023, the production base organized fire drills and emergency evacuation exercises, respectively, with an employee participation rate of 85%, achieving positive results.

The production base always prioritizes the safety of employees' lives, strictly adheres to national laws and regulations, and ensures employee safety and health comprehensively through establishing and enforcing a thorough safety management system, providing comprehensive safety education and training, equipping with advanced facilities and labor protection items, organizing regular occupational health checks, and conducting fire safety drills. The company's people-oriented management philosophy not only elevates the level of enterprise safety management but also creates a safer and healthier working environment for employees.

Construction Site Safety Management

▶ Safety Management Philosophy

Centered on the development of a safety culture, we start with enhancing safety awareness, improving safety knowledge and skills, and identifying and eliminating safety risks and hazards to ensure that projects under construction are safe throughout the entire process. We resolutely implement the safety philosophy of "three type of person must in charge of safety"—the one who manage the industry, business as well as production and operations must in charge of safety. This would eliminate hazards from the source and preventing safety accidents during the construction process.

▶ Safety Production (Construction) System

CENTER has established a complete safety management organizational system, clarified the responsibilities of all parties, implemented all safety management systems strictly. Besides, CENTER regularly carried out safety hazard inspections, continuously strengthened safety training, strictly adhered to job responsibilities, and implemented safety hazard rectification to eliminate hazards and non-conformance items.

▶ Safety Management Activities Including the Following Work

- Adhering to the daily pre-shift meeting system for projects under construction
- The Group holds monthly safety meetings
- Carrying out major safety inspections in June and December each year
- Immediately stopping hidden dangers found in construction projects and providing targeted safety education at the same time

In 2023, a total of **303** people, including senior managers and heads of sales participated in safety production inspections, with a cumulative of **374** safety inspection sessions.

▶ Rectification of Key Areas

According to the Work Safety Law of the People's Republic of China and other relevant policies and regulations, CENTER conduct constant monitoring and inspection for major hidden dangers such as high-altitude falls, object strikes, lifting and hoisting, temporary electricity use, temporary structure stability, and concentrated temporary loads on the roof system.

▶ Construction of Safety Culture

The foundation of safety culture originates from safety awareness, the establishment of safety awareness originates from safety knowledge and skills, and safety knowledge and skills originates from laws, operational procedures, hazard identification ability, and hazard elimination ability.

- If safety hazards are discovered during the construction process, they must be stopped, reported, and eliminated promptly
- Safety culture is reflected in the operational behavior of each operator and the management behavior of each manager

Emergency Capacity Enhancement Training

In 2023, the company organized multiple activities such as fire drills to enhance employees' safety awareness and emergency response and rescue capabilities.

Organizing Employee Health Trainings

On July 6, 2023, to care for the physical and mental health of employees and help them improve their self-health management abilities, the company invited professional training instructors to give lectures in the lecture hall of the headquarters. The course content included: "Basic disease protection and response for hypertension, diabetes, hypoglycemia, etc.; as well as CPR and Heimlich maneuver emergency methods."



Health knowledge and emergency skills training

Fire Safety Training for New Graduates

On July 18, 2023, the company conducted "Fire Safety Knowledge Training" and "Basic Firefighting Skills Practice Training" for new hires from the 2023 fresh graduates. This allowed new employees to understand the fire safety requirements and precautions for company accommodations and office spaces. Through hands-on training, we cultivate "prospective firefighters" who "don't panic when they see a fire and put it out with fire extinguisher".



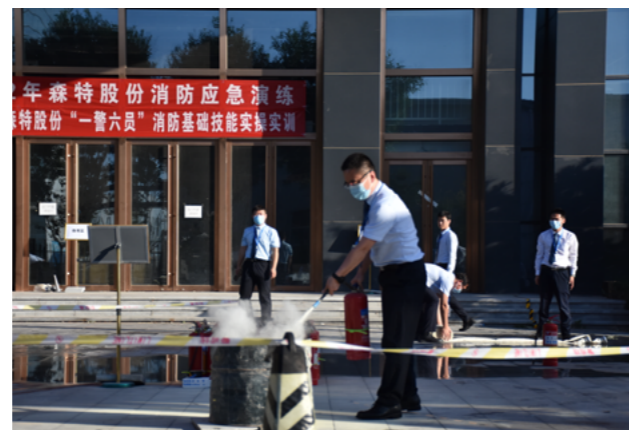
Fire safety knowledge training for fresh graduates in 2023

Conducting Fire Safety Knowledge Competitions and Organizing Fire Evacuation Drills

From November 6 to 8, 2023, the company held a fire safety knowledge competition. On November 9, to ensure that office building personnel are familiar with escape routes and self-rescue measures, the Group Office organized a fire evacuation drill at the headquarters building.



Fire drill in CENTER's headquarters



3.3 Community Improvement

In the new situation, actively participating in public welfare has become an undeniable responsibility for enterprises. In recent years, while developing itself, CENTER has kept in mind its social responsibility and commitment. By actively participating in social welfare and charity activities, it strives to give back to society and become a practitioner promoting common prosperity.

Active Participation in Public Welfare and Charity Activities

CENTER actively participates in public welfare and charity activities. In recent years, the company has made donations to the Beijing University of Chemical Technology Education Fund, University of Science and Technology Beijing, China Commission of Promotion of Publicity for the Undertakings of Chinese Disabled Persons, the China Federation of Industry and Commerce's targeted poverty alleviation charity project, the Classic Inheritance "Analects" Calligraphy Public Welfare Project, the front line of the fight against the novel coronavirus pneumonia, and the Chinese Society of Soil Science's Graduate Scholarship Fund for Soil Biology and Bioremediation. Some of the donations include:

- Donated 1 million RMB to the Beijing University of Chemical Technology Education Fund
- Donated 3 million RMB to the China Commission of Promotion of Publicity for the Undertakings of Chinese Disabled Persons
- Donated 4 million RMB to University of Science and Technology Beijing
- Donated 2 million RMB to the front line of the fight against the novel coronavirus pneumonia through the Beijing Glory Society

The company actively participates in various charitable activities. In 2022 and 2023, the company organized employees to participate in voluntary blood donation, with a total of over 130 participants. In 2023, when Fangshan District in Beijing suffered from severe flooding, the company's Labor Union organized visits to affected employees' families. Employees were also organized to actively participate in the Economic Development Zone's volunteer activities, with 8 people participating in traffic road guidance.



Donations to fight the epidemic



Donations to University of Science and Technology Beijing



Donations to the "Analects" Calligraphy Public Welfare Project



Donation Ceremony for The Fund of Soil Biology and Bioremediation Award for Graduate Students, Soil Science Society of China



Donations to Beijing University of Chemical Technology

Promoting the Development of Local Communities and Schools

In addition to charitable donations, CENTER also effectively promotes the development of the communities and schools where its projects are located.

In 2022, CENTER Group's employees worked for the Chongqing Steel Project built a science popularization plantation for Dadukou Yucai School, solving the school's lack of a place for labor practice activities.

On June 14, 2023, the company participated in the Youth Soil Pollution Prevention, Control and Remediation Science and Technology Innovation and Popular Science Practice "Unveiling and Commanding" project in Hefei province. This project mainly targets young scientific and technological workers to carry out technological breakthroughs and college students for science popularization. By the means of government and enterprise task announcements, competitive unveiling, and contract signing, it builds a professional cooperation platform for young entrepreneurial enterprises, research institutions, young scientific and technological workers, and college students, building a bridge for in-depth integration of government, enterprises, schools, and research institutes.



Thank-you letter from Dadukou Yucai Elementary School



Launch ceremony for youth soil pollution prevention and control and remediation science and technology innovation and popular science practice "Unveiling and Commanding" project in Hefei province

3.4 Responsible Supply Chain

CENTER consistently insists on the "Transparent Procurement" and established strict examining mechanisms for supplier selection and admission. CENTER established strict management systems for material procurement management, supplier delivery, material acceptance, and payment settlement. CENTER insists on "complete honesty" and "transparent performance" with all suppliers, and insists on price sharing and win-win cooperation with all partners. At the same time, CENTER has established a strict audit systems to protect the "Transparent Procurement" policy.

Responsible Supply Chain - Materials

Supply Chain Management System

Supply Chain Management

CENTER adheres to the Business Philosophy of "Win-win Cooperation with all partners", continuously deepening the concept of supplier cooperation and optimizing the management system of the supply chain. CENTER formulated the system such as the "Supplier Development and Management System", and "Supplier Management Measures", to standardize the qualified supplier classification criteria and management processes, and to conduct structured graded management and performance evaluations of suppliers.

CENTER strengthens the supplier management by conducting regular assessment, which including evaluations of the suppliers' basic enterprise information, core culture, vision, and core competitiveness, main production and inspection equipment, professional technical level, and R&D capability, production and operation status, quality control systems, main materials and accessory products channel, logistics and after-sales services. Additionally, CENTER focus on evaluating the degree of overlapping between the suppliers' product and CENTER's strategic development, payment method for contract performance, and the degree of responsiveness to payment terms requirements and other elements. For major suppliers, CENTER ensures at least one assessment per year, and based on the assessment scores, classifies the suppliers into four levels: A, B, C and D.

To ensure a harmonious and cooperative relationship with companies of the supply chain, CENTER plans to implement the following incentive measures for long-term cooperation and friendly partner suppliers, such as: exemption of bid bonds, exemption of performance bonds (10% of the total contract price), provision of advance payments, exemption of advance payment guarantees, priority cooperation under equal conditions, reduction of warranty fund ratios, and strategic cooperation (signing framework agreements), and so on.

Key Supply Chain Management Performance

Currently, there are approximately **1,250** "material suppliers" in collaboration, with about **350** being key "material suppliers." Suppliers are primarily distributed in the Beijing-Tianjin-Hebei Region, the Yangtze River Delta, and the Pearl River Delta, accounting for about **70%** of the total number of suppliers in these three regions.

Approximately **220** suppliers were reviewed in 2023, accounting for about **63%** of key suppliers.

Supply Chain Communication and Empowerment

To ensure the continuous technological leadership in products and solutions and build a harmonious ecosystem, CENTER regularly organizes relevant training and product technical exchanges with suppliers. Meanwhile, CENTER establishes special cooperation projects to support suppliers in various aspects of product innovation and technological improvement.

In 2023, there were **30** supplier exchange and training sessions.

In 2023, the supplier exchange activities covered more than **200** suppliers of main materials, auxiliary materials, processing, etc.



Supply chain product development joint working meeting



Regular technical exchange meeting with suppliers

▶ Supplier Integrity and Compliance

CENTER consistently adheres to transparent and fair business principles, promoting and practicing the "Business Philosophy" of "Adherence to Principles and Pragmatism", and strictly monitors the integrity and compliance of the procurement process. By signing the "Anti-Commercial Bribery Agreement" with the suppliers, CENTER requires all suppliers to strictly adhere to ethical business practices and standardized procurement processes. Meanwhile, CENTER formulated the Group level audit-related systems to conduct the "full-coverage" reviews of all procurement contracts.

In 2023, approximately **17** suppliers were terminated due to non-compliance, accounting for about **1.4%** of the total number of suppliers.

■ Responsible Supply Chain - Labor

▶ Labor Subcontracting Management

CENTER understands the importance of the labor subcontracting management in ensuring on-time project delivery and the quality of the construction. Therefore, CENTER has established a series of management systems, such as the "Labor Subcontracting System", and "Labor Fine Management Measures". By implementing the strict labor subcontractor selection and evaluation system, CENTER ensure that all outsourcing partners adhere to CENTER's labor subcontracting management system and ESG management standards.

▶ Standardizing Labor Management

In order to standardize the labor subcontracting management on the construction sites, maintain harmonious cooperation with the labor subcontractor, and establish a long-term labor management mechanism, the Labor Management Department of CENTER established the "Labor Management Department Work Manual", by considering actual conditions and the Group's management requirements. This manual clarifies the management requirements and implementation process in three major stages: project management before the labor subcontractor entering the construction site, subcontractor management, subcontracting process management.

CENTER conducts annual grading evaluations of labor subcontractors, focusing on the factors such as the scale of self-owned labor force, cooperation status, coordination, bid management, production value, safety and civilized construction management, construction quality management, material management, schedule assurance, integrity operation status, coordination, and safety production inspections, etc., classifying the labor subcontractors into four category with the fourth category suppliers are to be eliminated. In 2023, the annual evaluation listed of qualified labor subcontractors is **130** in total.

▶ Ensuring Laborers Rights

Strengthening Labor Protection

To ensure the safety of laborers at the construction sites, CENTER has strict regulations: all project contracts must include the "Mandatory Safety Standards for On-Site Construction," which are strictly enforced on projects. These standards include core content such as "construction workers must have accident insurance," and specific requirements for "safety helmets, safety belts, and non-slip shoes".

CENTER is committed to ensuring that construction site personnel work in a safe environment, reducing accident risks, and protecting the health and safety of construction workers. CENTER also emphasizes safety awareness among construction workers, offering safety training courses covering safe operation procedures, hazard identification and prevention, and first aid knowledge.

CENTER regularly organizes the safety education conferences, safety emergency drills and other activities to enhance safety and emergency response awareness of the construction workers, maximizing the safety and health of the workers at the construction site.



Safety education conferences



High-altitude fall emergency drills

Protecting the Rights of the Subcontractor Migrant Workers

In order to protect the rights of the migrant workers, CENTER requires all labor subcontracting contracts must explicitly include a wage margin guarantee clause for migrant workers. Meanwhile, CENTER requires the labor subcontractor must co-sign the "Migrant Worker Wage Settlement Statement" with the migrant workers. CENTER regularly conducts the holiday greeting and welfare distributions to workers involved in project construction to enhance their job satisfaction, sense of belonging, and cohesion. CENTER is dedicated to maintaining the common rights and interests of the labor subcontractor and the migrant workers, to creating the fair, equal, and harmonious labor relationship environment.



Holiday greeting and welfare distribution activity

▶ Labor Subcontractor Integrity and Compliance



CENTER supplier and subcontractor integrity and self-discipline conference

CENTER continuously strengthens the "Core Values" of "Integrity, Dedication, Care, and Innovation", and attaches great importance to the integrity and compliance of the labor subcontracting management. CENTER strengthens the management over five key stages which are prone to corruption (admission, decision-making, procurement, settlement, and payment).

When signing the labor contracts with the subcontractors, CENTER simultaneously signs the "Anti-Commercial Bribery Agreement", specifying anti-corruption obligations, the anti-corruption complaint hotline, and other contents. Meanwhile, CENTER enhances integrity communication activities with the labor subcontractors, regularly holds the "Supplier and Subcontractor Integrity and Self-Discipline Conference", and builds a harmonious and solid cooperative relationship.

04 Compliant Operation to Ensure a Steady Development

CENTER adhere to standardized governance, firmly believing in the business philosophy of long-term steady development. CENTER attaches great importance to compliance operations, advocates pragmatic development, adheres to the business bottom line, and follows business ethics. CENTER actively maintains communication with all stakeholders, responds to their concerns, establishes and maintains a good corporate image as a listed company. CENTER is willing to work together with all stakeholders to create a bright future for the enterprise.

4.1 Standardize Corporate Governance

4.2 Value The Investor Relations Management

4.3 Strict Compliance and Risk Control Management

4.4 Abide by Business Ethics

SDGs addressed in this chapter (United Nations Sustainable Development Goals)



Operational Performance:

- Annual revenue: **3.515** billion RMB
- Net profit attributable to shareholders of the listed company in 2023: **57.8012** million RMB
- Total assets by the end of 2023: **6.427** billion RMB

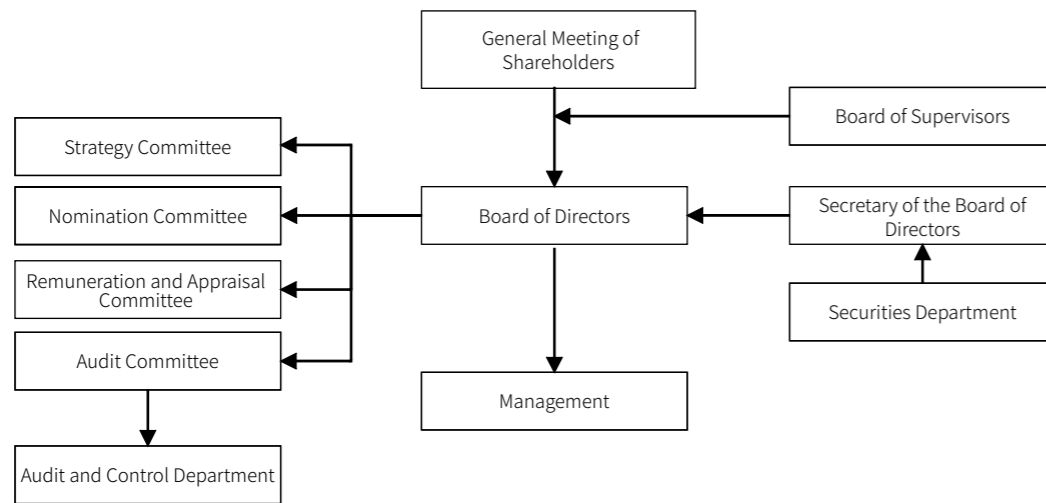
Compliance Management:

- In 2023, **58** projects under construction were inspected and supervised for compliance operation
- In 2023, **18** key suppliers were visited, for advocating business integrity and improving the supplier management system process

4.1 Standardize Corporate Governance

CENTER, in accordance with the "Company Law of the People's Republic of China", the "Securities Law of the People's Republic of China", the "Code of Corporate Governance for Listed Companies", the "Rules Governing the Listing of Stocks on Shanghai Stock Exchange" and other relevant laws and regulations, based on the "Articles of Association," has established and continuously improved a governance structure composed of the Shareholders and Annual General Meeting, the Board of Directors, the Board of Supervisors, and senior management. Meanwhile, CENTER further strengthens scientific decision-making, operates in accordance with the law, and standardizes management. The General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the Managers of the Company have a clear division of responsibilities, each performing their duties, fulfilling their duties, and being faithful and diligent. Independent directors and the secretary of the board fulfill their duties in accordance with relevant regulations, and there was no illegal and no non-compliant incidents during the report period, and the Company continued to develop healthily.

Governance Structure



CENTER's governance structure

The General Meeting of Shareholders is the authority of the company, the board of directors is the decision-making institution, and the board of supervisors is the supervisory institution. The Board of Directors has a Strategy Committee, a Nomination Committee, a Remuneration and Appraisal Committee, and an Audit Committee. The Board of Supervisors is the company's supervisory institution, which is responsible to the General Meeting of Shareholders.

Shareholders and General Meetings

The General Meeting of Shareholders is the highest authority of the company, and makes decisions on the company's business policies and investment plans in accordance with the law. In strict accordance with the "Articles of Association", "Rules of Procedure for Shareholders' General Meeting" and other laws and regulations, CENTER regulates the convening of the Shareholders' General Meeting to ensure the shareholders' rights to information, participation, inquiry, and voting, and actively listens to investors' suggestions on corporate governance and sustainable development. During the reporting period, CENTER held **3** shareholders' meetings.

Directors and the Board of Directors

The board of directors is the company's operational decision-making body, responsible for the decision-making and management of the company's critical matters. Four specialized committees have been established under the Board of Directors, each performing its duties to standardize and supervise the management of the company's organization and behavior.

In 2023, CENTER held **5** board meetings in the company meeting room through on-site and teleconference methods, with all directors attending. Each director attended the board meetings seriously, deliberated on every proposal, and fulfilled their responsibilities with diligence.

Independent Directors: **3/8** Female Director: **1/8** Directors over 50 years old: **6/8**

The independent directors on the board, composed of experts in finance, macroeconomic research, environmental protection and other fields, contribute to more scientific and rational decision made by the board.

Supervisors and the Board of Supervisors

Board of supervisors is the company's supervisory body. CENTER has established the board of supervisors in accordance with relevant laws and the "Articles of Association".

CENTER's supervisors, in accordance with the "Rules of Procedure of the Board of Supervisors", effectively perform their supervisory duties, overseeing major matters and financial conditions of the company. In 2023, CENTER held **5** meetings of board of supervisors, in the company meeting room through both on-site and teleconference methods, with all supervisors attending. The meetings of board of supervisors deliberated **26** proposals, with a **100%** approval rate.

The board of supervisors has **3** members, including **1** external supervisor, **1** female supervisor; **1** over 50 years old, **2** under 50 years old.

4.2 Value the Investor Relations Management

CENTER actively and strictly fulfills its information disclosure obligations. On the premise of ensuring legal and compliant information disclosure, CENTER uses various channels such as the company website, SSE e-Interactive, and investor hotlines to inform investors about the company's production and operation performance, safeguarding the legal interests of all shareholders.

Information Disclosure

In 2023, CENTER held **2** performance briefing sessions:

- "CENTER, the Presentation Meeting on FY2022 and Q1 2023 Performance and Cash Dividends" held on May 17, 2023, from 16:00-17:00
- "CENTER, the Presentation Meeting on 2023 Semi-Annual Performance Presentation" held on September 25, 2023 (Monday), from 13:00-14:00

In 2023, CENTER issued **53** external information disclosure announcements.

Internal Investor Protection Activities

Investor protection education activities were widely carried out within the company through the company's OA office system and information workgroup. In 2023, a total of 8 activities were held, including: "December 4th national constitution day and constitution publicity week in 2023", "Annual investigation of investor knowledge, exercise, and protection status in 2023", "Investor education special activities", etc.

4.3 Strict Compliance and Risk Control Management

Compliance is the foundation of long-term steady operation of all enterprises. CENTER places great importance on the compliance management, and insists on maintaining the balance among the three control segments (prior, during and after the events). CENTER continuously improves the compliance management systems, and strengthens the compliance operation and supervision mechanism, and fosters the compliance culture, to improve the level of compliance performance and to guarantee the orderly development of company's all businesses.

Compliance Management System

According to the compliance governance requirement of the higher-level regulatory authorities and needs of operation and management, CENTER continuously improves the internal control and compliance management mechanism. All departments and business units continuously promote the construction and improvement of internal control and management mechanisms, based on the needs of business development and the requirements of standardized and institutionalized management.

CENTER has established the control systems such as "System for Combating Corruption and Upholding Integrity", "Cadre Departure Audit System". CENTER built annual routine and special audit mechanisms, to strengthen the supervision and inspection of the system construction, as well as implementation of various departments and business units. CENTER continuously enhanced monthly inspections and quarterly audits of projects under construction. CENTER keeps strengthening annual control audits of subsidiary companies. CENTER continuously advances the "Combating Corruption and Upholding Integrity" efforts. CENTER keeps enhancing supplier compliance management. CENTER organized anti-corruption self-discipline education and training for cadres above the "manager level" and personnel in critical risk position, to create a "clean and upright" cultural atmosphere. CENTER improved legal risk prevention mechanisms and strengthened contract risk reviews and legal litigation management mechanisms.

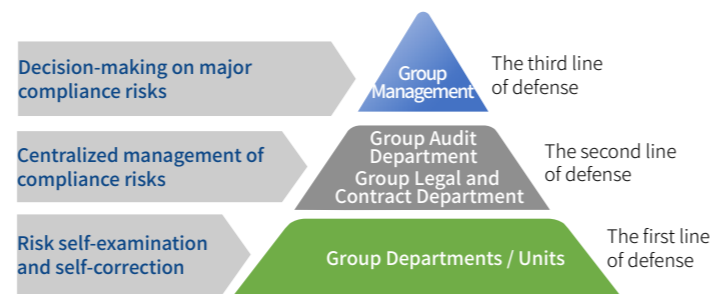
Compliance Management Organization

CENTER established a three-level corporate compliance and risk control management mechanism at the organizational level:

Each Group department and unit are responsible for the daily compliance management of its own department and unit, improving internal control management systems and optimizing internal management processes;

The Group Audit Department leads the Group's compliance management and audit work, auditing the execution of internal control systems of various departments and business units, identifying problems and supervising rectification. The Group Legal and Contract Department is responsible for the legal review of contracts and agreements and the tracking of litigation matters, establishing a legal and compliance risk prevention and control system;

Major compliance and risk management matters need to be timely reported to the group Management for decision-making.



Compliance Operation and Supervision

CENTER continuously promotes the compliance management efforts. In 2023, we mainly accomplished:

- Completed the annual Group internal control evaluation work
- Completed internal control audits of 2 subsidiary companies and 4 branch companies of the Group
- Completed inspections of **58** projects under construction
- Assessed projects under construction **1** time quarterly
- Completed visits to **18** key suppliers
- Completed the audit of departing cadres according to relevant regulations
- Completed the signing of the "Anti-Commercial Bribery Agreement" with new suppliers and the "Integrity and Self-Discipline Commitment" with new cadres above the "manager level"

In 2024, CENTER will further improve compliance management and audit mechanisms, and establish a system of written notification letters of audit opinions, and increase on-site inspections through the "Four Noes and Two Straight" (No notice, no greeting, no report, no reception, go straight to the primary-level, go straight to the site) approach, expand the coverage of supplier visits, strengthen anti-corruption efforts, and advance the improvement of compliance management.

4.4 Abide by Business Ethics

CENTER strictly adheres to the business ethics of honesty, integrity, and self-discipline, abides by the CENTER's corporate culture guidelines, maintains strict work discipline, creates a clean and upright atmosphere, establishes effective reporting channels, to ensure fairness and justice, to prohibits corruption and bribery. At the same time, CENTER places great importance on privacy and information protection, improves systems of the information security and protection, enhances security promotion and training, and effectively raises employees' awareness of confidentiality.

Anti-Corruption and Promoting Integrity

Anti-Corruption Mechanism

CENTER insists on a "zero tolerance" attitude towards all violations of business ethics, and will never tolerate and strictly punish any corruption in the business activities. CENTER strongly promotes the culture of integrity and self-discipline, which has been integrated into the company's culture and will continuously influence every employee and manager. CENTER established the "CENTER Anti-Corruption and Integrity Management System", to specify the anti-corruption measures in every single detail and continuously advancing the implementation of every system and measure.

Carry out Anti-Corruption and Promoting Integrity Learning and Training

- For staff above the "manager level", CENTER provides learning materials according to the training plan to improve the anti-corruption and integrity awareness of each carder
- Arranged the special integrity learning session in the management meetings, using the methods such as playing integrity videos, study integrity articles, learning warning book and other forms to strengthen the safety consciousness. Organized internal and external lecturers to conduct the anti-corruption lectures and training
- Added integrity and self-discipline training content to related training activities of the sales teams, and strengthened integrity training and guidance for new employees

Organize Integrity Talks

- For procurement, labor management, finance, and other key positions of the company, organized one talk of integrity every six months
- For new employees of key positions and newly promoted employees above the "manager level", organized one talk of integrity

Sign Integrity Agreements

- During the process of material procurement and labor contracting, we asked the new suppliers to sign the anti-bribery agreements and require all suppliers to strictly adhere to the clean business ethics and the procurement standards and processes
- For newly employed cadres above the "manager level" and key risk position personnel, signed the "Integrity Self-Discipline Commitment"
- For newly employed staff above the "section level", organized the signing of the "Non-Compete Agreement"

Regular Reporting and Inspection Mechanism

- The monthly integrity situation reporting mechanism is established for cadres above the "manager level" and personnel in the key risk positions
- Regular self-inspections are organized in key departments such as procurement department and labor management department

In 2024, CENTER will focus on key areas and important links of the integrity works to continuously intensify the effectiveness of anti-corruption activities. And we will strengthen "Anti-Corruption and Integrity" education and training and cultivate the "Culture of Integrity" to continuously advance the improvement of the company's compliance management.

▶ Reporting and Handling

In order to protect the company's legal interests and the behavior of the whistleblowers, as well as ensure that violations can be handled objectively and fairly, CENTER opens the public reporting channels (such as reporting box, real-name reporting, e-mail, etc.). CENTER clearly defines the institutional form of the investigation and reporting, and the mechanism of the reward and punishment, to effectively encourage employees, customers, and other stakeholders to report the misconducts.

At the same time, CENTER focuses on the protection of the whistleblowers, and keeps the information, the clues, and the materials of the whistleblower confidential. CENTER implements the "One-Vote Veto" for the corrupt behavior. And once the reporting information is verified, it will be strictly executed according to the company's related management systems and regulations.

■ Privacy and Information Security Protection

▶ Data and Information Confidentiality

CENTER places great importance on data and information confidentiality, continuously strengthening privacy and information security protection. Based on national regulations such as the "Personal Information Protection Law of the People's Republic of China" and combining with the company's actual situation, CENTER established an information confidentiality management mechanism, to centralize the responsibility and graded management of the company's confidential information. The confidential information may not be browsed, reproduced, disseminated, tampered with, or used without prior approval; and the employees' personal information shall be kept strictly confidential and shall not be disclosed to others in any form.

▶ Network Security Construction

CENTER attaches importance to the construction of the network security system. In 2023, CENTER clarified the overall security strategy of the Group's network construction through analyzing the current state and issues of the Group's informatization, as well as the current security risks. Additionally, CENTER plan to build the overall architecture of the Group's network security from three aspects of the security technology system, security management system, and the operation support system. In the next step, CENTER will formulate specific implementation programs and operation and maintenance plan according to the national standards and norms, to continuously advance the implementation of various tasks, and strengthen the company's network information security protection network.

▶ Intellectual Property Protection

CENTER attaches great importance to the protection of intellectual property, and has released the Group's "Intellectual Property Management System" to clarify the work organizations, grading management, information retrieval, intellectual property application, outcome determination, implementation and maintenance, violations, rewards and punishments, and other work requirements. CENTER encourages R&D personnel to apply for the protection of the intellectual property, and strengthens the review process of the intellectual property applications, to effectively improve the quality of the patent applications. CENTER classifies and grades the management of intellectual property, establishes the information files and databases of the intellectual property, strictly controls the approval of external transfers of intellectual property rights, and strengthens the protection of intellectual property rights through multiple measures.



Appendix

■ ESG Key Performance

Type	Indicator items	Performance in 2023	Remark
1.Economic performance			
Operating Revenue	Operating revenue (billion RMB)	3.515	
Net Profit	Net profit attributable to shareholders of the listed company (million RMB)	57.8012	
Total Assets	Total assets (billion RMB)	6.427	
2.Research Performance			
I.Investment in Technological R&D			
Financial Input	R&D investment (million RMB)	125	
Percentage of R&D Investment Against Operating Revenue	Percentage of R&D investment against operating revenue (%)	3.55%	
II.Intellectual Property Innovations:			
Patent	Cumulative number of patents (items)	300	By the end of 2023
Computer Software Copyright	Cumulative number of computer software copyrights (items)	37	
Trademark	Cumulative number of trademarks(items)	20	
3.Environmental Management Performance			
I.Energy Consumption and GHG Emissions			
Direct Energy Consumption	Gasoline(t)	264.98	
	Diesel(t)	9.69	
	Natural gas(m ³)	25,361	
Indirect Energy Consumption	Purchased electricity(MWh)	2,157.88	
	Heat/Steam(GJ)	7,306	
Greenhouse Gas Emissions	Greenhouse Gas emissions: Scope 1(tCO ₂ e)	862.71	Gasoline, Diesel, Natural gas
	Greenhouse Gas emissions: Scope 2(tCO ₂ e)	2,295.27	Purchased electricity and heat (Steam)
	Total Greenhouse Gas emissions(tCO ₂ e)	3,157.98	Greenhouse Gas emissions (Scope 1 and Scope 2)

Type	Indicator items	Performance in 2023	Remark
II. Water Usage			
Water Usage	New water(municipal water)(m ³)	38,829.14	
III. Disposal of Wastes			
Waste Management	Compliance disposal rate (%)	100%	
Remarks: 1. Scope of data statistics: daily operation energy consumption and new water consumption of the Group headquarters office area, production base, subordinate branch and holding subsidiary; 2. The carbon emissions of purchased electricity are calculated by referring to the average carbon dioxide emission factor of regional electricity in 2021 released by the state on April 12, 2024.			
4. Social Performance			
I. Staff Employment			
Headcount	Total number of employees(persons)	1,612	
II. Employee Care & Growth			
Staff Training	Average training hours of employees (hours)	31.2	
Union Membership	Union membership rate (%)	100%	
Occupational Health Examination	Proportion of occupational health examination for key production personnel (%)	100%	
III. Employee's Rights and Interests			
Signing of Labor Contracts by Law	Labor contract signing ratio(%)	100%	
IV. Supplier Communication and Empowerment			
Supplier Empowerment	Supplier exchange and training (times)	30	
5. Governance Performance			
I. Corporate Governance			
Corporate Governance	Proportion of independent directors on the board of directors	3/8	
	The proportion of female directors on the board	1/8	
Information Disclosure	Announcement on External Information Disclosure (articles)	53	
II. Compliance Management			
Supplier Compliance	Annual inspection number of projects under construction (numbers)	58	

[Note] : Some data are consistent with the company's annual financial report.

GRI Content Index

GRI Standard	Disclosure items	Position in this report
GRI 2: General Disclosures 2021	2-1 Organizational details	About CENTER
	2-2 Entities included in the organization's sustainability reporting	About This Report
	2-3 Reporting period, frequency and contact point	About This Report
	2-5 External assurance	Assurance Statement
	2-6 Activities, value chain and other business relationships	About CENTER
	2-7 Employees	3.1 Employee's Welfare
		Sustainable Development Philosophy of CENTER
		ESG Governance
	2-9 Governance structure and composition	2.2 Addressing the Risks of Climate Change 4.1 Standardize Corporate Governance
	2-10 Nomination and selection of the highest governance body	4.1 Standardize Corporate Governance
	2-11 Chair of the highest governance body	4.1 Standardize Corporate Governance
	2-12 Role of the highest governance body in overseeing the management of impacts	ESG Governance 4.1 Standardize Corporate Governance
	2-13 Delegation of responsibility for managing impacts	ESG Governance 4.1 Standardize Corporate Governance
2-14 Role of the highest governance body in sustainability reporting	ESG Governance 4.1 Standardize Corporate Governance	
2-15 Conflicts of interest	4.2 Value the Investor Relations Management	
	ESG Governance	
2-17 Collective knowledge of the highest governance body	2.2 Addressing the Risks of Climate Change 4.1 Standardize Corporate Governance	
2-22 Statement on sustainable development strategy	Chairman's Statement Sustainable Development Philosophy of CENTER	
2-23 Policy commitments	4.3 Strict Compliance and Risk Control Management 4.4 Abide by Business Ethics	
2-27 Compliance with laws and regulations	4.3 Strict Compliance and Risk Control Management	
2-29 Approach to stakeholder engagement	Stakeholder Engagement	
2-30 Collective bargaining agreements	3.1 Employee's Welfare	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment
	3-2 List of material topics	Materiality Assessment
	3-3 Management of material topics	Materiality Assessment
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	ESG Key Performance
	201-2 Financial implications and other risks and opportunities due to climate change	2.2 Addressing the Risks of Climate Change
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Dual Carbon Era Calling CENTER to promote the construction industry to reduce carbon emissions 1.1 Leading Technology Through Constant R&D Innovation
	203-2 Significant indirect economic impacts	Dual Carbon Era Calling CENTER to promote the construction industry to reduce carbon emissions 1.1 Leading Technology Through Constant R&D Innovation 3.3 Community Improvement
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	3.4 Responsible Supply Chain

GRI Standard	Disclosure number	Position in this report
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	4.4 Abide by Business Ethics
	205-2 Communication and training about anti-corruption policies and procedures	4.4 Abide by Business Ethics
	205-3 Confirmed incidents of corruption and actions taken	4.4 Abide by Business Ethics
GRI 301: Materials 2016	301-2 Recycled input materials used	2.3 Green Concept Through Project Life Cycle
	301-3 Reclaimed products and their packaging materials	2.3 Green Concept Through Project Life Cycle
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Attached Table: The Consumption Data of Energy and New Water (Municipal Water) for the Group in 2023
	302-4 Reduction of energy consumption	2.3 Green Concept Through Project Life Cycle
	302-5 Reductions in energy requirements of products and services	2.3 Green Concept Through Project Life Cycle
GRI 303: Water 2016	303-1 Interactions with water as a shared resource	2.3 Green Concept Through Project Life Cycle
	303-2 Management of water discharge-related impacts	2.3 Green Concept Through Project Life Cycle
	303-3 Water withdrawal	Attached Table: The Consumption Data of Energy and New Water (Municipal Water) for the Group in 2023
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	Corporate Mission Leading CENTER into the Field of Soil and Groundwater Remediation
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	2.3 Green Concept Through Project Life Cycle
	305-2 Energy indirect (Scope 2) GHG emissions	2.3 Green Concept Through Project Life Cycle
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	2.3 Green Concept Through Project Life Cycle
	306-2 Management of significant waste-related impacts	2.3 Green Concept Through Project Life Cycle
	306-3 Waste generated	2.3 Green Concept Through Project Life Cycle
	306-4 Waste diverted from disposal	2.3 Green Concept Through Project Life Cycle 2.4 Green Office Culture
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	2.3 Green Concept Through Project Life Cycle
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	3.1 Employee's Welfare
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	3.2 Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	3.2 Occupational Health and Safety
	403-3 Occupational health services	3.2 Occupational Health and Safety
	403-5 Worker training on occupational health and safety	3.2 Occupational Health and Safety
	403-6 Promotion of worker health	3.2 Occupational Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.2 Occupational Health and Safety
	403-8 Workers covered by an occupational health and safety management system	3.2 Occupational Health and Safety
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	3.1 Employee's Welfare
	404-2 Programs for upgrading employee skills and transition assistance programs	3.1 Employee's Welfare
	404-3 Percentage of employees receiving regular performance	3.1 Employee's Welfare
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	3.1 Employee's Welfare 4.1 Standardize Corporate Governance
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	3.1 Employee's Welfare
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	3.3 Community Improvement
	413-2 Operations with significant actual and potential negative impacts on local communities	2.3 Green Concept Through Project Life Cycle
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	3.4 Responsible Supply Chain
	414-2 Negative social impacts in the supply chain and actions taken	3.4 Responsible Supply Chain
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	1.2 Quality Guarantee 1.3 Excellent Customer Service: 25 Years of Warranty for BIPV
		1.2 Quality Guarantee 1.3 Excellent Customer Service: 25 Years of Warranty for BIPV
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	1.2 Quality Guarantee 1.3 Excellent Customer Service: 25 Years of Warranty for BIPV
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	4.4 Abide by Business Ethics

Assurance Statement

Independent Assurance Statement

The target stakeholders of this statement: Government Non-Government Organization Clients
Suppliers Investors Customers
Other stakeholders

Responsibilities of the reporting organization and assurance provider: CTI Certification Co., Ltd. (hereinafter referred to as "CTI") is entrusted by CENTER International Group Co., Ltd. (hereinafter referred to as the "Reporting Organization") to assure the sustainable development information disclosed in its 2023 Sustainable Development and ESG Report (hereinafter referred to as the "Report"). The purpose of this process is to provide reasonable assurance for the sustainable information disclosed by the reporting organization, and to provide confidence for stakeholders to make decisions based on the information provided by the reporting organization.

This independent assurance statement is available in both simplified Chinese and English versions, the simplified Chinese version shall prevail.

Assurance standard: AA1000 AS (v3)

Scope:

- Assure the content, background, and application of the report, as well as the quality of sustainable development information presented during the reporting period;
- Evaluate the compliance of the report with the AA1000 Accountability Principles (2018) in terms of inclusivity, materiality, responsiveness, and impact;
- Review the sustainability initiatives, practices, implementation, maintenance, and performance information described in the report;
- Assess the reporting mechanism of sustainability information and its consistency with applicable reporting standards.


Assurance type: Type 2

Subject matters and depth of review:	Subject matters	Level of Assurance
Degree of compliance with AA1000 Accountability Principles (2018)		Moderate Level
Quality of sustainability performance		Moderate Level

Reference to criteria used: ISO 26000 GRI SASB
ISO 14064 IFRS UNSDG
TCFD IIRC HKEX ESG
Others


Sources of disclosures covered: Name of report: 2023 Sustainable Development and ESG Report
Source: Reporting Organization

1/3



AA1000
Licensed Assurance Provider
000-669

Tel: 400-830-5800 / 0755-82720533
Web: www.cti-cert.org
CTI Mail: www.ctimail.com
CTI Academy: www.a.ctimail.com
Company: one A/BF CTI Building, No.4 Liu Xian San Road,
Address: Xin'an Street, Bao'an District, Shenzhen, China.



Methodology: CTI formulated an engagement plan based on the assurance process and conducted the engagement according to the plan. CTI conducted inspections with a professional skepticism attitude, and the assurance activities included the following procedures:

- Based on the process of sampling, understanding, testing and judging the degree to which the reporting organization adheres to the AA1000 Accountability Principles, an evaluation is made of the degree to which the reporting organization adheres to the AA1000 Accountability Principles;
- Conducting management interviews on the effectiveness of the processes that have an impact, including the top management, department managers and managers responsible for sustainable development;
- Based on sampling, reviewing and inspecting the management practices, business processes and evidence-collection processes of the reporting organization;
- Collecting and assessing documentary evidence and management representations that support adherence to the AA1000 Accountability Principles.

Conclusions: Conclusions: According to the AA1000 Assurance Standard (v3), CTI conducted a Type 2 assurance on the sustainable development information disclosed in the 2023 Sustainable Development and ESG Report prepared by the reporting organization. According to the requirements of the AA1000 Accountability Principles (2018), the conclusions are as follows:

The conformity of reporting organization and the report against AA1000 Accountability Principles (2018)

Inclusivity: CTI did not find any deviation between the report and the inclusive principle of AA1000 Accountability Principles (2018). The reporting organization regularly identifies and participates stakeholders, incorporating the concerns of key stakeholders into important considerations for the company's sustainable development. The report meets the requirements of inclusivity.

Materiality: According to the AA1000 Accountability Principles (2018), CTI conducted a substantive evaluation of various aspects of the reporting organization, both internally and externally. CTI believes that the report proposes various issues and boundaries of different business operations of the reporting organization, and that the report meets the requirements of materiality.

Responsiveness: After the assurance of CTI, it is believed that the reporting organization's response to major issues has been defined and reflected in the report. The report meets the responsiveness requirements of the AA1000 Accountability Principles (2018).

Impact: The reporting organization has clear procedures to regularly monitor and measure their sustainable development impact, and has professionals to effectively promote the sustainable development agenda. CTI did not find any situations or issues that had an impact on the ecosystem and surrounding infrastructure, and the reporting organization meets the impact requirements of the AA1000 Accountability Principles (2018).

The quality of sustainability information disclosed in the report

For the sustainability performance in 2023 disclosed in the report, no material errors were found by CTI, as described below:

Gasoline(t)	264.98	Diesel(t)	9.69	Natural gas (m³)	25,361	Purchased electricity (MWh)	2,157.88
Heat/steam(GJ)	7,306	New water (Municipal water) (m³)	38,829.14	Cumulative number of patents (items)	300		
Cumulative number of computer software copyrights (items)	37	Cumulative number of trademarks (items)	20				
Average training hours of employees (hours)	31.2						

2/3



 AA1000 Licensed Assurance Provider 000-669
 Tel: 400-830-5800 / 0755-82720533
 Web: www.cti-cert.org
 CTImail: www.ctimail.com
 CTI Academy: www.a.ctimail.com
 Company: one A 8F CTI Building, No.4 Liu Xian San Road,
 Address: Xin'an Street, Bao'an District, Shenzhen, China.
 

Limitations and mitigation methods

The limitations and mitigation methods of CTI in the assurance process:

- CTI did not conduct assurance on economic performance indicators, and only confirmed the accuracy of economic performance indicators through the verification of audited financial reports;
- CTI did not verify sustainability performance indicators. It only confirmed through interviews and factual evidence that all sustainability performance indicators have clear data sources;
- CTI was unable to provide assurance opinions on the opinions, beliefs, inferences, wishes, expectations, future intentions, and other viewpoints described in the report. However, CTI conducted assurance and issued assurance opinions on both quantitative and non-quantitative factual evidence supporting the above viewpoints;
- CTI will further focus on improving and enhancing the disclosure and management of ESG report information based on the purpose of continuous improvement in future assurance engagement.

Competence and independence of CTI

Founded in 2004, CTI is a professional certification body approved by the Certification and Accreditation Administration of China (CNCA) and accredited by the China National Accreditation Service for Conformity Assessment (CNAS), enjoying an independent third-party impartial status. We have extensive experience in conducting third-party audits for management system certifications in quality, environment, safety, occupational health, energy, as well as environmental information such as greenhouse gases.

Except for the assurance and verification of sustainability data and the report, no member of the assurance team has any business relationship with CENTER International Group Co., Ltd., its directors, executives, or department managers. After the internal impartiality assessment conducted by CTI, we believe that there is no conflict of interest in this assurance engagement.

Assurance Team Leader	Technical Reviewer	Signed by
Liu Tianyi	Lin Wu	General Manager: Zhou Lu
		


 AA1000 Licensed Report 000-669/V3-C5J9U


 CTI Certification Co., Ltd
 Issued on: April 18, 2024
 Place of Issuance: Beijing

3/3



 AA1000 Licensed Assurance Provider 000-669
 Tel: 400-830-5800 / 0755-82720533
 Web: www.cti-cert.org
 CTImail: www.ctimail.com
 CTI Academy: www.a.ctimail.com
 Company: one A 8F CTI Building, No.4 Liu Xian San Road,
 Address: Xin'an Street, Bao'an District, Shenzhen, China.
 

Your Feedback

Thank you for reading this report, which is the first Sustainability and ESG Report publicly released by CENTER. To provide you and other stakeholders with more professional and valuable information on corporate social responsibility, as well as improve our ability to fulfill our responsibilities continuously, please assist us in completing the relevant questions in the feedback form. We would greatly appreciate hearing your opinions and suggestions, and please give us your feedback as follows. We solemnly commit to keeping your personal information in strict confidentiality.

Contact information:

Name: _____

Work Unit: _____

Position: _____

Tel: _____

Email: _____

Your Feedback:

1. Which stakeholder do you belong to?

- Customer Shareholders and investors Employee Suppliers and partners Governments and regulators
 Community NGO Other

2. What is your overall assessment of the company's sustainability report and ESG report?

- Excellent Good Average Poor Bad

3. What do you think of the disclosure of CENTER's environmental responsibility in the report:

- Excellent Good Average Poor Bad

4. What do you think of the disclosure of CENTER's social responsibility in the report:

- Excellent Good Average Poor Bad

5. What do you think of the disclosure of CENTER's governance responsibility in the report:

- Excellent Good Average Poor Bad

6. What is your overall assessment of the degree of information disclosed in this report?

- Excellent Good Average Poor Bad

7. Has the report provided the information you want?

- Yes No

8. What issues in this report concern you the most?

9. Do you have any suggestions for our future reports?

Please contact us as follows:

Add: No. 10 Yongchang Dongsi Road, BDA, Beijing

Post: 100176

Tel: +86 010-67856668

Email: ESG@centerint.com

Website: www.centerint.com

